YEAR

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PUBLIC SERVICE COMMISSION

ANNUAL REPORT

of the

NAME

Aquanet-Oakridge Water

LOCATION Billings, Mt

PRIVATE WATER UTILITY

TO THE

PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING 12/31/2013

Form No. 402-A (01/2009)

General Instructions

- 1 Prepare this report in conformity with the 1984 National Association of Utility Regulatory Commissioners Uniform System of Accounts for Water Utilities.
- 2 Interpret all accounting words or phrases in accordance with the Uniform System of Accounts for Water Utilities.
- Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
- For any question, section or page which is not applicable to the respondent enter the words "Not Applicable" or "N/A". Do not omit any pages.
- Where dates are called for, the month and day should be stated as well as the year.
- 6 Complete this report by means which result in a permanent record.
- If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
- This report should be filed in duplicate and one copy returned by April 30 following the end of the calendar year for calendar year filers. If other than a calendar year filer, this report needs to be filed by the end of the 4th month following the end of the fiscal year for filers that have other than a calendar year yearend.
- 9 Please send the copy of your completed Annual Report to:

Montana Public Service Commission Utility Division P.O. Box 202601 Helena, MT 59620-2601

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REPORT OF

Aquanet-Oakridge Water

P.O. Box 80445		Billings, MT 59106	
(address)		(city, state, zip code)	
For Year Ended	12/31/2013		
Date Utility First Organized	1/3/2001		
Telephone Number	406-656-5545		
Location of books and records	4241 Cedarwood, Billings, MT		

Contacts			
Name	Title	Principal Business Address	Salary
Person to send correspondence: Julane Wells	owner	P.O. Box 80445	
Person who prepared this report: Julane Wells	owner	P.O. Box 80445	
Officers and Managers: Daniel Wells	owner	P.O. Box 80445	0

	Owne	ership	
Report every corporat	ion or person owning interest or ho	olding directly 5 percent or more of	the voting securities
of the reporting utility	7.0		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\
Name	Percent Ownership in Utility	Principle Business Address	Amt Pd by Utility
Daniel Wells	50%	P.O. Box 80445	0
Julane Wells	50%	P.O. Box 80445	0

OPERATING REVENUE: Metered Residential	INCOME STATEM	/IENT			
Metered Residential Commercial Industrial Commercial Industrial Commercial Industrial Commercial Industrial Commercial Commercial Commercial Industrial S6,853.10 75,333.00 Commercial Industrial Fire Protection Sulk Sales Sale of Materials Cother	ACCOUNT NAME	С	urrent Year	F	Previous Year
Metered Residential Commercial Industrial Commercial Industrial Commercial Industrial Commercial Industrial Commercial Commercial Commercial Industrial S6,853.10 75,333.00 Commercial Industrial Fire Protection Sulk Sales Sale of Materials Cother	ODEDATING DEVENUE.				
Residential Commercial Industrial Other Unmetered Residential 56,853.10 75,333.00 Commercial Industrial 56,853.10 75,333.00 Commercial Industrial Fire Protection Bulk Sales Sale of Materials Other TOTAL OPERATING REVENUE: \$ 56,853.10 \$ 75,333.00 COMERTING EXPENSES: Sole of Materials Soles Soles					
Commercial Industrial Other Unmetered Residential 56,853.10 75,333.00 Commercial Industrial					
Industrial					
Other Unmetered Residential 56,853.10 75,333.00 Commercial Industrial Fire Protection ————————————————————————————————————					
Unmetered Residential 56,853.10 75,333.00 Commercial Industrial Fire Protection Bulk Sales Sale of Materials TOTAL OPERATING REVENUE: \$ 56,853.10 \$ 75,333.00 Total National Total Operation Total Operati					
Residential					
Commercial Industrial Fire Protection Bulk Sales Sale of Materials Other TOTAL OPERATING REVENUE: \$ 56,853.10 \$ 75,333.00			56 952 10	Γ	75 222 00
Industrial Fire Protection Bulk Sales Sale of Materials Other			50,055.10		75,333.00
Fire Protection					
Bulk Sales Sale of Materials Other TOTAL OPERATING REVENUE: \$ 56,853.10 \$ 75,333.00 OPERATING EXPENSES: Operation and Maintenance Expense 32,005.05 49,380.52 Depreciation Expense 6,689.00 6,688.00 Taxes Other than Income 1,751.46 2,043.26 Deferred Federal Income Taxes Deferred State Income Taxes TOTAL OPERATING EXPENSES \$ 40,445.51 \$ 58,111.78 NET INCOME (LOSS) from OPERATIONS \$ 16,407.59 \$ 17,221.22 Other Income: Non Utility Income TOTAL OTHER INCOME \$ - \$ - Other Deductions: Non-Utility Expenses 19,093.24 19,093.24 Interest Expense 19,093.24 \$ 19,093.24					
Sale of Materials Other 0 TOTAL OPERATING REVENUE: \$ 56,853.10 \$ 75,333.00 OPERATING EXPENSES: Operation and Maintenance Expense 32,005.05 49,380.52 Depreciation Expense 6,689.00 6,688.00 Taxes Other than Income 1,751.46 2,043.26 Deferred Federal Income Taxes Deferred State Income Taxes TOTAL OPERATING EXPENSES \$ 40,445.51 \$ 58,111.78 NET INCOME (LOSS) from OPERATIONS \$ 16,407.59 \$ 17,221.22 Other Income: Non Utility Income TOTAL OTHER INCOME \$ - \$ - Other Deductions: Non-Utility Expenses 19,093.24 19,093.24 Interest Expense 19,093.24 \$ 19,093.24					
Other TOTAL OPERATING REVENUE: \$ 56,853.10 \$ 75,333.00 OPERATING EXPENSES: Operation and Maintenance Expense 32,005.05 49,380.52 Depreciation Expense 6,689.00 6,688.00 Taxes Other than Income 1,751.46 2,043.26 Deferred Federal Income Taxes Deferred State Income Taxes TOTAL OPERATING EXPENSES \$ 40,445.51 \$ 58,111.78 NET INCOME (LOSS) from OPERATIONS \$ 16,407.59 \$ 17,221.22 Other Income: Non Utility Income \$ - \$ - Other Deductions: Non-Utility Expenses 19,093.24 19,093.24 Interest Expense 19,093.24 \$ 19,093.24					
TOTAL OPERATING REVENUE: \$ 56,853.10 \$ 75,333.00					
OPERATING EXPENSES: Operation and Maintenance Expense 32,005.05 49,380.52 Depreciation Expense 6,689.00 6,688.00 Taxes Other than Income 1,751.46 2,043.26 Deferred Federal Income Taxes Deferred State Income Taxes TOTAL OPERATING EXPENSES \$ 40,445.51 \$ 58,111.78 NET INCOME (LOSS) from OPERATIONS \$ 16,407.59 \$ 17,221.22 Other Income: Non Utility Income \$ - \$ - Other Deductions: Non-Utility Expenses 19,093.24 19,093.24 Interest Expense 19,093.24 \$ 19,093.24			56 853 10	\$	75 333 00
Operation and Maintenance Expense 32,005.05 49,380.52 Depreciation Expense 6,689.00 6,688.00 Taxes Other than Income 1,751.46 2,043.26 Deferred Federal Income Taxes 50,689.00 1,751.46 2,043.26 Deferred Federal Income Taxes 50,689.00 1,751.46 2,043.26 Deferred State Income Taxes 58,111.78 10,445.51 \$ 58,111.78 NET INCOME (LOSS) from OPERATIONS \$ 16,407.59 \$ 17,221.22 Other Income: Non Utility Income \$ - \$ - TOTAL OTHER INCOME \$ - \$ - Other Deductions: 19,093.24 19,093.24 Interest Expense 19,093.24 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24	TOTAL OF ENATING NEVENOL.	Ψ	30,033.10	Ψ	70,000.00
Depreciation Expense	OPERATING EXPENSES:				
Taxes Other than Income 1,751.46 2,043.26 Deferred Federal Income Taxes 5 1,751.46 2,043.26 Deferred State Income Taxes 5 1,751.46 2,043.26 TOTAL OPERATING EXPENSES \$ 40,445.51 \$ 58,111.78 NET INCOME (LOSS) from OPERATIONS \$ 16,407.59 \$ 17,221.22 Other Income: Non Utility Income \$ - \$ - Other Deductions: Non-Utility Expenses 19,093.24 19,093.24 Interest Expense 19,093.24 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24					
Deferred Federal Income Taxes Deferred State Income Taxes TOTAL OPERATING EXPENSES \$ 40,445.51 \$ 58,111.78					
Deferred State Income Taxes	Taxes Other than Income		1,751.46		2,043.26
TOTAL OPERATING EXPENSES \$ 40,445.51 \$ 58,111.78 NET INCOME (LOSS) from OPERATIONS \$ 16,407.59 \$ 17,221.22 Other Income: Non Utility Income - - TOTAL OTHER INCOME \$ - - - Other Deductions: Non-Utility Expenses 19,093.24 19,093.24 Interest Expense 19,093.24 \$ 19,093.24 \$ 19,093.24	Deferred Federal Income Taxes				
NET INCOME (LOSS) from OPERATIONS \$ 16,407.59 \$ 17,221.22 Other Income: Non Utility Income TOTAL OTHER INCOME \$ - \$ - Other Deductions: Non-Utility Expenses Interest Expense 19,093.24 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24	Deferred State Income Taxes				
Other Income: Non Utility Income	TOTAL OPERATING EXPENSES	\$	40,445.51	\$	58,111.78
Non Utility Income	NET INCOME (LOSS) from OPERATIONS	\$	16,407.59	\$	17,221.22
Non Utility Income					
TOTAL OTHER INCOME \$ - \$ - Other Deductions: Non-Utility Expenses Interest Expense 19,093.24 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24				1	
Other Deductions: Non-Utility Expenses 19,093.24 Interest Expense 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24 \$ 19,093.24	Non Utility Income				
Other Deductions: Non-Utility Expenses 19,093.24 Interest Expense 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24 \$ 19,093.24					
Other Deductions: Non-Utility Expenses 19,093.24 Interest Expense 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24 \$ 19,093.24					
Non-Utility Expenses Interest Expense 19,093.24 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24	TOTAL OTHER INCOME	\$	-	\$	-
Interest Expense 19,093.24 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24	Other Deductions:				
Interest Expense 19,093.24 19,093.24 TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24	Non-Utility Expenses				
TOTAL OTHER DEDUCTIONS \$ 19,093.24 \$ 19,093.24			19,093.24		19,093.24
NET INCOME (LOSS) \$ (2,685.65) \$ (1,872.02)	TOTAL OTHER DEDUCTIONS	\$	19,093.24	\$	19,093.24
NET INCOME (LOSS) \$ (2,685.65) \$ (1,872.02)					
	NET INCOME (LOSS)	\$	(2,685.65)	\$	(1,872.02)

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COMPARATIVE B	ALA	NCE SHEET		
ACCOUNT NAME		Current Year		Previous Year
ASSETS:				
Utility Plant in Service		252,867.73		252,867.73
Less: Accumulated Deprec. & Amort.		(98,351.00)		91,662.00
NET UTILITY PLANT	\$	154,516.73	\$	161,205.73
Cash		(42,853.69)		(22,372.56)
Customer Accounts Receivable		420.28		1,220.60
Other Assets (Specify)				
Land		12,168.34		12,168.34
	<u> </u>	*		
TOTAL ASSETS OTHER THAN UTILITY PLAN	\$	(30,265.07)	\$	(8,983.62)
TOTAL ASSETS	\$	124,251.66	\$	152,222.11
LIABILITIES AND CAPITAL				
CAPITAL Common Stock Issued		333.33		333.33
Preferred Stock Issued				
Other Paid in Capital		143,906.04		143,906.04
Retained Earnings		(279,974.70)		(277,289.05)
Proprietary Capital		(405 705 00)	Φ.	(400.040.00)
TOTAL CAPITAL	\$	(135,735.33)	\$	(133,049.68)
LIABILITIES				
Long Term Debt		251,853.79		272,760.55
Accounts Payable		5,941.98		11,603.06
Notes Payable		- 101.00		
Customer Deposits	<u> </u>	2,191.22		908.18
Accrued Taxes Other Liabilities (Specify)	-			
Other Liabilities (Specify)	-			
	 			
Advances for Construction				
Contributions in aid of Construction				
TOTAL LIABILITIES	\$	259,986.99	\$	285,271.79
TOTAL LIABILITIES AND CAPITAL	\$	124,251.66	\$	152,222.11

Accumulated Depreciation and Amortization of Utility Plant		
ACCOUNT 108	Current Year	Previous Year
Balance at First of Year	91,662.00	84,974.00
Credits During the Year:		
Accruals Charged to Depreciation Account	6,689.00	6,688.00
Salvage		
Other Credits (Specify):		
Total Credits	\$ 98,351.00	\$ 91,662.00
Debits During the Year: Book Cost of Plant Retired Cost of Removal Other Debits (Specify):		
Total Debits	\$ -	\$ -
Balance at End of Year	\$ 98,351.00	\$ 91,662.00

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Contributions in Aid of	f Constr	ruction		
Report below all contractor and developer agreements line extension agreements from which cash or property	Indi	icate		
was received during the year	Cash	Property	Amou	nt
TOTAL DURING THE YEAR			\$	_

Accumulated Deferred Income	Taxes	
Description	Am	ount
Accumulated Deferred Income Taxes		
Federal		
State		
Total Accumulated Deferred Income Taxes	\$	-

Capital Stock			
-	Common Stock	Preferred Stock	
Par or stated value per share	1		
Shares Authorized			
Shares Issued and Outstanding	333.33		
Total par value of stock issued			
Dividends declared per share for year			

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Retained E	arnings	
	Appropriated	Unappropriated
Balance at first of year		-277289.05
Changes during year:		
Net Income (loss)		-2685.65
Dividends		
Other (Specify):		
Balance end of year		-279974.7

Proprietary Capital			
	Proprietor or Partner Partner		
Balance at first of year Changes during year (Specify):	143906.04		
Balance at end of year	143906.04		

Long Term Debt						
		Principal at Balance				
Description of Obligation	Rate F		ayment	Sheet Date		
	7.00%		40000	251853.79		
				_		
					St. 80 (10 ft - 10 ft	
Total		\$	40,000.00	\$	251,853.79	

Water Utility Plant Accounts					
Acct No.	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization				
302	Franchises				
303	Land & Land Rights	12,168.34			12,168.34
304	Structures and Improvements	240,867.73			240,867.73
305	Collecting and Impounding Reservoirs				
306	Lake River and Other Intakes				
307	Wells and Springs	_			_
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment				
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations				
335	Hydrants				
339	Other Plant and Misc. Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop & Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment	12,000.00			12,000.00
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
Total W	ater Plant	\$ 265,036.07	\$ -	\$ -	\$ 265,036.07

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Analysis of Accumulated Depreciation by Primary Account								
Acct No.	Account	Average Service Life in Years	Average Salvage Value in Percent	Depr. Rate Applied	Accumulated Depreciation Beginning of Year	Debits	Credits	Accumulated Depreciation End of Year
304	Structures and Improvements	37.5		straight line	79,662.00		6,689.00	86,351.00
305	Collecting and Impounding Reservoirs							
306	Lake River and Other Intakes							
307	Wells and Springs							
	Infiltration Galleries and Tunnels							
309	Supply Mains							
	Power Generation Equipment							
311	Pumping Equipment							
	Water Treatment Equipment							
	Distribution Reservoirs and Standpipes							
331	Transmission and Distribution Mains							
333	Services							
334	Meters and Meter Installations							
335	Hydrants							
339	Other Plant and Misc. Equipment							
	Office Furniture and Equipment							
341	Transportation Equipment							
342	Stores Equipment							
343	Tools, Shop & Garage Equipment							
344	Laboratory Equipment							
345	Power Operated Equipment	5		200%DDB	12,000.00		-	12,000.00
	Communication Equipment							
	Miscellaneous Equipment					-		
	Other Tangible Plant							
тот	AL				\$ 91,662.00	\$ -	\$ 6,689.00	\$ 98,351.00

Water Operation and Maintenance Expense	
Account Name	Amount
Salaries and Wages - Employees	
Salaries and Wages - Officers, Directors and Majority Stockholders	
Employee Pension and Benefits	
Purchased Water	
Purchased Power	7,856.13
Fuel for Power Production	
Chemicals	2,236.89
Materials and Supplies	330.53
Contractual Services	16,237.61
Rents	
Transportation Expense	
Insurance Expense	5,178.77
Regulatory Commission Expense	165.12
Bad Debt Expense	
TOTAL	\$ 32,005.05

Payments for Services Rendered by Other than Employees
Report all information concerning rate, management, construction advertising, labor relations, public relations or other similar services rendered the respondent of which the aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever, amounting to \$500 or more.

Utilities having revenue in excess of \$100,000 should report amounts of \$5,000 or more.

Name of Recipient	Amount	Description of Service
Curb Box Specialties	15,501.85	Water testing
Payne Financial Group	5,178.77	Insurance
Yellowstone Valley Electric	7,639.30	Utilities
Payne Financial Group Yellowstone Valley Electric Wells Built Homes, Inc	7,924.28	Management
Yellowstone County Treasurer	1,624.90	Taxes
·		
		W 100 March 100
10		
		# 1900 (Blue)
with the state of		

Sources of Water Supply									
Surface Water: River: Lake: Stream: Impounding Reservoir:									
Ground V	vater: No.	of Springs	S: No	o. of Shallo	ow vveiis:	, l'	No. of Deep \	/veiis:	
			oirs, Stan						
							ns:		
		i:			Capacity	in Gallor	ns:		
Method of	of Purifica	ation:							
			Se	rvices ar	nd Mete	rs			
Size->	1/2"	5/8"	1 in	1 1/2 in	2 in	3 in	4 in	6 in	
Services	4	_							
Meters									
		Nur	nber and	Classific	ation of	Consur	ners		
			eginning of Ye			End of Ye			
Classi	Classification Metered Unmetered Total Metered Unmetered Total Increase (Decrease)								
Resident			80	80		80	80	0	
Commer									
Industria									
Fire Hyd				*	-				
Governm All Other									
To	otal	_	80.00	80.00	-	80.00	80.00		_
Total Dumning Station Statistics									
Total Pumping Station Statistics									
Total Amount of Water Obtained by all methods during the years.									
Total Amount of Water Obtained by all methods during the year:50,000,000 gals Maximum Water obtained all methods during any one day: 520,000 gals.									
Minimum Amount of Water obtained all methods during one day:17,000 gals.									
			on mains				17,000	yais.	
						0 100			
Range of fire pressure in mains58 lbs to 65 lbs									

Affidavit

STATE OF MONTANA)
County of	_)
We, the undersigned, on our oath do severall	ly say that the foregoing return of
water utility, has been prepared under our direct papers and records of said utility and declare correct statement embracing all the financial during the period for which the return is made (Signature) Subscribed and sworn before me this 12th	the same to be a full, true and transactions of said utility
(SEAL)	Tochihara
NOREEN TOCHIHARA NOTARY PUBLIC for the State of MONTANA SEAL Residing at Billings, Montana MY COMM. EXPIRES DEC. 6, 2015	10cmmu