

SPL-W

ANNUAL REPORT

OF

Spirit Lake East Water Company

NAME

118 N. 17th Street, PO Box 3388
Coeur d'Alene, ID 83816

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2015

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IDAHO PUBLIC UTILITIES COMMISSION

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING October 31, 2015

COMPANY INFORMATION

1 Give full name of utility SPIRIT LAKE EAST WATER CO.

2 Date of Organization 4/1/1982

3 Organized under the laws of the state of IDAHO

4 Address of Principal Office (number & street) 118 N 7TH ST

5 P.O. Box (if applicable) PO BOX 3388

6 City COEUR D' ALENE

7 State IDAHO

8 Zip Code 83816

9 Organization (proprietor, partnership, corp.) CORPORATION

10 Towns, Counties served SPIRIT LAKE EAST & TREEPORT DEVELOPMENT
KOOTENAI COUNTY & BONNER COUNTY

11 Are there any affiliated companies? (yes or no)

If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

12 Contact Information	<u>LESLIE RAYNER</u>	<u>(877) 755-9287</u>
President (Owner)		
Vice President		
Secretary		
General Manager		
Complaints or Billing	<u>JILL TURNER</u>	<u>(877) 755-9287</u>
Engineering		
Emergency Service	<u>COLE RAYNER</u>	
Accounting		<u>(877) 755-9287</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 118 N 7TH ST

City COEUR D'ALENE

State ID

Zip 83816

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: SPIRIT LAKE EAST WATER CO.

COMPANY INFORMATION (Cont.)

For the Year Ended 10/31/2015

- 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 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 | <u>1</u> |
| High Bills | <u>2</u> |
| Disconnection | <u>0</u> |
| Number of Customers involuntarily disconnected | <u>10</u> |
- 22 Number of Customers involuntarily disconnected
- 23 Date customers last received a copy of the Summary of Rules required by IDAPA 31.21.01.701? Start of Service & MAY 2015
- 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: SPIRIT LAKE EAST WATER CO.

REVENUE & EXPENSE DETAIL

For the Year Ended

10/31/2015

SUB ACCT	DESCRIPTION		
400 REVENUES			
1 460	Unmetered Water Revenue		
2 461.1	Metered Sales - Residential	\$ 153,234.00	
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)	\$ 153,234.00	
	(also enter result on Page 4, line 1)		
		Booked to Acct #	
9 *	DEQ Fees Billed separately to customers	Booked to Acct #	
10 **	Hookup or Connection Fees Collected	Booked to Acct #	
11 ***	Commission Approved Surcharges Collected		
401 OPERATING EXPENSES			
12 601.1-6	Labor - Operation & Maintenance	\$ 5,327.00	
13 601.7	Labor - Customer Accounts		
14 601.8	Labor - Administrative & General	\$ 30,670.00	
15 603	Salaries, Officers & Directors		
16 604	Employee Pensions & Benefits		
17 610	Purchased Water	\$ 557.00	
18 615-16	Purchased Power & Fuel for Power	\$ 15,859.00	
19 618	Chemicals	\$ 634.00	
20 620.1-6	Materials & Supplies - Operation & Maint.	\$ 12,535.00	
21 620.7-8	Materials & Supplies - Administrative & General		
22 631-34	Contract Services - Professional	\$ 8,832.00	
23 635	Contract Services - Water Testing	\$ 240.00	
24 636	Contract Services - Other	\$ 5,438.00	
25 641-42	Rentals - Property & Equipment	\$ 4,030.00	
26 650	Transportation Expense		
27 656-59	Insurance	\$ 2,566.00	
28 660	Advertising		
29 666	Rate Case Expense (Amortization)		
30 667	Regulatory Comm. Exp. (Other except taxes)	\$ 360.00	
31 670	Bad Debt Expense		
32 675	Miscellaneous	\$ 9,025.00	
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)	\$ 96,073.00	

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: SPIRIT LAKE EAST WATER CO.

INCOME STATEMENT

For the Year Ended

10/31/2015

SUB ACCT	DESCRIPTION		
1	Revenue (From Page 3, line 8)		\$ 153,234.00
2	Operating Expenses (From Page 3, line 33)	\$ 96,073.00	
3 403	Depreciation Expense	\$ 12,951.00	
4 406	Amortization, Utility Plant Aquisition Adj.		
5 407	Amortization Exp. - Other		
6 408.10	Regulatory Fees (PUC)		
7 408.11	Property Taxes	\$ 1,582.00	
8 408.12	Payroll Taxes	\$ 1,500.00	
9A 408.13	Other Taxes (list) DEQ Fees	\$ 1,120.00	
9B			
9C			
9D			
10 409.10	Federal Income Taxes		
11 409.11	State Income Taxes	\$ 52.00	
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)	\$ 113,278.00	
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)		\$ 39,956.00
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	\$ 31.00	
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)		\$ (31.00)
29	Gross Income (add lines 19 & 28)		\$ 39,925.00
30 427.3	Interest Exp. on Long-Term Debt		
31 427.5	Other Interest Charges		\$ 798.00
32	NET INCOME (Line 29 less lines 30 & 31), (Also Enter on Pg 9, Line 2)		\$ 39,127.00

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: SPIRIT LAKE EAST WATER CO.

ACCOUNT 101 PLANT IN SERVICE DETAIL

SUB ACCT	DESCRIPTION	Balance Beginning of Year	For the Year Ended		10/31/2015
			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	\$ 48,222.00			\$ 48,222.00
5 305	Collecting & Impounding Reservoirs	\$ 77,073.00			\$ 77,073.00
6 306	Lake, River & Other Intakes				\$ -
7 307	Wells	\$ 30,132.00			\$ 30,132.00
8 308	Infiltration Galleries & Tunnels				\$ -
9 309	Supply Mains				\$ -
10 310	Power Generation Equipment	\$ 30,500.00			\$ 30,500.00
11 311	Power Pumping Equipment	\$ 140,994.00			\$ 140,994.00
12 320	Purification Systems	\$ 796.00			\$ 796.00
13 330	Distribution Reservoirs & Standpipes	\$ 7,134.00			\$ 7,134.00
14 331	Trans. & Distrib. Mains & Accessories	\$ 519,732.00			\$ 519,732.00
15 333	Services	\$ 71,097.00			\$ 71,097.00
16 334	Meters and Meter Installations	\$ 19,685.00			\$ 19,685.00
17 335	Hydrants	\$ 5,407.00			\$ 5,407.00
18 336	Backflow Prevention Devices	\$ 5,632.00			\$ 5,632.00
19 339	Other Plant & Misc. Equipment	\$ 5,001.00			\$ 5,001.00
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	\$ 24,981.00			\$ 24,981.00
26 346	Communications Equipment	\$ 1,951.00			\$ 1,951.00
27 347	Miscellaneous Equipment	\$ 639.00			\$ 639.00
28 348	Other Tangible Property	\$ 133,763.00			\$ 133,763.00
29	TOTAL PLANT IN SERVICE	\$ 1,122,739.00	\$ -	\$ -	#####

(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: SPIRIT LAKE EAST WATER CO.

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

SUB ACCT	DESCRIPTION	Depreciation Rate %	For the Year Ended		10/31/2015
			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)		\$ 894,098.00	\$ 907,049.00	\$ 12,951.00

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

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: SPIRIT LAKE EAST WATER CO.

BALANCE SHEET

		For the Year Ended		10/31/2015
		Balance	Balance	Increase
		Beginning	End of	or
SUB ACCT	DESCRIPTION	of Year	Year	(Decrease)
1 101	Utility Plant in Service (From Pg 5, Line 29)	\$ 1,122,739.00	\$ 1,122,739.00	\$ -
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)	\$ 1,122,739.00	\$ 1,122,739.00	\$ -
7 108.1	Accumulated Depreciation (From Pg 6, Line 26)	\$ 894,098.00	\$ 907,049.00	\$ 12,951.00
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)	\$ 228,641.00	\$ 215,690.00	\$(12,951.00)
14 123	Investment in Subsidiaries			\$ -
15 125	Other Investments			\$ -
16	Total Investments (Add lines 14 & 15)	\$ -	\$ -	\$ -
17 131	Cash	\$ 2,186.00	\$ 21,174.00	\$ 18,988.00
18 135	Short Term Investments			\$ -
19 141	Accts/Notes Receivable - Customers	\$ 9,216.00	\$ 9,216.00	\$ -
20 142	Other Receivables			\$ -
21 145	Receivables from Associated Companies			\$ -
22 151	Materials & Supplies Inventory	\$ 12,291.00	\$ 12,291.00	\$ -
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)	\$ 23,693.00	\$ 42,681.00	\$ 18,988.00
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)	\$ 252,334.00	\$ 258,371.00	\$ 6,037.00

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: SPIRIT LAKE EAST WATER CO.

BALANCE SHEET

LIABILITIES & CAPITAL

		For the Year Ended		10/31/2015
		Balance	Balance	Increase
		Beginning	End of	or
SUB ACCT	DESCRIPTION	of Year	Year	(Decrease)
1	201-3 Common Stock	\$ 296,434.00	\$ 296,434.00	\$ -
2	204-6 Preferred Stock			
3	207-13 Miscellaneous Capital Accounts	\$ 396,893.00	\$ 396,893.00	\$ -
4	214 Appropriated Retained Earnings	\$ (518,519.00)	\$ (513,007.00)	\$ 5,512.00
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)	\$ 174,808.00	\$ 180,320.00	\$ 5,512.00
9	221-2 Bonds			
10	223 Advances from Associated Companies			
11	224 Other Long - Term Debt			
12	231 Accounts Payable	\$ 73,506.00	\$ 73,506.00	\$ -
13	232 Notes Payable	\$ 4,019.00	\$ 4,544.00	\$ 525.00
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)	\$ 77,525.00	\$ 78,050.00	\$ 525.00
31	TOTAL LIABILITIES & CAPITAL (Add lines 8 & 30)	\$ 252,333.00	\$ 258,370.00	\$ 6,037.00

** Only if Commission Approved

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: SPIRIT LAKE EAST WATER CO.

STATEMENT OF RETAINED EARNINGS

For the Year Ended 10/31/2015

1	Retained Earnings Balance @ Beginning of Year	\$ (518,519.00)
2	Amount Added from Current Year Income (From Pg 4, Line 32)	\$ 39,127.00
3	Other Credits to Account	_____
4	Dividends Paid or Appropriated	_____
5	Other Distributions of Retained Earnings	\$ (33,615.00)
6	Retained Earnings Balance @ End of Year	<u>\$ (513,007.00)</u>

CAPITAL STOCK DETAIL

7	Description (Class, Par Value etc.)	No. Shares	No. Shares	Dividends
		Authorized	Outstanding	Paid
	COMMON STOCK	5000	4950	

	_____			\$ -

DETAIL OF LONG-TERM DEBT

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

	<u>Totals</u>		\$ -	\$ -	\$ -

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: SPIRIT LAKE EAST WATER CO.

SYSTEM ENGINEERING DATA

For the Year Ended

10/31/2015

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)
WELL SITE	450	CHLORINE		WELL
TOTALS			0	

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)
WELL SITE	200	200	BOOSTED	CONCRETE

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

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: SPIRIT LAKE EAST WATER CO.

SYSTEM ENGINEERING DATA Continued

For the Year Ended

10/31/2015

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)
WELL SITE	100	500	600	
WELL SITE BOOSTER	10		0-45	
WELL SITE BOOSTER	10		0-45	
WELL SITE BOOSTER	25		25-45	

** 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.

55005000

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

10317800

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

n/a

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

8737298

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?

10

During which months?

NOVEMBER 2014, MARCH 2015 - OCTOBER 2015

9 How many additional customers could be served with no system improvements except a service line and meter?

58

How many of those potential additions are vacant lots?

47

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?

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: SPIRIT LAKE EAST WATER CO.

SYSTEM ENGINEERING DATA Continued

For the Year Ended

10/31/2015

FEET OF MAINS

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	10	603			603
	8	2791			2791
	6	58564			58564
	4	36944			36944
	3	4401			4401
	2	2400			2400

CUSTOMER STATISTICS

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential	301	290		
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)	301	290	0	0

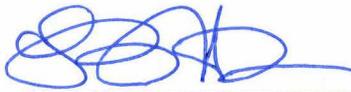
CERTIFICATE

State of Idaho)
) ss
County of)

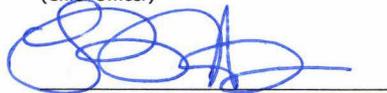
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WE, the undersigned *Leslie Raymer*
and
of the *Spirit Lake East Water Co. Inc.*

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.



(Chief Officer)



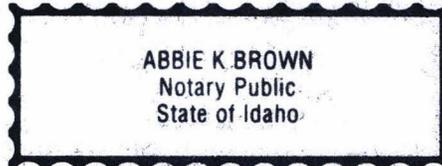
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this *8th* day of *August*, *2010*

Abbie K Brown

NOTARY PUBLIC



My Commission Expires *June 8, 2019*

gdk/excel/jnelson/anulrpts/wtrannualrpt