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AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

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May 13, 2009

Data Center
Missouri Public Service Commission
200 Madison Street, Suite 100
Jefferson City, MO 65101

FILED

MAY 18 2009

**Missouri Public
Service Commission**

RE: Tri-States Utility, Inc. Annual Report

In accordance with the approved request for a 30-day extension of time, Tri-States Utility, Inc. ("Tri-States") respectfully submits its 2008 Missouri Public Service Commission Annual Report.

Tri-States is submitting two versions of its Annual Report. One version is a fully completed confidential non-public version to be kept under seal. The other version is a non-proprietary public version.

Questions regarding the confidential portion of the annual report should be directed to:

Terry L. McCullough
820 E. Primrose
Springfield, MO 65807
(417) 883-1212
TerryM@mca-cap.net

Sincerely,

Terry L. McCullough

Enclosures

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

Annual Report of Tri-States Utility, Inc.)
For the Year Ended December 31, 2008,)
Filed Pursuant to 4 CSR 240-3.640.)

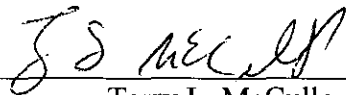
AFFIDAVIT OF TERRY L. MCCULLOUGH

STATE OF MISSOURI)
)
COUNTY OF GREENE)

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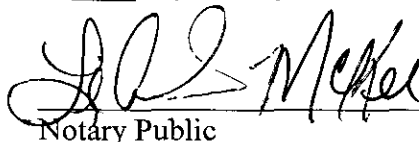
Terry L. McCullough, being first duly sworn on his oath, states:

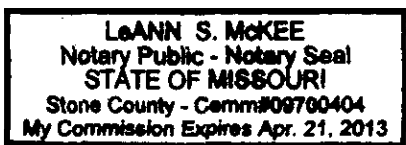
1. My name is Terry L. McCullough, and I am the corporate secretary of Tri-States Utility, Inc., authorized to make this Affidavit on its behalf.
2. Tri-States Utility, Inc. is submitting its Annual Report for the year ended December 31, 2008, in both a fully completed version and redacted public version that does not contain information submitted under seal.
3. Tri-States Utility, Inc. submits the following highly confidential information to be kept under seal: Page 7, "Payroll Information." This information redacted from the public version of the attached annual report should be afforded confidential treatment because it contains current salary information; the disclosure of such sensitive information could cause damage to Tri-States' financial and business operations. This current data regarding Tri-States' employees is not public information and is not publicly available in any format.
4. I have knowledge of the matters set forth herein. I hereby swear and affirm that the information provided herein is true and accurate to the best of my knowledge, information and belief.



Terry L. McCullough

Subscribed and sworn to before me this 14th day of May, 2009.


Notary Public



My Commission Expires: 4/21/13

TRI-STATES UTILITY, INC.

Company Full Certificated Name (Do not abbreviate and include any Commission approved AKA/DBA/Fictitious Name, if applicable.)

Parent Company Name (if applicable; Do not abbreviate.)

WATER and/or SEWER ANNUAL REPORT

SMALL COMPANY

TO THE

MISSOURI PUBLIC SERVICE COMMISSION

For the Calendar Year of
January 1 - December 31, 2008

Please select how the company is certificated with the Commission under the Company Name as shown above (check all that apply):

☒ Water Service Provider

☐ Sewer Service Provider

Please choose one of the following filing options:

☒ **Public Submission** (NOT Highly Confidential)

☐ **Non-Public Submission** (Highly Confidential / Filed Under Seal)
For this filing to be considered Highly Confidential, additional submission of materials is required pursuant to Commission rule 4 CSR 240-3.335 and/or 4 CSR 240-3.640, Section 392.210, RSMo., and/or Section 393.140, RSMo.

NP

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For the calendar year of January 1 - December 31, 2008

2 Company Name: TRI-STATES UTILITY, INC.

Parent Company Name:
(if applicable)

3 Company Street Address: 2580 STATE HWY 165, BRANSON, MO 65616

4 Company Mailing Address: 2580 STATE HWY 165, BRANSON, MO 65616

5 Company Phone Number: 417-334-4189

Company E-mail

Address: ellen@tri-lakes.net

Is the utility certificated to provide **water** service in Missouri? If yes, state effective date (contained in Commission Order approving) of certification by the MO Public Service Commission and associated case number (original certificate or merger/name change if name on tariff effected):

6 Effective Date (e.g. 00/00/0000) 03/01/1980

Case No. WR80-196

Is the utility certificated to provide **sewer** service in Missouri? If yes, state effective date (contained in Commission Order approving) of certification by the MO Public Service Commission and associated case number (original certificate or merger/name change if name on tariff effected):

7 Effective Date (e.g. 00/00/0000) N/A

Case No. N/A

Name, address, phone number and e-mail of person(s) to contact concerning information contained in this report:

8 TERRY L MCCULLOUGH

Name

ELLEN RANDLEMAN

Name

9 Mailing Address

Mailing Address

9a 820 E PRIMROSE ST
Street Address2580 STATE HWY 165
Street Address10 SPRINGFIELD MO 65807
City State ZipBRANSON MO 65616
City State Zip11 417-883-1212
Telephone Number417-334-4189
Telephone Number12 TerryM@mca-cpa.net
E-mail Addressellen@tri-lakes.net
E-mail Address

Name, address, phone number and e-mail of person(s) to contact concerning plant operations:

13 ROGER MULLIS
NameELLEN RANDLEMAN
Name

14 Mailing Address

Mailing Address

14a 2580 STATE HWY 165
Street Address2580 STATE HWY 165
Street Address15 BRANSON MO 65616
City State ZipBRANSON MO 65616
City State Zip16 417-334-4189
Telephone Number417-334-4189
Telephone Number17 records@tri-lakes.net
E-mail Addressellen@tri-lakes.net
E-mail Address

2 Company Name: TRI-STATES UTILITY, INC.**CAPITAL STOCK (COMMON AND DEFERRED)**

Class and Series of Stock (a)	Number of Shares Authorized (b)	Par or Stated Value Per Share (c)	Number of Shares Issued (d)
3 COMMON STOCK	30,000.00	\$1.00	30,000
4	0.00		0
5	0.00		0
6	0.00		0
7	0.00		0

SECURITY HOLDERS AND VOTING POWERS

Report below the NAMES and ADDRESS of the ten stockholders who, at the end of the year, had the greatest voting powers in the responder AND STATE THE NUMBER OF VOTES each would have had a right to cast on that date. If any such holder held in trust, give the nature of trust and the beneficial owner. Show also total votes of ALL securities with voting powers.

Names and Addresses (a)	Number of Votes (b)
8 Harold I. Epps 105 Black Oak Dr. Branson MO 65616	10,000
9 J & J Equities LLC 3512 SW Fairlawn Road Suite 400 Topeka KS 66614	10,000
10 McB Investments LLC 3512 SW Fairlawn Road Suite 400 Topeka KS 66614	10,000
11	0
12	0
13	0
14	0
15	0

16 Total Number of Votes Held by Above 30,000

17 Total Number of Votes of all Securities with Voting Powers _____

Identify the principal or general officers of the company at the end of the year. Please include an additional sheet, if enough space is no provided on this page, to completely provide the requested information.

Title of General Officer	Name of Person Holding Office
18 President	John E Brown
19 Secretary	Terry L McCullough
20	
21	
22	
23	

Please provide the total company and gross intrastate operating revenues (i.e. Missouri Jurisdictional) Revenues for the Calendar Year: 2008

Revenues:	Total Company	MO Jurisdictional
18 Operating Revenues from Tariffed Services	\$945,712.68	\$945,712.68
19 Other Revenues	\$16,073.63	\$16,073.63
20 TOTAL REVENUES	\$961,786.31	\$961,786.31

Operating revenues from MO Jurisdictional should match Statement of Revenue (MoPSC Assessment) of Revenue (MoPSC Assessment).

Please check all of the following for which the company has filed or is current:

- 21 ☐ Secretary of State Requirements ☐ Federal Tax Return
- 22 ☐ Department of Natural Resources Permits ☐ State Tax Return

Please list your most recent rate increase request Case No. and effective date.

23 Case No.: WR-2009-0058 Effective Date: SEPT 29, 2008

1

For the calendar year of January 1 - December 31, 2008

2 Company Name: TRI-STATES UTILITY, INC.

Describe MAJOR transactions occurring during the year which will have a major effect on operations, such as rate changes, replacement of equipment and other abnormal cash expenditures of \$250 or more.

3 THE ABOVE ENTITY PURCHASED THE FOLLOWING EQUIPMENT IN 2008:

4 CIRCUIT BREAKER FOR WELL LIGHTING 6/21/08 \$1,793

5 PRESSURE SENSOR 5/28/08 \$1,044

6 VACCUUM REGULATOR 10/14/08 \$1,007

7 DIGITAL DUAL SCALES 12/12/08 \$1,810

IMPROVEMENTS ON SAFARI ROAD 11/2/08 \$777

8

9 NEW LINE PARTS 7/31/08 \$3,325

10 ENGINEERING FEES SEP, OCT, NOV 2008 \$27,274

11 NEW LINE PARTS JAN-JUNE 2008 \$42,877

12 3 TONS CLEAN ROCK JULY 2008 \$726

MAIN SERVICE 8/1/08 \$928

13 NEW LINE PARTS 8/6/08 \$331

SURVEY 12/11/08 \$1430

14

WATER METER 8/6/08 \$427

15

16 OFFICE REMODEL 12/19/08 \$5,116

17

18 OFFICE EQUIPMENT 12/22/08 \$4,500

19

20 NEW FENCING 12/22/08 \$13,070

21

22 08 FORD F-150 9/16/08 \$17,301

23

24 08 FORD F-150 9/16/08 \$21,943

WORKIZER LIGHT BAR FOR TRUCK 4/15/08 \$508

25 EQUIPMENT FOR TRUCKS 10/16/08 \$6,760

26

CUTQUICK SAW 1/8/08 \$878

27

28 PORTABLE 12 V-DC PUMP 1/1/08 \$782

29

30 PRINTER & BILLING MODULE 9/22/08 \$2,275

31

32

33

34

35

36

1

For the calendar year of January 1 - December 31, 20082 Company Name: TRI-STATES UTILITY, INC.

BALANCE SHEET
WATER AND SEWER OPERATIONS
ASSETS

	Account Description (a)	Amount (b)
3	Water Plant In Service (From Pg. W-5)	\$2,700,094.00
4	LESS: Water Depreciation Reserve (From Pg. W-6)	\$813,451.00
5	Net Water Plant in Service (ie., Water Plant In Service MINUS Water Depreciation Reserve)	\$1,886,643.00
6	Water Materials and Supplies (From Pg. 11)	\$45,581.00
7	Water Construction Work in Progress	\$0.00
8	Water Plant Held for Future Use *	\$0.00
9	Water Plant Acquisition Adjustment	\$0.00
10	Sewer Plant in Service (From Pg. S-4)	\$0.00
11	LESS: Sewer Depreciation Reserve (From Pg. S-5)	\$0.00
12	Net Sewer Plant in Service (ie., Sewer Plant in Service MINUS Sewer Depreciation Reserve)	\$0.00
13	Sewer Materials and Supplies (From Pg. 11)	\$0.00
14	Sewer Construction Work in Progress	\$0.00
15	Sewer Plant Held for Future Use *	\$0.00
16	Sewer Plant Acquisition Adjustment	\$0.00
17	Other Plant *	\$0.00
18	Cash	\$80,243.00
19	Other Assets (Accounts Receivable, etc.) *	\$239,841.00
20	Total Assets**	\$2,252,308.00

* Please attach a detailed explanation for these items.

** Total Assets should balance with Total Equity and Liabilities on Page 5 (see instructions).

2 Company Name: TRI-STATES UTILITY, INC.

BALANCE SHEET
WATER AND SEWER OPERATIONS
EQUITY AND LIABILITIES

Account Description (a)	Amount (b)
3 Capital Stock	\$30,000.00
4 Retained Earnings	\$7,887.00
5 Long-Term Debt to Affiliates (owners, other owner controlled companies, etc.)	\$0.00
6 Short-Term Debt to Affiliates (owners, other owner controlled companies, etc.)	\$0.00
7 Long-Term Debt (banks, etc.)	\$1,943,011.00
8 Short-Term Debt (banks, etc.)	\$97,830.00
9 Water Customer Deposits	\$19,282.00
10 Water Advances for Construction	\$0.00
11 Water CIAC (From Pg. 9)	\$0.00
12 LESS: Water Amortization of CIAC (From Pg. 9)	\$0.00
13 Net Water CIAC (ie., Water CIAC MINUS Water Amortization of CIAC)	\$ 0.00
14 Sewer Customer Deposits	\$0.00
15 Sewer Advances for Construction	\$0.00
16 Sewer CIAC (From Pg. 9)	\$0.00
17 LESS: Sewer Amortization of CIAC (From Pg. 9)	\$0.00
18 Net Sewer CIAC (ie., Sewer CIAC MINUS Sewer Amortization of CIAC)	\$ 0.00
19 Deferred Taxes - ITC	\$0.00
20 Deferred Taxes - Other *	\$0.00
21 Other Liabilities (Accounts Payable, etc.) *	\$154,298.00
22 Total Equity and Liabilities**	\$ 2,252,308

* Please attach a detailed explanation for these items.

** Total Equity and Liabilities should balance with Total Assets on Page 4 (see instructions).

TRI-STATES UTILITY, INC.
WATER AND SEWER ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

DETAILED EXPLANATION FOR PAGE 4

OTHER ASSETS:	\$	82,132.00	Due from B&E II LLC/Pzazz
		93,541.00	Due from Brown & Epps LLC
		50,438.00	Accounts Receivable
		4,530.00	Amortized Loan Costs
		1,000.00	Deposit - Down Payment
		200.00	Deposit - Surety Bond
		8,000.00	Deposit - Rent
	\$	<u>239,841.00</u>	

DETAILED EXPLANATION FOR PAGE 5

OTHER LIABILITIES:	\$	530.00	Accrued SWH Payable
		218.00	Accrued Unemployment Payable
		1,650.00	Accrued Sales Tax Payable
		9,749.00	Interest Accrued
		852.00	Primacy Fee Payable
		6,535.00	Accrued Salaries
		63,129.00	Accounts Payable
		22,635.00	Due to Advantage Credit Card
		49,000.00	Additional Paid In Capital
	\$	<u>154,298.00</u>	

2 Company Name: TRI-STATES UTILITY, INC.

SCHEDULE OF UNCOLLECTIBLE ACCOUNTS

Account No. (a)	Describe customer account and methods used to attempt collection. Also, state why account is deemed uncollectible (bankruptcy, etc.) (b)	Amount Written Off	
		Water Utility (c)	Sewer Utility (d)
3	ALL CHARGES AND FEES ADJUSTED OFF 2008 BOOKS AS		
4	UNCOLLECTIBLE.		
5			
6	1ST QUARTER	\$1,561.90	
7	2ND QUARTER	\$1,496.83	
8	3RD QUARTER	\$2,280.01	
9	4TH QUARTER (FEES INCLUDED)	\$2,338.46	
10	WRITE OFF BAD DEBT FROM TONY ZUROLLO	\$100,000.00	
11	ONCE CUSTOMER DISCONNECTS SERVICE AND FINAL BILL		
12	RENDERED IF CUSTOMER REFUSES TO HONOR OBLIGATION		
13	OF FINAL PAYMENT, BALANCE IS CARRIED FOR 3 BILLING CYCLES		
14	THEN BALANCE IS ADJUSTED OFF.		
15			
16	CUSTOMERS WHO ARE DISCONNECTED FOR NON-PAYMENT ARE		
17	RENDERED A FINAL BILL TO THE LAST KNOWN ADDRESS ON FILE		
18	ONCE CARRIED FOR 3 BILLING CYCLES BEFORE ADJUSTED OFF AS		
19	UNCOLLECTIBLE		
20			
21	COLLECTIONS ARE MADE BY EITHER:		
22	1. CUSTOMER RETURNS TO THE SYSTEM		
23	2. UNCOLLECTED BILLS ARE SENT TO COLLECTION COMPANY		
24			
25	COMPANY RARELY FILES AS CREDITOR IN ANY BANKRUPTCY		
26	PROCEEDINGS		
27			
28			
29			
30			
31	Total	\$ 107,677.20 (Total to Pg. W-1)	\$ 0.00 (Total to Pg. S-1)

PAYROLL INFORMATION

INSTRUCTIONS: Please provide names, titles and salaries for all officers and employees. Show total compensation paid to each during the year. Include all amounts including bonuses and other allowances. Enter "0" or none where applicable. Provide explanations where necessary. Use additional sheets if necessary.

	Name and Title (a)	Payroll Charged To:			
		Total Utility Compensation (b)	Water Expense (c)	Sewer Expense (d)	Capitalized Payroll (e)
3	Braun, Sherry R. - Spec Proj Clerk	***	***	\$ 0.00	\$ 0.00
4	Cagle, Chris C. - Outside Plant	***	***	\$ 0.00	\$ 0.00
5	Clytus, Brian A. - Outside Plant	***	***	\$ 0.00	\$ 0.00
6	Dixon, Myron E. - Outside Plant	***	***	\$ 0.00	\$ 0.00
7	Epps, Sharon R. - Clerical	***	***	\$ 0.00	\$ 0.00
8	Garceau, Cecelia M. - A/R Clerk	***	***	\$ 0.00	\$ 0.00
9	Garceau, Kenneth W. - Outside Plant	***	***	\$ 0.00	\$ 0.00
10	Kaul, Kristen R. - A/P Clerk	***	***	\$ 0.00	\$ 0.00
11	Kleeba, Jacob - Outside Plant	***	***	\$ 0.00	\$ 0.00
12	Plaskie, Michael R. - Outside Plant	***	***	\$ 0.00	\$ 0.00
13	Mullis, Roger A. - O/P Supervisor	***	***	\$ 0.00	\$ 0.00
14	Randleman, Ellen M. - Office Manager	***	***	\$ 0.00	\$ 0.00
15	Redding, Kristopher J. - Outside Plant	***	***	\$ 0.00	\$ 0.00
16					
17					
18					
19	Total	\$	\$	\$ 0.00	\$ 0.00
			(Total to Page W-1)	(Total to Page S-1)	

1
2 Company Name:

TRI-STATES UTILITY, INC.

For the calendar year of January 1 - December 31, 2008

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

INSTRUCTIONS: Report below all information concerning rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, public relations, or other similar professional services rendered the respondent under written or verbal arrangements, for which total payments during the year to any corporation, partnership, individual (other than for services as an employee) or organization of any kind whatsoever. Use additional sheets if necessary.

1
2 Company Name: **TRI-STATES UTILITY, INC.**

For the calendar year of January 1 - December 31, 2008

	Name of Recipient and Description of Service (a)	Amount of Payments:			
		Water		Sewer	
		Expensed (b)	Capitalized (c)	Expensed (d)	Capitalized (e)
3	SCOTT CONSULTING	\$ 6,224.56	\$ 0.00	\$ 0.00	\$ 0.00
4	SIMMONS ENGINEERING	\$ 7,763.50	\$ 0.00	\$ 0.00	\$ 0.00
5	MCCULLOUGH AND ASSOCIATES LLC	\$ 80,610.22	\$ 0.00	\$ 0.00	\$ 0.00
6	WOLFE SURVEYING, INC	\$ 567.50	\$ 0.00	\$ 0.00	\$ 0.00
7	FISHER & DORITY (ATTORNEY)	\$ 15,256.95	\$ 0.00	\$ 0.00	\$ 0.00
8	SCHMIDT, KIRBY & SULLIVAN (ATTORNEY)	\$ 572.88	\$ 0.00	\$ 0.00	\$ 0.00
9	LOWTHER JOHNSON (ATTORNEY)	\$ 267.00	\$ 0.00	\$ 0.00	\$ 0.00
10	INTEDATA - SOFTEPAY SOFTWARE	\$ 1,380.00	\$ 0.00	\$ 0.00	\$ 0.00
11	J & J EQUITIES LLC	\$ 2,093.75	\$ 0.00	\$ 0.00	\$ 0.00
12	COMMERICAL COMPANIES	\$ 1,500.00	\$ 0.00	\$ 0.00	\$ 0.00
13	PENMAC PERSONNEL SERVICES, INC	\$ 15,997.50	\$ 0.00	\$ 0.00	\$ 0.00
14	HACH COMPANY	\$ 289.00	\$ 0.00	\$ 0.00	\$ 0.00
15	ALLMAN, INGRUM & WILSON, P.C.	\$ 150.00	\$ 0.00	\$ 0.00	\$ 0.00
16	TOM KELLEY	\$ 18,812.50	\$ 0.00	\$ 0.00	\$ 0.00
17					
18					
19	Total	\$ 151,485.36	\$ 0.00	\$ 0.00	\$ 0.00
		(Total to Page W-1)		(Total to Page S-1)	

2 Company Name: TRI-STATES UTILITY, INC.**CONTRIBUTIONS IN AID OF CONSTRUCTION**

INSTRUCTIONS: This account shall include donations or contributions in cash, services, or property for construction purposes. The records supporting the entries to this account shall be so kept that the utility can furnish information as to the purpose of each donation, the conditions, if any, upon which it was made, the amount of each donation, and the amount applicable to each utility department. The credits (deductions) to this account shall not be transferred to any other account without the approval of the Commission.

	(a)	Water (b)	Sewer (c)
3	Balance at First of Year		
4	PLUS: Additions During the Year (Please provide a detailed explanation.)		
5			
6			
7			
8			
9			
10	Total Additions	\$	\$
11	LESS: Deductions During the Year (Please provide a detailed explanation.)		
12			
13			
14			
15			
16	Total Deductions	\$	\$
17	Balance at End of Year	\$	\$
		(Total to Pg. 5)	(Total to Pg. 5)

AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION

(Please identify as Account Number 271A)

	(a)	Water (b)	Sewer (c)
18	Balance at First of Year (Total of Amortization not Total of CIAC line 3)		
19	Total Contributions in Aid at End of Year (see above)		
20	Total Plant in Service at End of Year (From Page W-5 or S-4)	2,700,094	\$ 0.00
21	Percentage Contributions to Plant	%	%
22	Total Depreciation Expense (From Page W-6 or S-5)	\$ 137,008.00	\$ 0.00
23	Total Amortization of Contributions	\$	\$
24	Balance at End of Year	\$	\$
		(Total to Pg. 5)	(Total to Pg. 5)

INTEREST EXPENSE, NOTES PAYABLE, BONDS, BANK LOANS AND OTHER DEBTS

INSTRUCTIONS: Please report information for each separate item of debt. Show principal amount to which each interest rate applies. Include all items on which interest was paid during the year. Use additional sheets if necessary.

2 Company Name: TRI-STATES UTILITY, INC.

1 For the calendar year of January 1 - December 31, 2008

	Description of Obligation (Include Name and Address of Each Lender) (a)	Date of Maturity (b)	Loan Amount (c)	Interest Rate (d)	Paid (e)	Interest Charged To:	
						Water Utility (f)	Sewer Utility (g)
3	GREAT SOUTHERN BANK (LINE OF CREDIT)	04/01/2009	1,272,286.08	4 - 7	\$ 67,135.44	\$ 67,135.44	
4	1451 E BATTLEFIELD, SPRINGFIELD MO 65804						
5	FORD MOTOR CREDIT - 03 FORD EXPLORER	PAID OFF			\$ 246.34	\$ 246.34	
6	FORD MOTOR CREDIT - 05 LINCOLN	PAID OFF			\$ 1,037.34	\$ 1,037.34	
7	FORD MOTOR CREDIT - 06 FORD F-250	07/24/2011	\$ 10,847.01	9.95	\$ 1,242.19	\$ 1,242.19	
8	1ST SECURITY-OLD NATIONAL BANK	12/31/2014	\$ 723,657.99	8.75	\$ 67,218.89	\$ 67,218.89	
9	521 PRESIDENT CLINTON AVE SUITE 800						
10	LITTLE ROCK, AR 72201						
11	REGIONS BANK	PAID OFF			\$ 1,616.10	\$ 1,616.10	
12	POINTE ROYALE						
13	159 POINTE ROYALE DR						
14	FORD MOTOR CREDIT-08 FORD F-150	09/30/2012	\$ 14,416.87	8.99	\$ 523.87	\$ 523.87	
15	FORD MOTOR CREDIT-08 FORD F-150	09/30/2012	\$ 19,633.60	8.99	\$ 384.68	\$ 384.68	
16							
17							
18							
19							
20							
21	Total				\$ 139,404.85	\$ 139,404.85	\$
						(Total to Pg. W-1)	(Total to Pg. S-1)

1

For the calendar year of January 1 - December 31, 2008

2 Company Name: TRI-STATES UTILITY, INC.

SCHEDULE OF MATERIALS AND SUPPLIES AVAILABLE AT THE END OF THE YEAR

	Description of Items (Pipe, Meters, Fittings, Valves, Gas, etc.) (a)	Water		Sewer	
		Quantity (b)	Amount (c)	Quantity (d)	Amount (e)
3		0		0	
4	SEE ATTACHED PHYSICAL INVENTORY - 12/31/08	0		0	
5		0		0	
6		0		0	
7		0		0	
8		0		0	
9		0		0	
10		0		0	
11		0		0	
12		0		0	
13		0		0	
14		0		0	
15		0		0	
16		0		0	
17		0		0	
18		0		0	
19		0		0	
20		0		0	
21		0		0	
22		0		0	
23		0		0	
24		0		0	
25	Total		\$ 45,580.96		\$
			(Total to Pg. 4)		(Total to Pg. 4)

\$ 45,580.96
 per Roger

TRI-STATES UTILITY 4TH QUARTER 2008

Description of item	On Hand	COST	Total
3/4 MALE ADAPTER SCH.80 PVC	2	\$2.77	\$5.54
3/4 FEMALE ADAPTER SCH.80 PVC	0	\$2.96	\$0.00
3/4 COUPLINGS SCH.80 PVC	4	\$3.91	\$15.64
3/4 TEE SCH.80 PCV	0	\$3.49	\$0.00
3/4 90° SCH.80 PVC	3	\$1.50	\$4.50
3/4 45° SCH.80 PVC	5	\$3.40	\$17.00
3/4 VALVES SCH.40 PVC	4	\$7.23	\$28.92
3/4" SMITH BLAIR ST. CLAMP	1	\$0.00	\$0.00
3/4" PVC PIPE SCH.40	0	\$0.00	\$0.00
3/4" PVC PIPE SCH.80	0	\$0.00	\$0.00
3/4" STIFFENERS SDR 9 PVC PIPE	50	\$1.88	\$94.00
3/4" M.I.P X 3/4" CTS-Brass C84-33	10	\$13.07	\$130.70
3/4" PVC X 3/4" CTS-Brass C47-33	4	\$21.58	\$86.32
3/4" MIP X 1" CTS-Brass C84-34	2	\$14.52	\$29.04
3/4" CORP STOP-3/4 F1000	10	\$38.78	\$387.80
3/4" M.I.P X 3/4" PVC CORP STOP VALVES-3/4 F	2	\$32.53	\$65.06
3/4" X 1" CTS CORP STOP VALVES-F1000-34	1	\$43.31	\$43.31
BRASS 3/4"X3/4" FE IP BALL VALVES-3/4 Watts	0	\$10.05	\$0.00
3/4" BRASS STREET 90°	0	\$5.01	\$0.00
3/4" BRASS TEE M.I.P	0	\$4.72	\$0.00
3/4" BRASS NIPPLE 6"	0	\$6.49	\$0.00
3/4" BRASS NIPPLE 3"	0	\$3.47	\$0.00

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Description of item	On Hand	COST	Total
3/4" BRASS NIPPLE 2"	0	\$2.58	\$0.00
3/4 BRASS NIPPLE CLOSE	0	\$2.03	\$0.00
BR. 3/4" YOKE X 3/4" CTS-VBH727W-11-33	7	\$126.10	\$882.70
BR. 3/4" YOKE X 3/4" PVC COMP-VBH72-7W-77	4	\$128.52	\$514.08
		\$0.00	\$0.00
BRASS 3/4" X 3/4" CTS TEE-T444-333	1	\$38.63	\$38.63
BRASS 3/4" X 3/4" 90° CTS-L44-33	1	\$20.61	\$20.61
3/4"X3/4" FE IP CTS-C14-33	2	\$13.80	\$27.60
		\$0.00	\$0.00
3/4" SDR9 CTS	300	\$0.32	\$96.00
3/4" FIP DUAL PURPOSE CENTER PC	42	\$4.23	\$177.66
3/4" DUAL PURPOSE WASHER	100	\$1.24	\$124.00
3/4" DUAL PURPOSE OUTER NUT	10	\$4.23	\$42.30
3/4X4 T-BOLT & NUT	24	\$2.45	\$58.80
3/4X3 1/2 T-BOLT & NUT	12	\$2.45	\$29.40
	0		\$0.00
PJ CTSXMIP ADAPTER	17	\$6.84	\$116.28
3/4 MIP X COMP PVC-C87-33	6	\$17.36	\$104.16
3/4 CTS BRASS UNION-C44-33	10	\$15.96	\$159.60
3/4 CTS COMP ENDS-NG-D4	0	\$4.92	\$0.00
3/4 CTS X SETTER END	1		\$0.00

Description of item	On Hand	COST	Total
3/4 CTS X DP STR	0		\$0.00
			\$0.00
			\$0.00
3/4 X 1 CTS COUPLING-C44-34	10	\$18.56	\$185.60
3/4 X 1 MIP X PVC-C87-34	3	\$25.92	\$77.76
			\$0.00
			\$0.00
3/4" Flo-Control Coupling	4	\$3.03	\$12.12
1" FEMALE ADAPTER SCH.80 PVC	11	\$4.38	\$48.18
1" MALE ADAPTER SCH.80 PVC	3	\$4.76	\$14.28
1" COUPLING SCH.80 PVC	5	\$2.96	\$14.80
1" 90° SCH.80 PVC	9	\$2.43	\$21.87
1" 45° SCH.80 PVC	3	\$5.09	\$15.27
1" TEE SCH.80 PVC	0	\$4.36	\$0.00
1" CAPS SCH.40 PVC	2	\$0.43	\$0.86
1" VALVES SCH.40 PVC	5	\$9.83	\$49.15
1" Flo-Control Coupling	6	\$3.90	\$23.40
1" SMITH BLAIR ST. CLAMP	0	\$0.00	\$0.00
1" PVC PIPE SCH.40	0	\$0.00	\$0.00
1" PVC PIPE SCH.80	0	\$0.00	\$0.00
1" SDR 9 CTS Pure Core	240	\$0.43	\$103.20

Description of item	On Hand	COST	Total
1" S.S. Inserts	71	\$1.96	\$139.16
1" FIP 1" CTS-C14-44	2	\$18.67	\$37.34
			\$0.00
1" PVC X 1" PVC-C77-44	2	\$39.58	\$79.16
1" PVC X 3/4" CTS-C47-43	2	\$19.87	\$39.74
1" YOKE X 1" PVC-VBH74-10W-77-44	2	\$217.91	\$435.82
1" M.IP X 1" PVC CORP ST. VALVE-1" F1102	0	\$54.76	\$0.00
1" M.IP X 1" CTS CORP ST. VALVE-1" F1100	6	\$40.61	\$243.66
BRASS 1" WATTS BALL VALVE	4	\$15.25	\$61.00
BRASS U. BRANCH 7" 1"X3/4"-U48-43-75	6	\$39.38	\$236.28
BRASS 1"M.IP X 1" CTS-C84-44	1	\$15.54	\$15.54
BRASS 1" X 3/4" CTS TEE-T444-443	1	\$42.43	\$42.43
BRASS 1" X 1" 90* CTS-L44-44	2	\$26.52	\$53.04
		\$0.00	\$0.00
BRASS 1"X 1" CTS COUPLING-C44-44	9	\$18.27	\$164.43
			\$0.00
1" AWWA X COMP CORP STOP-1" F1000	1	\$40.61	\$40.61
1 X 3/4 X 3/4 WYE BRASS CTS-T444-334	2	\$41.18	\$82.36
1 X 6 FC REPAIR CLAMP-244-13206	0	\$55.53	\$0.00
		\$0.00	\$0.00
1 1/2 SCH80 COUPLING	4	\$5.41	\$21.64
1 1/2 SCH80 90* ELBOW	1	\$3.49	\$3.49

Description of item	On Hand	COST	Total
1 1/2 SCH80 45° ELBOW	1	\$7.67	\$7.67
1 1/2 X 20 SCH80 PVC	0	\$0.69	\$0.00
1 1/2 X 6 FC REPAIR CLAMP-244-19006	2	\$57.30	\$114.60
1 1/2 MIP X PJ PVC-C87-66	1	\$48.72	\$48.72
1 1/2 FIP BALL VALVE LEVER	1	\$34.89	\$34.89
1 1/2 X 3 BRASS NIPPLE	1	\$8.38	\$8.38
1 1/2" T SCH 40	1	\$1.34	\$1.34
1 1/2" FLO SPAN PVC COUPLING	2	\$8.50	\$17.00
2" FEMALE ADAPTER SCH.80 PVC	1	\$15.16	\$15.16
2" MALE ADAPTER SCH.80 PVC	1	\$11.56	\$11.56
2" COUPLING SCH.80 PVC	2	\$5.23	\$10.46
2" TEE SCH	2	\$14.98	\$29.96
2" 90° SCH.80 PVC	4	\$4.21	\$16.84
2" 45° SCH.80 PVC	5	\$9.94	\$49.70
2" 22° SCH.80 PVC	3	\$11.68	\$35.04
2" CAPS SCH.40 PVC	1	\$0.81	\$0.81
2" 90° SCH.40 PVC	3	\$1.58	\$4.74
2" HARCO REP. COUPLING PVC	4	\$10.91	\$43.64
2" FLO-CONTROL	3	\$13.27	\$39.81
		\$0.00	\$0.00
2"X3/4" FAST TAP CTS	3	\$47.76	\$143.28
2"X1" FAST TAP SADDLE PVC	0	\$39.92	\$0.00

Description of item	On Hand	COST	Total
2"X1" BRASS SADDLE-S70-204	3	\$22.20	\$66.60
2"X3/4" BRASS SADDLE-S70-203	0	\$22.20	\$0.00
2" SMITH BLAIR COLLAR CLAMP-229-23807	3	\$80.76	\$242.28
2" SMITH BLAIR ST. CLAMP	0	\$69.92	\$0.00
2" VALVE BOX	0	\$11.45	\$0.00
2"X2" M.J COUPLING	0	\$188.18	\$0.00
2"X2" M.J TEE	2	\$166.82	\$333.64
2" M.J 90°	2	\$183.20	\$366.40
2" WATTS LOW PRESSURE PRV	0	\$282.49	\$0.00
2" WATTS HIGH PRESSURE PRV	0	\$309.14	\$0.00
2" WATTS USED PRV	0	\$0.00	\$0.00
2" WATTS REPAIR KIT	5	\$43.81	\$219.05
2" M.J VALVE	1	\$257.02	\$257.02
2" M.J IP VALVE	1	\$225.88	\$225.88
2"SDR 9 CTS PURE CORE	20	\$1.75	\$35.00
2" WATTS BALL VALVE	2	\$53.81	\$107.62
2" IP MA X 2" IP MA BALL VALVE-B81-777W	1	\$179.92	\$179.92
2" RED WHITE VALVES	0	\$35.00	\$0.00
2" HARCO MALE ADAPTER	1	\$17.43	\$17.43
2" BRASS NIPPLE 6"	10	\$20.81	\$208.10
2" BRASS NIPPLE 8"	9	\$27.74	\$249.66
2" BRASS NIPPLE 10"	18	\$34.41	\$619.38
2" BRASS NIPPLE 12"	5	\$41.01	\$205.05

Description of item	On Hand	COST	Total
2" BRASS NIPPLE 2"	0	\$9.45	\$0.00
2" BRASS NIPPLE 4"	8	\$10.80	\$86.40
2" BRASS NIPPLE CLOSE	5	\$8.76	\$43.80
2" BRASS TEE	1	\$26.50	\$26.50
2" BRASS 90*	8	\$19.16	\$153.28
2" BRASS COUPLING	8	\$16.47	\$131.76
2" BRASS FE CAP	1	\$13.50	\$13.50
2" BRASS MA PLUG	0	\$8.87	\$0.00
2" BRASS RED. 2X1 FE	1	\$21.20	\$21.20
2" BRASS RED. 2" MA 1" FE	1	\$12.07	\$12.07
2" SXSXS PVC80 TEE	2	\$14.98	\$29.96
2" PVC80 UNION	2	\$19.12	\$38.24
2" SXM PVC80 ADPT	9	\$11.56	\$104.04
2" BRASS CHK VALVE	0	\$52.47	\$0.00
2" HAMMONS VALVE-606 GATE	3	\$65.31	\$195.93
			\$0.00
2" BRASS MTR FLANG KIT	14	\$44.24	\$619.36
			\$0.00
2" IPS MIDCO RETAINER	5	\$30.74	\$153.70
2" MIP X COMP-PVC-C87-77	6	\$70.80	\$424.80
2" BRASS 90* ST ELBOW	4	\$27.96	\$111.84
			\$0.00
2" SCH 40 FEMALE ADAPTER	1	\$1.03	\$1.03

Description of item	On Hand	COST	Total
2" SCH 40 COUPLER	2	\$0.94	\$1.88
2" ARV-APCO AIR RET. VALVE	1	\$0.00	\$0.00
2" HARCO REPAIR COUPLING	2	\$13.50	\$27.00
2" FLO SPAN PVC COUPLING	2	\$13.27	\$26.54
2" MJ 45	0	\$167.78	\$0.00
2" BRASS PRV 25PSI-75PSI-25AUB REG	3	\$340.50	\$1,021.50
2"X30" BRASS NIPPLE	1	\$130.95	\$130.95
2" AVK SQUARE NUT VALVES	4	\$263.53	\$1,054.12
2" Class 200 PVC	420		
3" FLO-CONTROL	2	\$19.85	\$39.70
4" X 3" HARCO REDUCER	0	\$0.00	\$0.00
3" HARCO REPAIR COUPLING	0	\$10.12	\$0.00
3"X3" FAST TAP SADDLE CTS	0	\$35.82	\$0.00
3"X1" FAST ATP SADDLE PVC	1	\$47.45	\$47.45
3"X1" BRASS SADDLE-S70-304	1	\$29.29	\$29.29
3" SMITH BLAIR ST. CLAMP	1	\$0.00	\$0.00
3" SMITH BLAIR COLLAR CLAMP	0	\$0.00	\$0.00
3" VALVE BOX	0	\$9.00	\$0.00
3" M.JX 3" FLANGE	0	\$0.00	\$0.00
3" MEG LUGS-F/PVC	3	\$27.18	\$81.54
3" PVC PIPE CLASS 200	10	\$0.00	\$0.00
			\$0.00

Description of item	On Hand	COST	Total
4" SCH 40 CAP	0	\$0.00	\$0.00
			\$0.00
4"X3/4" FAST TAP SADDLE PVC	1	\$49.92	\$49.92
4"X2" BRASS SADDLE-S71-407	3	\$74.29	\$222.87
4"X1" BRASS SADDLE-S70-404	5	\$34.49	\$172.45
4"X3/4" BRASS SADDLE-S70-403	4	\$34.49	\$137.96
4" J.C.M COUPLING	2	\$92.27	\$184.54
4" SMITH BLAIR COLLAR CLAMP	6	\$122.90	\$737.40
4" SMITH BLAIR ST. CLAMP	1	\$0.00	\$0.00
4" VALVE BOX	1	\$19.09	\$19.09
4" MUSH CAPS	0	\$0.00	\$0.00
4" M.J CAST IRON CHECK VALVE	0	\$216.26	\$0.00
4" M.J CAST IRON 2" IP CAP-TAPT	1	\$88.78	\$88.78
4" M.JXM CAP	1	\$56.87	\$56.87
		\$0.00	\$0.00
4" M.J X FLANGE ADPT	1	\$132.14	\$132.14
4"X2" M.J REDUCER	0	\$163.63	\$0.00
4" M.J 45*	2	\$67.90	\$135.80
4" M.J 90*	2	\$73.63	\$147.26
4" M.J TEE	2	\$112.90	\$225.80
4"X 7" M.J COUPLING	1	\$54.81	\$54.81
4" MEGA LUGS	5	\$22.29	\$111.45
4" M.J RS VALVE OL	2	\$370.01	\$740.02

Description of item	On Hand	COST	Total
4" PVC PIPE CLASS 200	75	\$2.38	\$178.50
4" HARCO REP. COUPLER	18	\$33.43	\$601.74
4" TRANS GASKET	11	\$6.99	\$76.89
4" X 6.5 U-BRANCH-U48-43-65	1	\$36.05	\$36.05
4" FLANGE KIT	10	\$9.80	\$98.00
4'-8' TELESCOPIC 3W WRENCH	3	\$117.78	\$353.34
4 HARCO REPAIR COUPLING	2	\$33.43	\$66.86
4" A/C x 1" CTS DRESSER QWIK TAP	1	\$314.47	\$314.47
4 1/2 X 8 COLLAR LEAK CLAMP	1	\$91.14	\$91.14
			\$0.00
4"X3" REDUCER MJ	1	\$88.36	\$88.36
			\$0.00
6"X3/4" FAST TAP SADDLE PVC	2	\$55.85	\$111.70
6"X2" BRASS SADDLE-S71-607	9	\$97.10	\$873.90
6"X1" BRASS SADDLE-S70-604	2	\$51.45	\$102.90
6"X3/4" BRASS SADDLE-S70-603	0	\$51.45	\$0.00
6" J.C.M COUPLING SHORT COLLAR CLAMP	0	\$0.00	\$0.00
6" ROMAC COLLAR CLAMPS	1	\$0.00	\$0.00
6" SMITH BLAIR ST. CLAMP	2	\$0.00	\$0.00
6" SMITH BLAIR COLLAR CLAMP	5	\$168.15	\$840.75
6" SMITH BLAIR SHORT COLLAR	3	\$0.00	\$0.00
6" MUSH CAPS	6	\$10.00	\$60.00

Description of item	On Hand	COST	Total
6"X4" 6"X4" DI MJ TEE	1	\$139.07	\$139.07
6"X6" M.J CAST IRON TEE	0	\$0.00	\$0.00
6" M.J CAST IRON 45*	2	\$102.27	\$204.54
6" M.J CAST IRON 90*	2	\$117.81	\$235.62
6"X4" M.J CAST IRON REDUCER	1	\$89.18	\$89.18
6" M.J CAST IRON 2" IP CAP	0	\$0.00	\$0.00
6" M.J CAST IRON CAP	1	\$44.98	\$44.98
6" MEGA LUGS	16	\$35.50	\$568.00
6" M.J VALVE	2	\$585.35	\$1,170.70
6" PVC PIPE CLASS 200	120	\$2.92	\$350.40
6" BRASS METER RE.SETTER	6	\$0.00	\$0.00
6" HARCO REPAIR COUPLING	6	\$53.86	\$323.16
6" TRANS GASKET	4	\$5.72	\$22.88
6" MJ LONG SLEEVE	1	\$174.27	\$174.27
6" MJ GLAND & BOLT PACK	3	\$31.49	\$94.47
6" MJ 22.5* ELBOW	1	\$105.54	\$105.54
6" FLANGE BOLT PACK	7	\$12.44	\$87.08
6" C900 PVC	60	\$45.69	\$2,741.40
		\$0.00	\$0.00
8" HARCO REPAIR COUPLING	5	\$121.03	\$605.15
8"X2" BRASS SADDLE-S71-807	4	\$100.10	\$400.40
8"X1" BRASS SADDLE-S70-804	3	\$70.70	\$212.10

Description of item	On Hand	COST	Total
8"X3/4" BRASS SADDLE-S70-803	4	\$70.70	\$282.80
8" ROMAC COLLAR CLAMPS	1	\$0.00	\$0.00
		\$0.00	\$0.00
8"X2" M.J. CAST IRON FEMALE ADAPTER CAP	1	\$103.90	\$103.90
8"X6" M.J. CAST IRON REDRESSER	1	\$115.36	\$115.36
8" M.J. CAST IRON 90*	1	\$183.27	\$183.27
8" M.J. CAST IRON 45*	1	\$158.72	\$158.72
8" M.J. CAST IRON CAP	2	\$71.18	\$142.36
8"X6" DI MJ TEE	1	\$225.16	\$225.16
8" MEGA LUGS	6	\$52.52	\$315.12
8" M.J. GATE VALVE	1	\$751.82	\$751.82
8" PVC PIPE CLASS 200	28	\$5.98	\$167.44
8" REPAIR KIT	0	\$1,480.08	\$0.00
8" C900 PVC	60	\$9.05	\$543.00
DUAL WALL 18" 10CORE HIGH Q	17.5		
DUAL WALL 24" 10CORE HIGH Q	32.5	\$10.64	\$345.80
30" HI-Q PIPE	14.5	\$22.55	\$326.98
LOVE JOY COUPLING (NEW WELL)	1	\$0.00	\$0.00
LOVE JOY COUPLING (BUSTER PUMP)	1	\$0.00	\$0.00
FIRE HYDRANT REPAIR KIT	2	\$156.74	\$313.48
FIRE HYDRANT EX. KIT	2	\$338.42	\$676.84
30" LOCKING LID	40	\$74.00	\$2,960.00

Description of item	On Hand	COST	Total
18" LOCKING LID MB-141T	28	\$25.54	\$715.12
24" LOCKING LID MB-146	0	\$67.75	\$0.00
METER BOX KEY	6	\$12.16	\$72.96
18X6 METER PIT EXTENSION	1	\$36.52	\$36.52
1/2" PVC PIPE SCH.40	8	\$0.24	\$1.92
3/4 X 1/8 METER GASKETS	100	\$0.21	\$21.00
		\$0.00	\$0.00
SOLID COPPER DISCS	20	\$1.61	\$32.20
VALVE BOX RISER	6	\$19.72	\$118.32
			\$0.00
	0		\$0.00
			\$0.00
7" RE-SETTER	9		\$0.00
12" RE-SETTER-VB42-12W	12	\$88.10	\$1,057.20
5/8 X 3/4 X 7 RELOCATOR-VB42-7W	9	\$94.87	\$853.83
METER GASKETS 3/4X1/8	100	\$0.21	\$21.00
IMC- MJX 5/8"X3/4" METER	36	\$35.00	\$1,260.00
IMC- BMJX 3/4" METER	0	\$39.61	\$0.00
IMC- MJX 1" METER	1		\$0.00
IMC- MJX 2" METER	2	\$469.01	\$938.02
IMC- TWM 3" COMP	0		\$0.00
IMC- TWM 4" COMP	0	\$1,250.70	\$0.00
IMC- TWM 6" COMP	0		\$0.00

Description of item	On Hand	COST	Total
IMC- TWM 8" COMP	0		\$0.00
IMC MARS RADIOS	0	\$125.07	\$0.00
4" NEPTUNE HP TURBO FIRELINE METERS	1	\$1,099.57	\$1,099.57
4" FLANGE BOLT PACK	10	\$10.42	\$104.20
4" BRONZE STRAINER	2	\$640.98	\$1,281.96
3/4 X 3/4 NEPTUNE METER	0		\$0.00
5/8" X 5/8 7" HERSEY METER	0	\$31.00	\$0.00
5/8"X3/4" HERSEY METER	0	\$61.82	\$0.00
2" DMC MJX METER W/RAD	1	\$594.08	\$594.08
REGAL NOZZEL CL2	1	\$150.00	\$150.00
REGAL EJECTOR PARTS KIT	1	\$39.00	\$39.00
REGAL EJECTOR WITH NOZZEL	1	\$501.02	\$501.02
BLUE PAINT	9	\$2.77	\$24.93
WHITE PAINT	10	\$2.77	\$27.70
1.5"X2" BUSHING PVC	1	\$1.74	\$1.74
1.5" FLOWSPAN PVC	3	\$8.50	\$25.50
5/16 COPPER LINE	1	\$0.00	\$0.00
ROD FOR SAMPLING STATION	1	\$154.57	\$154.57
TOTAL INVENTORY	0		\$45,580.96

1

For the calendar year of January 1 - December 31, 2008

2 Company Name: _____

TRI-STATES UTILITY, INC.

WATER OPERATING REVENUES, EXPENSES AND STATISTICS

(a)	Amount (b)
3 Total Operating Revenues (From Page W-2)	\$ 961,786.31
<u>Operating Expenses</u>	
4 Salaries & Wages (From Page 7)	\$ 213,599.69
5 Employee Pensions and Benefits	\$ 12,532.93
6 Purchased Water	\$ 0.00
7 Plant Operations Expenses (From Page W-3)	\$ 136,003.66
8 Billing Expenses	\$ 11,862.27
9 Supplies and Expenses	\$ 24,992.93
10 Transportation Expenses	\$ 33,808.89
11 Rent Expense *	\$ 96,000.00
12 Insurance Expense	\$ 29,487.16
13 Outside Services Employed (ie., Legal, Accounting, etc.) (From Page 8)	\$ 151,485.36
14 Regulatory Commission Expenses	\$ 7,936.84
15 Uncollectible Expenses (From Page 6)	\$ 107,677.20
16 Depreciation Expense (From Page W-6)	\$ 137,008.00
17 Amortization of Contributions in Aid of Construction (Page 9)	\$ 0.00
18 Amortization Expense	\$ 547.00
19 Tax Expenses (From Page W-3)	\$ 23,332.17
20 Interest Expense (From Page 10)	\$ 139,404.85
21 Other Expenses *	\$ 69,433.47
22 Total Operating Expenses	\$ 1,195,112.42
23 Net Income (Loss)	\$ -233,326.11

* Please attach a detailed explanation for these items.

2 Company Name: TRI-STATES UTILITY, INC.**WATER OPERATING REVENUES, EXPENSES AND STATISTICS (Continued)**

(Please indicate if metered amounts are in cubic feet measurements.)

(a)		No. of Customers		Gallons Sold 000's Omitted (d)	Revenue Amount (e)
		Beginning of Year (b)	End of Year (c)		
<u>Unmetered Sales of Water</u>					
3	Residential - Single Family	0	0	XXXX	
4	Residential - Apartments	0	0	XXXX	
5	Residential - Mobile Homes	0	0	XXXX	
6	Commercial	0	0	XXXX	
7	Other Sales to Public Authorities	0	0	XXXX	
8	Other *	0	0	XXXX	
9	Total Unmetered Sales	0	0		\$ 0.00
<u>Metered Sales of Water</u>					
10	5/8" Meter	1,560	1,553	28,469	\$ 188,021.68
11	3/4" Meter	1,715	1,752	73,536	\$ 366,148.60
12	1" Meter	38	40	8,343	\$ 30,841.41
13	1 1/2" Meter	0	0	0	\$ 0.00
14	2" Meter	104	111	64,253	\$ 230,476.33
15	Other *	22	26	22,283	\$ 88,219.47
16	Total Metered Sales	3,439	3,484		\$ 903,707.49
<u>Other Operating Revenues</u>					
17	Late Payment Fees				\$ 6,857.83
18	Inspection Fees				\$ 0.00
19	Reconnect Fees				\$ 24,025.00
20	Rent Income				\$ 0.00
21	Income from Merchandising, Jobbing & Contract Work *				\$ 0.00
22	Other Revenue *				\$ 27,195.99
23	Total Other Operating Revenues				\$ 58,078.82
24	Total Operating Revenues				\$ 961,786.31
(Total to Pg. W-1)					

* Please attach a detailed explanation for these items.

1

For the calendar year of January 1 - December 31, 2008

2 Company Name: TRI-STATES UTILITY, INC.

WATER OPERATING REVENUES, EXPENSES AND STATISTICS (Continued)

(a)	Amount (b)
<u>Plant Operations Expenses</u>	
3 Repairs of Water Plant - Pump Repair	\$ 3,604.57
4 Repairs of Water Plant - Well Repair	\$ 0.00
5 Repairs of Water Plant - Water Line Repair	\$ 0.00
6 Repairs of Water Plant - Equipment Repair	\$ 0.00
7 Repairs of Water Plant - Other *	\$ 22,892.96
8 Fuel or Power Purchases for Pumping (ie., Electric Bills, etc.)	\$ 105,309.39
9 Chemicals	\$ 4,168.00
10 Water Testing Expenses	\$ 28.74
11 Total Plant Operations Expenses	\$ 136,004
	(Total to Page W-1)
<u>Tax Expenses</u>	
12 Tax Expense - Property Taxes	\$ 3,874.08
13 Tax Expense - Payroll Taxes	\$ 18,552.11
14 Tax Expense - Franchise Taxes	\$ 738.00
15 Tax Expense - Other Taxes *	\$ 167.98
16 Tax Expense - Federal Income Taxes	\$ 0.00
17 Tax Expense - State Income Taxes	\$ 0.00
18 Tax Expense - Investment Tax Credits	\$ 0.00
19 Total Tax Expenses	\$ 23,332.17
	(Total to Page W-1)

* Please attach a detailed explanation for these items.

TRI-STATES UTILITY, INC.
WATER AND SEWER ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

DETAILED EXPLANATION FOR PAGE W-1

RENT EXPENSE:	\$	56,000	Rent Expense paid to Hilco Land Deve Inc
	\$	40,000	Rent Expense paid to Highway 165 Investments LLC
	\$	<u>96,000</u>	for Plant Building
OTHER EXPENSES:			
	\$	5,429.70	Misc Expenses - Other Rents
		439.20	Misc Expenses - Refunds
		1,847.47	Misc Expenses - Uniforms
		33.30	Misc Expenses - short/long
		1,561.00	Misc Expenses - Customer Damages
		2,110.79	Misc Expenses - Other
		5,704.72	Maintenance of General Plant
		3,711.24	Postage
		7,138.60	Misc Expenses - Telephone
		128.23	Misc Expenses - Lunch/Meals
		1,183.00	Misc Expenses - Dues & Subscriptions
		1,241.29	Misreads
		36,449.15	cost - 1/2007 Rate Case Expenses
		2,455.78	Payroll Exp Not Included in Salaries/Wages
	\$	<u>69,433.47</u>	

DETAILED EXPLANATION FOR PAGE W-2

OTHER REVENUE:			
		10,636.22	Miscellaneous Income
		2,500.00	Interest Income
		1,185.20	Parts on Damages Only
		4,790.59	Disconnect
		725.00	Temp Disconnect
		1,375.00	DNP Disconnect
		500.00	Call out - Reg Hrs
		200.00	Call out - After Hrs
		3,531.77	ISF Check Fees
		4,507.00	Labor Collected - Damages
		(2,754.79)	Gain/Loss on Sale of Asset
	\$	<u>27,195.99</u>	

DETAILED EXPLANATION FOR PAGE W-3

REPAIRS OF WATER PLANT - OTHER:	\$	3,489.91	Maintenance Supervision - Engineering
		6,378.24	Maintenance of Services
		11,676.40	Trans/Distr Expenses
		1,348.41	Small Tools
	\$	<u>22,892.96</u>	
TAX EXPENSE - OTHER TAXES:	\$	<u>167.98</u>	Use Tax

PUMPING AND PURCHASED WATER STATISTICS

(Omit 000's in reporting number of gallons or cubic feet of water. Use additional sheets if necessary.)

1
2 Company Name:

TR-STATES UTILITY, INC.

For the calendar year of January 1 - December 31 2008

Gallons Pumped Into System	Source of Supply (Please describe source below.)				Total of all Methods (a+b+c+d=e) (e)
	2 DEEP WELLS				
	MEASURED IN GALLONS				
	(a)	(b)	(c)	(d)	
(Please indicate whether measurement is gallons or cubic feet.)					
January	7,383	10,580			17,963
February	9,682	13,806			23,488
March	8,462	11,701			20,163
April	7,611	12,619			20,230
May	7,443	18,621			26,064
June	9,334	18,837			28,171
July	14,057	19,389			33,446
August	11,532	15,766			27,298
September	10,454	14,783			25,237
October	10,054	14,427			24,481
November	8,414	12,549			20,963
December	9,996	14,628			24,624
Total for Year	114,422	177,706			292,128

21 Maximum Quantity Supplied to the System in Any One Day:

1312

Minimum:

534

22 Range of Pressure in the Mains as Measured at the Highest Point on System:

26-165

If Water is Sold to Other Utilities for Resale, List Names, Addresses, Phone Numbers and Quantities Below:

23 24 25 26	Name of Reseller	Address	Phone Number	Quantity
	NONE			

2 Company Name:

TRI-STATES UTILITY, INC.

WATER UTILITY PLANT IN SERVICE

Account Description (a)	Acct. No. (b)	Balance Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	End of Year (c+d-e) (f)
<u>Intangible Plant</u>					
3 Organization	301	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
4 Franchise and Consents	302	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
5 Miscellaneous Intangible Plant	303	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<u>Source of Supply Plant</u>					
6 Land and Land Rights	310	\$ 15,092.00	\$ 0.00	\$ 0.00	\$ 15,092.00
7 Structures and Improvements	311	\$ 10,859.00	\$ 0.00	\$ 0.00	\$ 10,859.00
8 Collecting and Impounding Reservoirs	312	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
9 Lake, River, and Other Intakes	313	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
10 Wells and Springs	314	\$ 539,311.00	\$ 0.00	\$ 0.00	\$ 539,311.00
11 Infiltration Galleries and Tunnels	315	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
12 Supply Mains	316	\$ 113,011.00	\$ 0.00	\$ 0.00	\$ 113,011.00
13 Other Water Source Plant *	317	\$ 0.00	\$ 8,068.60	\$ 0.00	\$ 8,068.60
<u>Pumping Plant</u>					
14 Land and Land Rights	320	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
15 Structures and Improvements	321	\$ 29,772.00	\$ 0.00	\$ 0.00	\$ 29,772.00
16 Boiler Plant Equipment	322	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
17 Other Power Production Equipment *	323	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
18 Steam Pumping Equipment	324	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
19 Electric Pumping Equipment	325	\$ 61,190.00	\$ 2,837.09	\$ 0.00	\$ 64,027.09
20 Diesel Pumping Equipment	326	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
21 Hydraulic Pumping Equipment	327	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
22 Other Pumping Equipment *	328	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<u>Water Treatment Plant</u>					
23 Land and Land Rights	330	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
24 Structures and Improvements	331	\$ 28,701.00	\$ 0.00	\$ 0.00	\$ 28,701.00
25 Water Treatment Equipment	332	\$ 31,380.00	\$ 2,816.84	\$ 0.00	\$ 34,196.84
<u>Transmission and Distribution Plant</u>					
26 Land and Land Rights	340	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
27 Structures and Improvements	341	\$ 0.00	\$ 776.93	\$ 0.00	\$ 776.93
28 Distribution Reservoirs and Standpipes	342	\$ 383,912.00	\$ 0.00	\$ 0.00	\$ 383,912.00
29 Transmission and Distribution Mains	343	\$ 209,839.00	\$ 30,598.79	\$ 0.00	\$ 240,437.79
30 Fire Mains	344	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
31 Services	345	\$ 39,309.00	\$ 46,441.49	\$ 0.00	\$ 85,750.49
32 Meters	346	\$ 747,076.00	\$ 427.43	\$ 0.00	\$ 747,503.43
33 Hydrants	348	\$ 25,500.00	\$ 0.00	\$ 0.00	\$ 25,500.00
34 Other Transmission and Distribution Plant	349	\$ 0.00	\$ 65.91	\$ 0.00	\$ 65.91
<u>General Plant</u>					
35 Land and Land Rights	389	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
36 Structures and Improvements	390	\$ 0.00	\$ 18,185.97	\$ 0.00	\$ 18,185.97
37 Office Furniture and Equipment	391	\$ 43,436.00	\$ 4,500.00	\$ 0.00	\$ 47,936.00
38 Transportation Equipment	392	\$ 164,580.00	\$ 46,512.48	\$ 25,566.00	\$ 185,526.48
39 Stores Equipment	393	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
40 Tools, Shop and Garage Equipment	394	\$ 31,929.00	\$ 878.00	\$ 0.00	\$ 32,807.00
41 Laboratory Equipment	395	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
42 Power-operated Equipment	396	\$ 78,676.00	\$ 781.69	\$ 0.00	\$ 79,457.69
43 Communication Equipment	397	\$ 2,051.00	\$ 0.00	\$ 0.00	\$ 2,051.00
44 Miscellaneous Equipment	398	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
45 Other Tangible Property *	399	\$ 4,870.00	\$ 2,275.00	\$ 0.00	\$ 7,145.00
46 Total Water Utility Plant In Service		\$ 2,560,494	\$ 165,166.22	\$ 25,566.00	\$ 2,700,094.22
					(Total to Pages 4 and 9)

* Please attach a detailed explanation for these items.

NOTE: All entries should be supported by records that identify the property being added or retired, its location, and its original cost in as much detail as reasonably possible. If adjustments are included in Columns "d" and/or "e", use additional sheets.

1

For the calendar year of January 1 - December 31, 2008

2 Company Name:

TRI-STATES UTILITY, INC.

DEPRECIATION RESERVE - WATER UTILITY PLANT

	Annual Depreciation Rate % (g)	Annual Depreciation Expense (f)(g) (h)	Balance at Beginning of Year (i)	Retirement of Property			Other Charges (m)**	Balance at End of Year (n)
				Book Cost of Plant Retired (j)	Cost of Removal (k)*	Salvage Credit (l)*		
3								
4								
5								
6								
7		\$ 271.00	\$ 1,955.00					\$ 2,226.00
8								
9								
10		\$ 10,786.00	\$ 104,827.00					\$ 115,613.00
11								
12		\$ 2,260.00	\$ 45,581.00					\$ 47,841.00
13		\$ 101.00	\$ 0.00					\$ 101.00
14								
15		\$ 743.00	\$ 7,898.00					\$ 8,641.00
16								
17								
18								
19		\$ 151.00	\$ 61,190.00					\$ 61,341.00
20								
21								
22								
23								
24		\$ 717.00	\$ 2,691.00					\$ 3,408.00
25		\$ 902.00	\$ 2,514.00					\$ 3,416.00
26								
27		\$ 2.00	\$ 0.00					\$ 2.00
28		\$ 9,598.00	\$ 116,979.00					\$ 126,577.00
29		\$ 4,195.00	\$ 82,583.00					\$ 86,778.00
30								
31		\$ 1,885.00	\$ 17,816.00					\$ 19,701.00
32		\$ 74,722.00	\$ 69,040.00					\$ 143,762.00
33		\$ 510.00	\$ 10,710.00					\$ 11,220.00
34		\$ 3.00	\$ 0.00					\$ 3.00
35								
36								
37		\$ 4,276.00	\$ 21,960.00					\$ 26,236.00
38		\$ 18,680.00	\$ 105,684.00	\$ -10,348.00				\$ 114,016.00
39								
40		\$ 1,637.00	\$ 6,614.00					\$ 8,251.00
41								
42		\$ 5,298.00	\$ 22,976.00					\$ 28,274.00
43		\$ 0.00	\$ 2,051.00					\$ 2,051.00
44								
45		\$ 271.00	\$ 3,722.00					\$ 3,993.00
46	Total***	\$ 137,008.00	\$ 686,791.00	\$ -10,348.00	\$	\$	\$	\$ 813,451.00
		(Total to Pg. 9 & Pg. W-1)						(Total to Pg. 4)

NOTE: Amounts included in Column "j" should be the same as in Column "e" on the preceding page. Also, Annual Depreciation Expense is equal to Column "f" from preceding page multiplied by Column "g" found on this page.

* All entries included in Columns "k" and "l" should be supported by records that identify the property retired and the cost of removal or salvage is as much detail as reasonably possible.

** Report the details for these entries. Use additional sheets if necessary.

*** Annual Depreciation Expense must be calculated separately. This total should be calculated based upon actual in-service and retirement date(s) of new equipment and retirements during the period.

TRI-STATES UTILITY INC.
PSC REPORT
2008
EXPLANATION FOR W-5 & W-6

The beginning balances of the "Water Utility Plant in Service" and "Depreciation Reserve-Water Utility Plant" do not match last year's ending balances because of an adjustment made by the PSC during a rate case adjustment.

PUMPS

	Manufacturer and Type (ie., High Service, Well, Standby, etc.)	Capacity	Date Installed	Date of Last Motor Replacement	Date of Last Pump Replacement
3	#4 HP FRANKLIN 150/GRUNDFUS	660 GPM	2-1-02	10-1-05	2-1-02
4	#5 HP HITACHI 250/GOULDS	1100 GPM	5-1-07	5-1-07	5-1-07
5					
6					
7					
8					
9					
10					
11					
12					

WELLS

		Number:	Number:	Number:	Number:
13					
14	Description (ie., Deep, Artisan, Spring, etc.)	DEEP	DEEP		
15	Year Constructed	1987	1994		
16	Type of Construction	DRILLED	DRILLED		
17	Type of Casing	STEEL	STEEL		
18	Depth and Diameter of Well	1500 X 12	1600 X 12		
19	Yield of Well in Gallons per day				
20	Chemicals (ie., Provide Type, Cost and Quantities of Each):				
21	Type -	GAS	GAS		
22	Cost -	\$1984.00	\$1984.00		
23	Quantity -	6 PPD	6 PPD		

METERS AND METER SETTINGS

	Customer Class (a)	Meter Size (b)	Total at Beginning of Year (c)	Total No. of Additions (d)	Total No. Removed or Disconnected (e)	Total at End of Year (f)	Total No. Owned by Customers at End of Year (g)
3	Residential:	5/8	1,484		7	1,477	
4		3/4	1,485	39	5	1,519	
5		1	5	0	1	4	
6		2	2	0	0	2	
7	Other Customers:	5/8 3/4	306	3		309	
8		1-2	140	8	1	147	2
9		3,4,6,8	22	4	0	26	
10		XXXXXX	3,444			3,484	2
11	Not in Use (ie., Inventory)	5/8 - 3/4	36			36	XXXXXX
12		1-2	4		3	1	XXXXXX
13		4-8	2			2	XXXXXX
14		XXXXXX	3,486	54	17	3,523	
	Total Meters						

STORAGE FACILITIES

	Type of Storage (ie., Pneumatic, Ground, Standpipes, Elevated Tanks, etc.) (a)	Construction Material (b)	Last Date Painted if Applicable (indicate interior or exterior) (c)	Capacity (d)
15	4 STANDPIPE 30X68 10# 5024601104	STEEL	11/5/03 EX	400,000
16	5 STANDPIPE 29X88 10# 5024601105	STEEL	1994 EX	445,000
17				
18				
19				

MAINS (measurement in feet)

	Kind of Pipe (ie., case iron, galvanized, iron, plastic, etc.) (a)	Diameter of Pipe (b)	Total at Beginning of Year (c)	Total Additions During the Year (d)	Total Removed or Abandoned During the Year (e)	Total at End of Year (f)
3	CI, PVC, PLASTIC	8	67,660	2,211	0	69,871
4	PVC	6	50,941	0	0	50,941
5	PVC	4	76,902	0	0	76,902
6	PVC	3	5,430	0	0	5,430
7	PVC	2	20,110	340	0	20,450
8	PVC/CTS	3/4-1"	3,650	0	0	3,650
9	Total Mains		224,693	2,551	0	227,244

SERVICES AVAILABLE FOR USE (from Main to Property Line)

Size and Description by Type of Material (ie., iron, copper, plastic, etc.) (a)	Owned by Utility				Total No. Owned by Customers at End of Year (f)
	Total No. at Beginning of Year (b)	Total No. of Additions (c)	Total No. Retired or Abandoned (d)	Total No. at End of Year (e)	
11 In Use:					
12 5/8 COPPER, PVC SDR9	1,560	0	7	1,553	0
13 3/4 COPPER, PVC SDR9	1,715	37	0	1,752	0
14 1-2" COPPER, PVC SDR9	147	7	1	153	0
15 3,4,6,8 DIP, PVC, PLASTIC	22	4	0	26	0
16 For Future Use:					
17					
18					
19					
20					
21 Total of All Services	3,444	48	8	3,484	0

Company Name: TRI-STATES UTILITY, INC.

For the calendar year of January 1 - December 31, 2008

1

For the calendar year of January 1 - December 31, 20082 Company Name: TRI-STATES UTILITY, INC.**SEWER OPERATING REVENUES, EXPENSES AND STATISTICS**

(a)	Amount (b)
3 Total Operating Revenues (From Page S-2)	
<u>Operating Expenses</u>	
4 Salaries & Wages (From Page 7)	
5 Employee Pensions and Benefits	
6 Purchased Water	
7 Plant Operations Expenses (From Page S-3)	
8 Billing Expenses	
9 Supplies and Expenses	
10 Transportation Expenses	
11 Rent Expense *	
12 Insurance Expense	
13 Outside Services Employed (ie., Legal, Accounting, etc.) (From Page 8)	
14 Regulatory Commission Expenses	
15 Uncollectible Expenses (From Page 6)	
16 Depreciation Expense (From Page S-5)	
17 Amortization of Contributions in Aid of Construction (Page 9)	
18 Amortization Expense	
19 Tax Expenses (From Page S-3)	
20 Interest Expense (From Page 10)	
21 Other Expenses *	
22 Total Operating Expenses	
23 Net Income (Loss)	\$

* Please attach a detailed explanation for these items.

1

For the calendar year of January 1 - December 31, 20082 Company Name: TRI-STATES UTILITY, INC.**SEWER OPERATING REVENUES, EXPENSES AND STATISTICS (Continued)**

(Please indicate if metered amounts are in cubic feet measurements.)

(a)	No. of Customers		Gallons Sold 000's Omitted (d)	Revenue Amount (e)
	Beginning of Year (b)	End of Year (c)		
<u>Flat Rate Sales</u>				
3 Residential - Single Family	0		XXXX	
4 Residential - Apartments	0		XXXX	
5 Residential - Mobile Homes	0		XXXX	
6 Commercial	0		XXXX	
7 Other Sales to Public Authorities	0		XXXX	
8 Other *	0		XXXX	
9 Total Unmetered Sales	0		XXXX	\$
<u>Metered Sales of Water</u>				
10 Commercial	0			
11 Other Sales to Public Authorities	0			
12 Other *	0			
13 Total Metered Sales	0			\$
<u>Other Operating Revenues</u>				
14 Late Payment Fees				
15 Inspection Fees				
16 Reconnect Fees				
17 Rent Income				
18 Income from Merchandising, Jobbing & Contract Work *				
19 Other Revenue *				
20 Total Other Operating Revenues				\$
21 Total Operating Revenues				\$
				(Total to Pg. S-1)

* Please attach a detailed explanation for these items.

1

For the calendar year of January 1 - December 31, 20082 Company Name: TRI-STATES UTILITY, INC.**SEWER OPERATING REVENUES, EXPENSES AND STATISTICS (Continued)**

(a)	Amount (b)
<u>Plant Operations Expenses</u>	
3 Contracted Maintenance Expenses	
4 Repairs of Sewer Plant - Pump Repair	
5 Repairs of Sewer Plant - Treatment Repair	
6 Repairs of Sewer Plant - Collecting Sewers and Manhole Repair	
7 Repairs of Sewer Plant - Equipment Repair	
8 Repairs of Sewer Plant - Other *	
9 Utility Bills	
10 Chemicals	
11 Sludge Hauling Expenses	
12 Effluent Testing Expenses	
13 Total Plant Operations Expenses	\$
	(Total to Page S-1)
<u>Tax Expenses</u>	
14 Tax Expense - Property Taxes	
15 Tax Expense - Payroll Taxes	
16 Tax Expense - Franchise Taxes	
17 Tax Expense - Other Taxes *	
18 Tax Expense - Federal Income Taxes	
19 Tax Expense - State Income Taxes	
20 Tax Expense - Investment Tax Credits	
21 Total Tax Expenses	\$
	(Total to Page S-1)

* Please attach a detailed explanation for these items.

2 Company Name: TRI-STATES UTILITY, INC.**SEWER UTILITY PLANT IN SERVICE**

Account Description (a)	Acct. No. (b)	Balance Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	Balance End of Year (C+D-E) (f)
<u>Intangible Plant</u>					
3 Organization	301				
4 Franchise and Consents	302				
5 Miscellaneous Intangible Plant	303				
<u>Land and Structures</u>					
6 Land and Land Rights	310				
7 Structures and Improvements	311				
<u>Collection Plant</u>					
8 Collection Sewer - Force	352.1				
9 Collection Sewer - Gravity	352.2				
10 Other Collection Plant Facilities *	353				
11 Services to Customers	354				
12 Flow Measuring Devices	355				
<u>Pumping Plant</u>					
13 Receiving Wells and Pump Pits	362				
14 Pumping Equipment	363				
<u>Treatment and Disposal</u>					
15 Oxidation Lagoon	372				
16 Treatment and Disposal Equipment	373				
17 Plant Sewer	374				
18 Outfall Sewer Lines	375				
19 Other Treatment and Disposal Plant Equipment *	376				
<u>General Plant</u>					
20 Office Furniture and Equipment	391				
21 Transportation Equipment	392				
22 Other General Equipment *	393				
23 Total Sewer Utility Plant In Service		\$	\$	\$	\$
					(Total to Pages 4 and 9)

* Please attach a detailed explanation for these items.

NOTE: All entries should be supported by records that identify the property being added or retired, its location, and its original cost in as much detail as reasonably possible. If adjustments are included in Columns "d" and/or "e", please explain below. Use additional sheets if necessary.

Explanation:

1

For the calendar year of January 1 - December 31, 20082 Company Name: TRI-STATES UTILITY, INC.DEPRECIATION RESERVE - SEWER UTILITY PLANT

	Annual Depreciation Rate % (g)	Annual Depreciation Expense (f) (h)	Reserve Balance at Beginning of Year (i)	Retirement of Property			Other Charges (m)**	Reserve Balance at End of Year (n)
				Book Cost of Plant Retired (j)	Cost of Removal (k) *	Salvage Credit (l) *		
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23	Total***	\$	\$	\$	\$	\$	\$	\$
		(Total to Pg. 9 & Pg. S-1)						(Total to Pg. 4)

NOTE: Amounts included in Column "j" should be the same as in Column "e" on the preceding page. Also, Annual Depreciation Expense is equal to Column "f" from preceding page multiplied by Column "g" found on this page.

* All entries included in Columns "k" and "l" should be supported by records that identify the property retired and the cost of removal or salvage is as much detail as reasonably possible.

** Report the details for these entries. Use additional sheets if necessary.

*** Annual Depreciation Expense must be calculated separately. This total should be calculated based upon actual in-service and retirement date(s) of new equipment and retirements during the period.

2 Company Name: TRI-STATES UTILITY, INC.GENERAL INFORMATION

3 Treatment Facilities - Please describe process.

--

4 Was your treatment plant constructed in place or purchased as a package unit?

☐ Yes ☐ No

5 Were your lift stations constructed in place or purchased as package units?

☐ Yes ☐ No

6 What is the designated capacity of your treatment facilities?

--

7 What percent of designed capacity is currently being utilized?

--

8 What is the name of the current operator?

--

9 Please describe the treatment process for liquid waste.

--

10 Please describe the treatment process for waste solids.

--

11 Where is the point of discharge for liquid waste?

--

12 What is the ultimate disposal of waste solids and how obtained?

--

13 List any equipment failures occurring during the year. Please state when failure occurred and briefly describe the failure and corrective measures taken.

--

COLLECTING SEWERS (measurement in feet)

	Kind of Pipe (ie., Cast Iron, VCP, PVC, etc.) (a)	Diameter of Pipe (b)	Total No. at Beginning of Year (c)	Total No. of Additions During the Year (d)	Total No. Removed or Abandoned During the Year (e)	Total No. at End of the Year (f)
14 Force:						
15						
16 Gravity:						
17						
18						

LIFT STATIONS

	Pumps: Name, Size, Type	Location	H.P.	GPM	TDH
19					
20					
21					

USOA Account		Item	ASL (1)		Date Acquired			Cost/ Basis	Monthly Basis	Months In Use (2)	Depreciation - Per Books				Depr Reserve - Recalced		Adjust Number			
CPA	New	Number	Description	YRS	MOS	M	D	YR				Basis	Prior	Current	Reserve	Amount	Difference			
											2007									
(Depreciation End Date)											12			31			2008			
Contribution in Aid of Construction																				
271.000	162	CIAC		40	480	6	30	2008	8,069	16.81	6	8,069	0	101	101	101	0			
271.000 Total		Contribution In Aid of Construction							8,069			8,069	0	101	101	101	0			
Source of Supply & Pumping Plant																				
396.000	311.000	28	Wall Heater - Old Well	40	480	7	31	1996	430	0.90	149	430	123	10	133	133	0			
398.000	311.000	40	Furnace	40	480	8	10	1998	3,576	7.45	124	3,576	834	90	924	924	0			
398.000	311.000	52	1/2 Pmt on New Sign	40	480	7	26	2001	1,100	2.29	89	1,100	176	28	204	204	0			
314.000	311.000	55	Double Doors at Well #4	40	480	3	8	2002	3,080	6.42	81	3,080	443	77	520	520	0			
398.000	311.000	56	Sign for Tri-State	40	480	4	16	2002	2,673	5.57	80	2,673	379	67	446	446	0			
311.000 Total		Structures & Improvements - Source of Supply							10,859			10,859	1,955	271	2,226	2,226	0	R-5.1		
314.000	314.000	1	Well	50	600	11	1	1987	56,224	93.71	254	56,224	22,677	1,124	23,801	23,801	0			
314.000	314.000	24	New Well	50	600	1	1	1995	247,436	412.39	168	247,436	64,333	4,949	69,282	69,282	0			
314.000	314.000	27	Additional Well Costs	50	600	6	7	1996	8,044	13.41	150	8,044	1,850	161	2,011	2,011	0			
398.000	314.000	53	Well #5	50	600	7	30	2001	24,312	40.52	89	24,312	3,120	486	3,606	3,606	0			
398.000	314.000	57	Roof for Booster Pump	50	600	5	16	2002	938	1.58	79	938	105	19	124	124	0			
314.000	314.000	58	New Pump at Well #4	50	600	4	2	2002	61,571	102.62	80	61,571	6,978	1,231	8,209	8,209	0			
314.000	314.000	59	Booster Pump at Well #4	50	600	5	17	2002	18,895	31.49	79	18,895	2,110	378	2,488	2,488	0			
398.000	314.000	62	Panel & Heater for Well	50	600	8	19	2002	8,928	14.88	76	8,928	952	179	1,131	1,131	0			
398.000	314.000	63	Cameras at Well #4	50	600	8	21	2002	1,607	2.68	76	1,607	171	33	204	204	0			
398.000	314.000	64	Cameras at Well #5	50	600	9	19	2002	2,171	3.62	75	2,171	228	43	271	271	0			
398.000	314.000	65	Brand for Booster Pump	50	600	10	14	2002	338	0.56	74	338	35	7	42	42	0			
398.000	314.000	72	Soft Starter at Well #4	50	600	5	15	2003	8,147	13.58	67	8,147	747	163	910	910	0			
314.000	314.000	109	250 HP Pump for Well #5	50	600	2	27	2007	82,594	137.66	22	82,594	1,377	1,651	3,028	3,028	0			
314.000	314.000	114	Trash Pump	50	600	11	20	2007	3,086	5.14	13	3,086	5	62	67	67	0			
314.000	314.000	116	PVR House	50	600	11	20	2007	501	0.84	13	501	1	10	11	11	0			
314.000	314.000	117	Pipe Cable Locator	50	600	9	14	2007	1,552	2.59	15	1,552	8	31	39	39	0			
398.000	314.000	120	Eng Fees - Well - Memo Only	50	600	6	30	2007	12,967	21.61	18	12,967	130	259	389	389	0			
314.000 Total		Wells & Springs							539,311			539,311	104,827	10,786	115,613	115,613	0	R-8.1		
316.000	316.000	2	Supply Mains	50	600	11	1	1987	71,423	119.04	254	71,423	28,807	1,429	30,236	30,236	0			
316.000	316.000	3	Supply Mains	50	600	11	1	1987	41,588	69.31	254	41,588	16,774	832	17,606	17,606	0			
316.000 Total		Supply Mains							113,011			113,011	45,581	2,260	47,841	47,841	0	R-10.1		
325.000	321.000	4	Pump House	40	480	11	1	1987	11,541	24.04	254	11,541	5,819	288	6,107	6,107	0			
321.000	321.000	69	New Shop	40	480	5	24	2003	13,096	27.28	67	13,096	1,501	327	1,828	1,828	0			
321.000	321.000	71	New Shop	40	480	5	24	2003	4,056	8.45	67	4,056	465	101	566	566	0			
321.000	321.000	75	New Shop	40	480	9	30	2003	229	0.48	63	229	24	6	30	30	0			
321.000	321.000	81	New Shop	40	480	10	13	2003	850	1.77	62	850	89	21	110	110	0			
321.000 Total		Structures & Improvements - Pumping Plant							29,772			29,772	7,898	743	8,641	8,641	0	R-13.1		
325.000	325.000	5	Electric Pumping Unit	10	120	11	1	1987	49,649	413.74	254	49,649	49,649	0	49,649	49,649	0			
325.000	325.000	6	Electric Pumping Unit	10	120	11	1	1987	11,541	96.18	254	11,541	11,541	0	11,541	11,541	0			
325.000	325.000	128	Circuit breaker for well lighting	10	120	6	21	2008	1,793	14.94	6	1,793	0	90	90	90	0			
325.000	325.000	157	Pressure sensor	10	120	5	28	2008	1,044	8.70	7	1,044	0	61	61	61	0			
325.000 Total		Electric Pumping Unit							64,027			64,027	61,190	151	61,341	61,341	0	R-17.1		
TOTAL		SOURCE OF SUPPLY & PUMPING PLANT							756,980			756,980	221,451	14,211	235,662	235,662	0			
Water Treatment Plant																				
342.000	331.000	83	Chlorine Treatment House	40	480	3	17	2004	28,701	59.79	57	28,701	2,691	717	3,408	3,408	0			
331.000 Total		Structures & Improvements							28,701			28,701	2,691	717	3,408	3,408	0	R-22.1		
391.000	332.000	78	Five Sampling Stations	35	420	12	2	2003	1,453	3.46	60	1,453	166	42	208	208	0			
398.000	332.000	80	Soft Starter	35	420	10	8	2003	1,600	3.81	62	1,600	190	46	236	236	0			
398.000	332.000	89	Softwater Program Software	35	420	4	8	2005	28,327	67.45	44	28,327	2,158	810	2,968	2,968	0			

332.000	130	Vacuum Regulator	35	420	10	14	2008	1,007	2.40	2	1,007	0	5	5	5	0
332.000	153	Digital Dual Scales	35	420	12	12	2008	1,810	4.31	0	1,810	0	0	0	0	0
332.000 Total		Water Treatment Equipment						34,197			34,197	2,514	902	3,416	3,416	0
TOTAL		WATER TREATMENT PLANT						62,898			62,898	5,205	1,619	6,824	6,824	0

R-23.1

Transmission & Distribution Plant

341.000	129	"Building on Safari Road"	40	480	11	2	2008	777	1.62	1	777	0	2	2	2	0
341.000 Total		Structures & Improvements						777			777	0	2	2	2	0
342.000	342.000	26 Plant	40	480	9	30	1995	379,850	791.35	159	379,850	116,329	9,496	125,825	125,825	0
342.000	342.000	51 New Metal Roof	40	480	5	8	2001	3,060	6.38	91	3,060	504	76	580	580	0
342.000	342.000	54 Flooring in Bathroom	40	480	2	28	2002	1,002	2.09	82	1,002	146	25	171	171	0
342.000 Total		Distribution Reservoirs & Standpipes						383,912			383,912	116,979	9,598	126,577	126,577	0
343.000	343.000	8 Water Storage	50	600	11	1	1987	10,897	18.16	254	10,897	4,395	218	4,613	4,613	0
343.000	343.000	9 Water Storage	50	600	11	1	1987	147,453	245.76	254	147,453	59,473	2,949	62,422	62,422	0
343.000	343.000	10 Water Storage	50	600	11	1	1987	5,198	8.66	254	5,198	2,097	103	2,200	2,200	0
343.000	343.000	11 Transf & Dist Mains	50	600	11	1	1987	36,774	61.29	254	36,774	14,832	736	15,568	15,568	0
343.000	343.000	33 Booster Pump	50	600	9	15	1997	5,622	9.37	135	5,622	1,153	112	1,265	1,265	0
343.000	343.000	41 Booster Station Pad	50	600	6	3	1998	1,200	2.00	126	1,200	228	24	252	252	0
343.000	343.000	42 Material	50	600	7	14	1998	1,697	2.83	125	1,697	320	34	354	354	0
398.000	343.000	76 New Line Extension	50	600	9	15	2003	998	1.66	63	998	85	20	105	105	0
343.000	343.000	148 Equipment - unidentified	50	600	4	30	2008	164	0.27	8	164	0	2	2	2	0
343.000	343.000	149 Equipment - unidentified	50	600	5	30	2008	491	0.82	7	491	0	6	6	6	0
343.000	343.000	150 10" Encasement Pipe	50	600	7	2	2008	1,012	1.69	5	1,012	0	8	8	8	0
343.000	343.000	151 Equipment - unidentified	50	600	7	31	2008	1,167	1.95	5	1,167	0	10	10	10	0
343.000	343.000	152 Majestic Point Parts	50	600	8	1	2008	491	0.82	5	491	0	4	4	4	0
343.000	343.000	159 Scott-eng fees from well 4 to 5	50	600	9	5	2008	5,720	9.53	3	5,720	0	29	29	29	0
343.000	343.000	160 Scott-eng fees from well 4 to 5	50	600	10	16	2008	7,293	12.16	2	7,293	0	24	24	24	0
343.000	343.000	161 Scott-eng fees from well 4 to 5	50	600	11	6	2008	14,261	23.77	1	14,261	0	24	24	24	0
343.000 Total		Transmission & Distribution Mains						240,438			240,438	82,583	4,195	86,778	86,778	0
345.000	345.000	7 Services	40	480	3	31	1987	6,213	12.94	261	6,213	3,223	155	3,378	3,378	0
345.000	345.000	12 Services	40	480	3	31	1987	4,839	10.08	261	4,839	2,510	121	2,631	2,631	0
345.000	345.000	13 Services	40	480	6	30	1987	7,090	14.77	258	7,090	3,634	177	3,811	3,811	0
345.000	345.000	14 Services	40	480	9	30	1987	9,479	19.75	255	9,479	4,799	237	5,036	5,036	0
345.000	345.000	15 Services	40	480	12	31	1987	5,066	10.55	252	5,066	2,533	127	2,660	2,660	0
345.000	345.000	48 Gooseberry Extension/Serv	40	480	3	31	2001	6,622	13.80	93	6,622	1,117	166	1,283	1,283	0
345.000	345.000	133 Services	40	480	1	1	2008	19,396	40.41	12	19,396	0	485	485	485	0
345.000	345.000	134 Services	40	480	1	31	2008	625	1.30	11	625	0	14	14	14	0
345.000	345.000	135 Services	40	480	2	29	2008	6,016	12.53	10	6,016	0	125	125	125	0
345.000	345.000	136 Services	40	480	3	31	2008	7,097	14.79	9	7,097	0	133	133	133	0
345.000	345.000	137 Services	40	480	4	30	2008	1,600	3.33	8	1,600	0	27	27	27	0
345.000	345.000	138 Services	40	480	5	30	2008	486	1.01	7	486	0	7	7	7	0
345.000	345.000	139 Services	40	480	6	30	2008	4,764	9.93	6	4,764	0	60	60	60	0
345.000	345.000	140 2 Ton Clean Rock Schlink-New Meter	40	480	7	17	2008	500	1.04	5	500	0	5	5	5	0
345.000	345.000	141 1 Ton Clean Rock Schlink-New Meter	40	480	7	18	2008	226	0.47	5	226	0	2	2	2	0
345.000	345.000	142 Top Soil	40	480	7	22	2008	128	0.27	5	128	0	1	1	1	0
345.000	345.000	143 Services	40	480	7	31	2008	2,893	6.03	5	2,893	0	30	30	30	0
345.000	345.000	144 Main Service	40	480	8	1	2008	928	1.93	5	928	0	10	10	10	0
345.000	345.000	145 Gaskets	40	480	8	6	2008	22	0.05	4	22	0	0	0	0	0
345.000	345.000	146 Majestic Point Parts	40	480	8	6	2008	331	0.69	4	331	0	3	3	3	0
345.000	345.000	154 Boundary survey re well #4	40	480	12	11	2008	1,430	2.98	0	1,430	0	0	0	0	0
345.000 Total		Services						85,751			85,751	17,816	1,885	19,701	19,701	0
398.000	346.000	67 Plate Vibrator for Meters	10	120	11	14	2002	1,930	16.08	73	1,930	981	193	1,174	1,174	0
314.000	346.000	108 Meters	10	120	1	24	2007	739,248	6,160.40	23	739,248	67,764	73,925	141,689	141,689	0
314.000	346.000	118 New Meter Conn-Overages	10	120	6	30	2007	5,898	49.15	18	5,898	295	590	885	885	0
346.000	346.000	131 Water Meter for Quality	10	120	8	6	2008	427	3.56	4	427	0	14	14	14	0
346.000 Total		Meters						747,503			747,503	69,040	74,722	143,762	143,762	0

R-31.1

348.000	348.000	16 Fire Hydrants	50	600	1	1	1987	25,500	42.50	264	25,500	10,710	510	11,220	11,220	0	
	348,000 Total	Hydrants						25,500			25,500	10,710	510	11,220	11,220	0	R-32.1
349.000		132 Valve Lids	10	120	8	1	2008	66	0.55	5	66	0	3	3	3	0	
	349,000 Total	Other Transmission & Distribution						66			66	0	3	3	3	0	R-32.1
	TOTAL	TRANSMISSION & DISTRIBUTION PLANT						1,483,947			1,483,947	297,128	90,915	388,043	388,043	0	

General Plant

396.000	391.000	25 Fax Machine	20	240	12	31	1994	1,720	7.17	168	1,720	1,118	86	1,204	1,204	0	
396.000	391.000	32 Three Ceiling Fans, Motion Det	20	240	10	11	1996	478	1.99	146	478	267	24	291	291	0	
391.000	391.000	36 Chair	20	240	12	12	1997	241	1.00	132	241	121	12	133	133	0	
391.000	391.000	43 Office Safe - All Locking	20	240	3	5	1998	1,972	8.22	129	1,972	961	99	1,060	1,060	0	
391.000	391.000	44 Security System for Office	20	240	3	6	1998	773	3.22	129	773	377	38	415	415	0	
390.000	390.000	157 Office Remodel	15	180	12	19	2008	5,116	28.42	0	5,116	0	0	0	0	0	
391.000	391.000	Various Office Equipment	20	240	12	22	2008	4,500	18.75	0	4,500	0	0	0	0	0	
390.000	390.000	156 Fencing at Tri-States office	7	84	12	22	2008	13,070	155.60	0	13,070	0	0	0	0	0	
	391,000 Total	Office Furniture & Equipment						27,870			27,870	2,844	259	3,103	3,103	0	R-36.1
396.000	391.100	29 Gateway 2000 Computer	7	84	9	30	1996	2,196	26.14	147	2,196	2,196	0	2,196	2,196	0	
396.000	391.100	31 Waterworks Software	7	84	9	30	1996	995	11.85	147	995	995	0	995	995	0	
396.000	391.100	34 Gateway 2000 Computer	7	84	12	11	1997	2,693	32.06	132	2,693	2,693	0	2,693	2,693	0	
396.000	391.100	35 Printer	7	84	11	13	1997	513	6.11	133	513	513	0	513	513	0	
396.000	391.100	45 Gateway Computer	7	84	9	13	1999	1,730	20.60	111	1,730	1,730	0	1,730	1,730	0	
396.000	391.100	47 Lexmark Printer	7	84	7	18	2000	2,010	23.93	101	2,010	2,010	0	2,010	2,010	0	
391.000	391.100	77 Two New Computers	7	84	10	1	2003	3,574	42.55	63	3,574	2,170	511	2,681	2,681	0	
391.000	391.100	79 Laser Printer	7	84	12	9	2003	363	4.32	60	363	207	52	259	259	0	
391.000	391.100	82 Printer	7	84	1	7	2004	466	5.55	59	466	261	66	327	327	0	
391.000	391.100	90 Two New CPU - Sharon's	7	84	5	3	2005	10,473	124.68	43	10,473	3,865	1,496	5,361	5,361	0	
391.000	391.100	92 Four Liebert Upstation GXT 2	7	84	12	6	2005	2,347	27.94	36	2,347	671	335	1,006	1,006	0	
398.000	391.100	93 Software	7	84	10	5	2005	434	5.17	38	434	134	62	196	196	0	
398.000	391.100	94 Software	7	84	12	6	2005	1,249	14.87	36	1,249	357	178	535	535	0	
398.000	391.100	96 Symantec Software	7	84	4	7	2006	1,334	15.88	32	1,334	318	190	508	508	0	
398.000	391.100	97 Software	7	84	5	16	2006	720	8.57	31	720	163	103	266	266	0	
398.000	391.100	98 Computer	7	84	6	29	2006	1,909	22.73	30	1,909	409	273	682	682	0	
398.000	391.100	103 Computer	7	84	12	8	2006	570	6.79	24	570	81	82	163	163	0	
398.000	391.100	107 Q7 Quickbooks	7	84	3	7	2007	1,122	13.36	21	1,122	120	161	281	281	0	
398.000	391.100	110 Intedata Systems - Software	7	84	4	17	2007	1,380	16.43	20	1,380	131	198	329	329	0	
398.000	391.100	111 Symantec Renewal	7	84	4	17	2007	254	3.02	20	254	24	36	60	60	0	
398.000	391.100	112 QB Update	7	84	5	15	2007	225	2.68	19	225	19	32	51	51	0	
398.000	391.100	113 Computer - Rogers	7	84	12	17	2007	313	3.73	12	313	0	45	45	45	0	
398.000	391.100	115 Printer	7	84	9	2	2007	1,382	16.45	15	1,382	49	198	247	247	0	
	391,100 Total	Office Computer Equipment						38,252			38,252	19,116	4,017	23,133	23,133	0	R-37.1
392.000	392.000	37 1997 Lincoln Town Car	7	84	6	26	1997	37,688	448.67	138	37,688	37,688	0	37,688	37,688	0	
392.000	392.000	46 1993 Ford F150 Truck	7	84	1	21	2000	7,414	88.26	107	7,414	7,414	0	7,414	7,414	0	
392.000	392.000	60 2002 Ford Truck F Series	7	84	9	11	2002	15,636	186.14	75	15,636	11,727	2,234	13,961	13,961	0	
392.000	392.000	61 2003 Expedition (WH Ford F-150)	7	84	9	17	2002	18,526	220.55	75	18,526	13,895	2,646	16,541	16,541	0	
392.000	392.000	66 Truck Tool Boxes	7	84	11	14	2002	441	5.25	73	441	320	63	383	383	0	
392.000	392.000	70 Power Inverters for Truck	7	84	4	8	2003	966	11.50	68	966	644	138	782	782	0	
392.000	392.000	73 03 Explorer (03 Exped)	7	84	7	1	2003	26,854	319.69	66	26,854	17,263	3,837	21,100	21,100	0	
392.000	392.000	74 03 Ford Explorer	7	84	9	30	2003	9,181	109.30	63	9,181	5,574	1,312	6,886	6,886	0	
392.000	392.000	95 2005 Lincoln	7	84	2	15	2006	25,566	304.36	34	25,566	6,696	3,652	10,348	10,348	0	
392.000	392.000	105 06 Ford Truck	7	84	7	10	2006	18,008	214.38	29	18,008	3,644	2,573	6,217	6,217	0	
392.000	392.000	106 Dump Truck	7	84	8	10	2006	4,300	51.19	28	4,300	819	614	1,433	1,433	0	
392.000		121 New truck (Tri-Lakes Ford)	7	84	9	16	2008	17,301	205.96	3	17,301	0	618	618	618	0	
392.000		122 New truck (Tri-Lakes Ford)	7	84	9	16	2008	21,943	261.23	3	21,943	0	784	784	784	0	
392.000		123 Workizer Light Bar	7	84	4	15	2008	508	6.05	8	508	0	48	48	48	0	
392.000		124 Equipment (Bus Andrews)	7	84	10	16	2008	6,760	80.48	2	6,760	0	161	161	161	0	

392.000 Total		Transportation Equipment				211,092		211,092		105,684	18,680	124,364	124,364	0	R-38.2			
396.000	394.000	21	Meter Tester	20	240	5	27	1993	699	2.91	187	699	510	35		545	545	0
396.000	394.000	22	Leak Detector	20	240	5	27	1993	1,501	6.25	187	1,501	1,094	76		1,170	1,170	0
396.000	394.000	23	Metal Detectors	20	240	7	31	1994	219	0.91	173	219	147	11		158	158	0
396.000	394.000	30	Handheld Meter Readers	20	240	9	30	1996	3,590	14.96	147	3,590	2,019	180		2,199	2,199	0
396.000	394.000	49	Metal Detector	20	240	6	7	2001	117	0.49	90	117	38	6		44	44	0
396.000	394.000	50	Handheld Meter Reader	20	240	4	15	2001	1,271	5.30	92	1,271	424	63		487	487	0
396.000	394.000	85	Breathing Apparatus	20	240	6	8	2004	8,174	34.06	54	8,174	1,430	409		1,839	1,839	0
396.000	394.000	87	Air Compressor and Hose	20	240	1	10	2005	756	3.15	47	756	110	38		148	148	0
396.000	394.000	100	Leak Detector	20	240	10	17	2006	4,500	18.75	26	4,500	263	225		488	488	0
396.000	394.000	101	Tools for Titan	20	240	11	30	2006	5,700	23.75	25	5,700	309	285		594	594	0
396.000	394.000	102	Main Break	20	240	12	13	2006	373	1.55	24	373	19	18		37	37	0
398.000	394.000	104	Stainless Screws	20	240	1	1	2007	5,029	20.95	24	5,029	251	252		503	503	0
	394.000	125	Cutquick Saw	20	240	1	8	2008	878	3.66	11	878	0	40		40	40	0
394.000 Total		Tools, Shop, Garage Equipment				32,807		32,807		6,614	1,637	8,251	8,251	0		R-40.1		
396.000	396.000	68	Komatsu - Backhoe Loader	15	180	12	3	2002	63,427	352.37	72	63,427	21,142	4,229	25,371		25,371	0
396.000	396.000	84	Shindaiwa Cut Off Saw	15	180	4	20	2004	965	5.36	56	965	236	64	300		300	0
391.000	396.000	86	Power Washer	15	180	9	14	2004	530	2.94	51	530	115	35	150		150	0
396.000	396.000	88	Three Infrared Heaters	15	180	3	11	2005	700	3.89	45	700	128	47	175		175	0
396.000	396.000	91	Air Condensing Unit	15	180	10	5	2005	1,115	6.19	38	1,115	161	74	235		235	0
398.000	396.000	99	Komatsu	15	180	6	30	2006	11,939	66.33	30	11,939	1,194	796	1,990		1,990	0
	396.000	126	Warren portable 12V-DC Pump	15	180	1	1	2008	782	4.34	12	782	0	52	52		52	0
396.000 Total		Power Operated Equipment				79,458		79,458		22,976	5,298	28,274	28,274	0	R-42.1			
397.000	397.000	18	Communication Equipment	15	180	7	3	1992	1,033	5.74	197	1,033	1,033	0		1,033	1,033	0
397.000	397.000	19	Communication Equipment	15	180	9	30	1992	1,018	5.66	195	1,018	1,018	0	1,018	1,018	0	R-43.1
397.000 Total		Communication Equipment				2,051		2,051		2,051	0	2,051	2,051	0				
399.000	399.000	17	Carpet	20	240	5	29	1992	1,351	5.63	199	1,351	1,053	67	1,120	1,120	0	
399.000	399.000	20	Portable Shed	20	240	10	31	1992	3,519	14.66	194	3,519	2,669	176	2,845	2,845	0	
	399.000	127	Star receipt printer & billing module	20	240	9	22	2008	2,275	9.48	3	2,275	0	28	28	28	0	R-45.1
399.000 Total		Other Tangible Plant				7,145		7,145		3,722	271	3,993	3,993	0				
TOTAL GENERAL PLANT						398,675		398,675		163,007	30,161	193,168	193,168	0				
Grand Total						2,710,569		2,710,569		686,791	137,008	823,799	823,799	0				
392.000	392.000	95	2005 Lincoln-sold In 2008	7	84	2	15	2006	25,566	304.36	34	25,566	6,696	3,652	10,348	10,348	0	
						2,685,003		2,685,003		680,095	133,356	813,451	813,451	0				

Rationale for Adjustments: To adjust depreciation reserve to reflect actual months used.

(1) ASL = Average Service Life (in years)

(2) The formula for Months in Use calculates the number of months between the depreciation end date (as in the annual report date or ending date of test year) recorded in row 4. It assumes the depreciation end date is at the end of a month. If the day of the month acquired is on the first of the month (day = 1) then that month is counted, since the item was in use for a full month. If the day of the month acquired is any day after the first of the month (day > 1), that month is NOT counted since the item was not in use for the full month.

Annual Report of TRI-STATES UTILITY, INC.

for the calendar year of January 1 - December 31, 2008

VERIFICATION

The foregoing report must be verified by the oath of the President, Treasurer, General Manager or Receiver of the company. The oath required may be taken before any person authorized to administer an oath (Notary Public) by the laws of the State in which the same is taken.

OATH

State Of MISSOURI }
 County Of GREENE } ss:

TERRY McCULLOUGH makes oath and says that
 Name of Affiant (Company Official/Representative)

s/he is SECRETARY
 Official Title of the Affiant (Company Official/Representative)

of TRI-STATES UTILITY INC.
 Exact Legal Title or Name of the Respondent (Certificated Company Name)

and is located at 820 E PRIMROSE SPRINGFIELD MO 65807
 Address and Telephone Number of the Affiant (Company Official/Representative)

that s/he has examined the foregoing report; that to the best of his or her knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent.

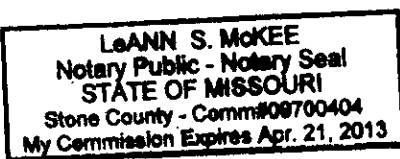
from January 1, 2008, to and including December 31, 2008
 Month/Day Year Month/Day Year

T McCulloch
 Signature of Affiant (Company Official/Representative)

Subscribed and sworn to before me, a Notary Public, in and for the State and County above named,

this 7th day of May, 2009

My Commission expires April 21st, 2013, 2013



LeAnn S. McKee
 Signature of Notary Public

Missouri Revised Statutes § 392.210 or §393.140

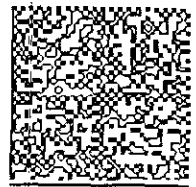


McCULLOUGH and ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

820 E. PRIMROSE

SPRINGFIELD, MISSOURI 65807



neopost
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