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IDAHO PUBLIC  
UTILITIES COMMISSION

EAG-W

**Eagle Water Company, Inc.**

**188 W. State Street, Suite 4  
Eagle, Idaho 83616**

**December 31, 2010**

**ANNUAL REPORT FOR WATER UTILITIES TO  
THE IDAHO PUBLIC UTILITIES COMMISSION  
FOR THE YEAR ENDING December 31, 2010**

**COMPANY INFORMATION**

1 Give full name of utility Eagle Water Company

2 Date of Organization 3/14/1974

3 Organized under the laws of the state of Idaho

4 Address of Principal Office (number & street) 188 W. State Street, Suite 4

5 P.O. Box (if applicable) P O Box 455

6 City Eagle

7 State Idaho

8 Zip Code 83616

9 Organization (proprietor, partnership, corp.) Corporation

10 Towns, Counties served Eagle, Ada County, Idaho

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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)	Robert V. DeShazo	939-0242
Vice President	Roland Jones	
Secretary	Toni Velie	939-0242
General Manager	Norman Revels	939-0242
Complaints or Billing	Toni Velie	939-0242
Engineering	Jim Rees, MTC Engineers	
Emergency Service	Norman Revels	939-0242
Accounting	Heather Wilde	939-0242

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 188 W. State Street, Suite 4

City Eagle

State Idaho

Zip 83616

\_\_\_\_\_

NAME: Eagle Water Company

**COMPANY INFORMATION (Cont.)**

For the Year Ended 12/31/2010

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 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 Refer to Engineering Report**

21 Number of Complaints received during year concerning:

Quality of Service	<u>7</u>	Water Pressure 2 Smelly water
High Bills	<u>11</u>	Mis-reads
Disconnection	<u>0</u>	

22 Number of Customers involuntarily disconnected 77

23 Date customers last received a copy of the Summary of Rules required by IDAPA 31.21.01.701? July 2010

**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**

NAME: Eagle Water Company

**REVENUE & EXPENSE DETAIL**

For the Year Ended 12/31/2010

ACCT #	DESCRIPTION		
<b><u>400 REVENUES</u></b>			
1	460	Unmetered Water Revenue	
2	461.1	Metered Sales - Residential	514,925.78
3	461.2	Metered Sales - Commercial, Industrial	219,303.81
4	462	Fire Protection Revenue	
5	464	Other Water Sales Revenue	15,001.25
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)	749,230.84
9	* DEQ Fees Billed separately to customers		Booked to Acct #
10	** Hookup or Connection Fees Collected	5,404.69	Booked to Acct # 271
11	***Commission Approved Surcharges Collected	137,999.67	Booked to Acct # 253
<b><u>401 OPERATING EXPENSES</u></b>			
12	601.1-6	Labor - Operation & Maintenance	55,956.87
13	601.7	Labor - Customer Accounts	115,917.20
14	601.8	Labor - Administrative & General	8,361.18
15	603	Salaries, Officers & Directors	51,540.00
16	604	Employee Pensions & Benefits	39,463.71
17	610	Purchased Water	
18	615-16	Purchased Power & Fuel for Power	125,661.90
19	618	Chemicals	
20	620.1-6	Materials & Supplies - Operation & Maint.	(21,287.51)
21	620.7-8	Materials & Supplies - Administrative & General	34,378.44
22	631-34	Contract Services - Professional	7,274.87
23	635	Contract Services - Water Testing	
24	636	Contract Services - Other	
25	641-42	Rentals - Property & Equipment	20,944.08
26	650	Transportation Expense	6,757.57
27	656-59	Insurance	45,051.02
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	5,919.91
33	<b>Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)</b>		<b>495,939.24</b>

Name: Eagle Water company

**INCOME STATEMENT**

For Year Ended 12/31/2010

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>749,230.84</u>
2	Operating Expenses (From Page 3, line 33)	<u>495,939.24</u>	
3	403 Depreciation Expense	<u>48,840.35</u>	
4	406 Amortization, Utility Plant Aquisition Adj.		
5	407 Amortization Exp. - Other		
6	408.10 Regulatory Fees (PUC)	<u>1,833.84</u>	
7	408.11 Property Taxes	<u>11,435.74</u>	
8	408.12 Payroll Taxes	<u>42,305.47</u>	
9A	408.13 Other Taxes (list)	<u>177.23</u>	
9B	Franchise Fees	<u>5,570.80</u>	
9C	DEQ Fees	<u>10,988.00</u>	
9D	Other fees & licenses	<u>185.00</u>	
10	409.10 Federal Income Taxes		
11	409.11 State Income Taxes	<u>20.00</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>617,295.67</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>131,935.17</u>
20	415 Revenues, Merchandizing Jobbing and Contract Work	<u>102,284.30</u>	
21	416 Expenses, Merchandizing, Jobbing & Contracts	<u>287,003.43</u>	
22	419 Interest & Dividend Income	<u>32.49</u>	
23	420 Allowance for Funds used During Construction		
24	421 Miscellaneous Non-Utility Income	<u>1,052.15</u>	
25	426 Miscellaneous Non-Utility Expense	<u>-</u>	
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>(183,634.49)</u>
29	Gross Income (add lines 19 & 28)		<u>(51,699.32)</u>
30	427.3 Interest Exp. on Long-Term Debt		<u>17,295.28</u>
31	427.5 Other Interest Charges		<u>14,523.66</u>
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)		<u>(83,518.26)</u>

Name: Eagle Water Company

**ACCOUNT 101 PLANT IN SERVICE DETAIL**  
For Year Ended 12/31/2010

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization	13,857			13,857
2 302	Franchises and Consents				-
3 303	Land & Land Rights	19,100	124,094		143,194
4 304	Structures and Improvements	15,200			15,200
5 305	Collecting & Impounding Reservoirs				-
6 306	Lake, River & Other Intakes				-
7 307	Wells	965,879	132,003		1,097,882
8 308	Infiltration Galleries & Tunnels				-
9 309	Supply Mains	12,882	6,397		19,279
10 310	Power Generation Equipment	20,236			20,236
11 311	Power Pumping Equipment	249,323			249,323
12 320	Purification Systems				-
13 330	Distribution Reservoirs & Standpipes	48,015			48,015
14 331	Trans. & Distrib. Mains & Accessories	967,151			967,151
15 333	Services				-
16 334	Meters and Meter Installations	278,547	-		278,547
17 335	Hydrants	4,200			4,200
18 336	Backflow Prevention Devices				-
19 339	Other Plant & Misc. Equipment				-
20 340	Office Furniture and Equipment	15,296	955		16,251
21 341	Transportation Equipment	34,464			34,464
22 342	Stores Equipment				-
23 343	Tools, Shop and Garage Equipment	14,386			14,386
24 344	Laboratory Equipment				-
25 345	Power Operated Equipment				-
26 346	Communications Equipment				-
27 347	Miscellaneous Equipment	2,291			2,291
28 348	Other Tangible Property				-
29	<b>TOTAL PLANT IN SERVICE</b>	<b>2,660,827</b>	<b>263,449</b>	<b>-</b>	<b>2,924,276</b>

(Add lines 1 - 28)

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

**ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL**

For Year Ended 12/31/2010

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements		9,803	9,803	-
2 305	Collecting & Impounding Reservoirs				-
3 306	Lake, River & Other Intakes				-
4 307	Wells		174,812	195,469	20,657
5 308	Infiltration Galleries & Tunnels				-
6 309	Supply Mains		3,993	4,251	258
7 310	Power Generation Equipment		20,236	20,236	-
8 311	Power Pumping Equipment		121,673	132,478	10,805
9 320	Purification Systems				-
10 330	Distribution Reservoirs & Standpipes		48,015	48,015	-
11 331	Trans. & Distrib. Mains & Accessories		203,227	213,829	10,602
12 333	Services				-
13 334	Meters and Meter Installations		47,220	52,751	5,530
14 335	Hydrants		1,080	1,114	34
15 336	Backflow Prevention Devices				-
16 339	Other Plant & Misc. Equipment				-
17 340	Office Furniture and Equipment		15,296	15,392	95
18 341	Transportation Equipment		31,462	32,320	858
19 342	Stores Equipment				-
20 343	Tools, Shop and Garage Equipment		13,822	13,822	-
21 344	Laboratory Equipment				-
22 345	Power Operated Equipment				-
23 346	Communications Equipment				-
24 347	Miscellaneous Equipment		2,291	2,291	-
25 348	Other Tangible Property				-
26	TOTALS (Add Lines 1 - 25)		692,930	741,771	48,840

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

Name: Eagle Water Company

**BALANCE SHEET**

For Year Ended 12/31/2010

<b>ASSETS</b>			Balance	Balance	Increase
ACCT #	DESCRIPTION		Beginning of Year	End of Year	or (Decrease)
1	101	Utility Plant in Service (From Pg 5, Line 29)	2,660,827	2,924,276	263,449
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)	2,660,827	2,924,276	263,449
7	108.1	Accumulated Depreciation (From Pg 6, Line 26)	692,930	741,771	48,840
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)	1,967,897	2,182,506	214,609
14	123	Investment in Subsidiaries			-
15	125	Other Investments			-
16		Total Investments (Add lines 14 & 15)			-
17	131	Cash	116,643	249,917	133,274
18	135	Short Term Investments			-
19	141	Accts/Notes Receivable - Customers	30,018	18,312	(11,706)
20	142	Other Receivables	821	567	(254)
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)	147,482	268,796	121,314
27	181	Unamortized Debt Discount & Expense			-
28	183	Preliminary Survey & Investigation Charges			-
29	184	Deferred Rate Case Expenses			-
30	186	Other Deferred Charges	444,939	1,314,184	869,245
		A/R Construct'n			
31		<b>Total Assets (Add lines 13, 16 &amp; 26 - 30)</b>	<b>2,560,318</b>	<b>3,765,485</b>	<b>1,205,168</b>

Name: Eagle Water Company

**BALANCE SHEET**

For Year Ended 12/31/2010

<u>LIABILITIES &amp; CAPITAL</u>		Balance	Balance	Increase
ACCT #	DESCRIPTION	Beginning of Year	End of Year	or (Decrease)
1	201-3 Common Stock	20,000	20,000	-
2	204-6 Preferred Stock			-
3	207-13 Miscellaneous Capital Accounts	63,702	63,702	-
4	214 Appropriated Retained Earnings			-
5	215 Unappropriated Retained Earnings	(1,049,167)	(1,132,797)	(83,630)
6	216 Reacquired Capital Stock			-
7	218 Proprietary Capital			-
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	(965,465)	(1,049,095)	(83,630)
9	221-2 Bonds			-
10	223 Advances from Associated Companies			-
11	224 Other Long - Term Debt	-	371,067	371,067
12	231 Accounts Payable	290,912	371,910	80,998
13	232 Notes Payable	25,291	25,291	0
14	233 Accounts Payable - Associated Companies			-
15	235 Customer Deposits (Refundable)			-
16	236.11 Accrued Other Taxes Payable	13,990	17,453	3,463
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	1,189	(182)	(1,371)
21	251 Unamortized Debt Premium			-
22	252 Advances for Construction	-	-	-
23	253 Other Deferred Liabilities	423,973	1,046,460	622,487
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	2,977,177	2,982,581	5,405
28	272 Accum. Amort. of Contrib. in Aid of Const. **			-
29	281-3 Accumulated Deferred Income Taxes			-
30	Total Liabilities (Add lines 9 - 29)	3,732,532	4,814,580	1,082,049
31	<b>TOTAL LIAB &amp; CAPITAL ( Add lines 8 &amp; 30)</b>	<b>2,767,067</b>	<b>3,765,485</b>	<b>998,418</b>

\*\* Only if Commission Approved

Name: Eagle Water Company

**STATEMENT OF RETAINED EARNINGS**  
 For Year Ended 12/31/2010

1	Retained Earnings Balance @ Beginning of Year	<u>(1,049,166.52)</u>
2	Amount Added from Current Year Income (From Pg 4, Line 32)	<u>(83,518.26)</u>
3	Other Credits to Account	<u>(112.65)</u>
4	Dividends Paid or Appropriated	<u>                    </u>
5	Other Distributions of Retained Earnings	<u>                    </u>
6	Retained Earnings Balance @ End of Year	<u><u>(1,132,797.43)</u></u>

**CAPITAL STOCK DETAIL**

7	Description (Class, Par Value etc.)	No. Shares Authorized	No. Shares Outstanding	Dividends Paid
	Common	20,000	20,000	-0-

**DETAIL OF LONG-TERM DEBT**

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

Name: Eagle Water Company

**SYSTEM ENGINEERING DATA**

For Year Ended 12/31/2010

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	600 gpm	none		well
# 2	400 gpm	none		well
# 3	400 gpm	none		well
# 4	variable to 2,500	none		well
# 6	variable to 2,500	none		well
#7	variable to 1345	none		well

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)
W/H #2	90,000	90,000	Boosted	Concrete

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

Name: Eagle Water Company

**SYSTEM ENGINEERING DATA  
(continued)**

For Year Ended 12/31/2010

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
W/H # 1 Sub. Berkley	50	600		
W/H # 2 Sub. Berkley	20	400		
W/H # 3 Sub. Berkley	20	400		
W/H # 4 Layne & Bowler	variable 300	up to 2,500		
W/H # 6 Layne & Bowler	variable 250	up to 2,500		
W/H # 2 Pacific	25	450		
W/H # 2 Pacific	15	220		
W/H # 2 Pacific	25	450		
WH # 7 American Marsh	variable 200	up to 1,345		

**\*\* 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?         |         | <u>797,334,000 ga</u> |
| What was the total amount pumped during peak month? | July    | <u>153,077,000 ga</u> |
| What was the total amount pumped on the peak day?   | July 18 | <u>5,764,000 gal</u>  |
- 6 If customers are metered, what was the total amount sold in peak month? 98,952,743
- 7 Was your system designed to supply fire flows? yes  
**If Yes:** What is current system rating? 3
- 8 How many times were meters read this year? 12  
 During which months? January through December
- 9 How many additional customers could be served with no system improvements except a service line and meter? 70-80  
 How many of those potential additions are vacant lots? 70-80
- 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? 5 - 6 years?

Name: Eagle Water Company

**SYSTEM ENGINEERING DATA**

(continued)

For Year Ended 12/31/2010

**FEET OF MAINS**

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	1 1/2"	13,410	0	-0-	13,410
	2"	2,501	0	-0-	2,501
	4"	9,654	0	-0-	9,654
	6"	43,356	340	-0-	43,696
	8"	133,864	440	-0-	134,304
	10"	20	0	-0-	20
	12"	79,092	460	-0-	79,552

**CUSTOMER STATISTICS**

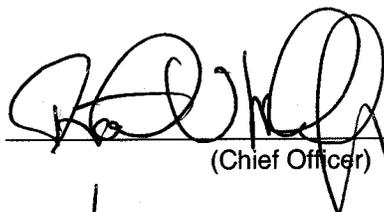
		Number of Customers		Thousands of Gallons Sold	
		This Year	Last Year	This Year	Last Year
2	Metered:				
2A	Residential	2947	2825	497,024,153	539,983,868
2B	Commercial	441	496	219,431,468	224,183,325
2C	Industrial				
3	Flat Rate:				
3A	Residential	0	0		
3B	Commercial	1	1		
3C	Industrial	0	0		
4	Private Fire Protection				
5	Public Fire Protection				
6	Street Sprinkling				
7	Municipal, Other				
8	Other Water Utilities				
TOTALS (Add lines 2 through 8)		3389	3322	716,455,621	764,167,193

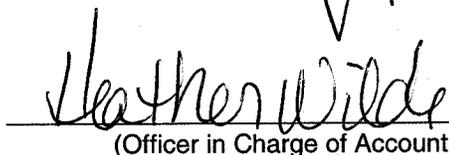
# CERTIFICATE

State of Idaho )  
 ) ss  
County of Ada )

WE, the undersigned \_\_\_\_\_ **Robert V. DeShazo**  
and \_\_\_\_\_ **Heather Wilde**  
of the \_\_\_\_\_ **Eagle 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.

  
\_\_\_\_\_  
(Chief Officer)

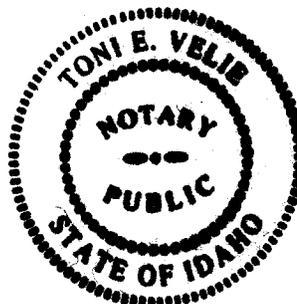
  
\_\_\_\_\_  
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 10<sup>th</sup> day of March, 2011

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires 4/2/2016



gdk/excel/jnelson/anulrpts/wtrannualrpt