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PUBLIC SERVICE
COMMISSION

ANNUAL REPORT

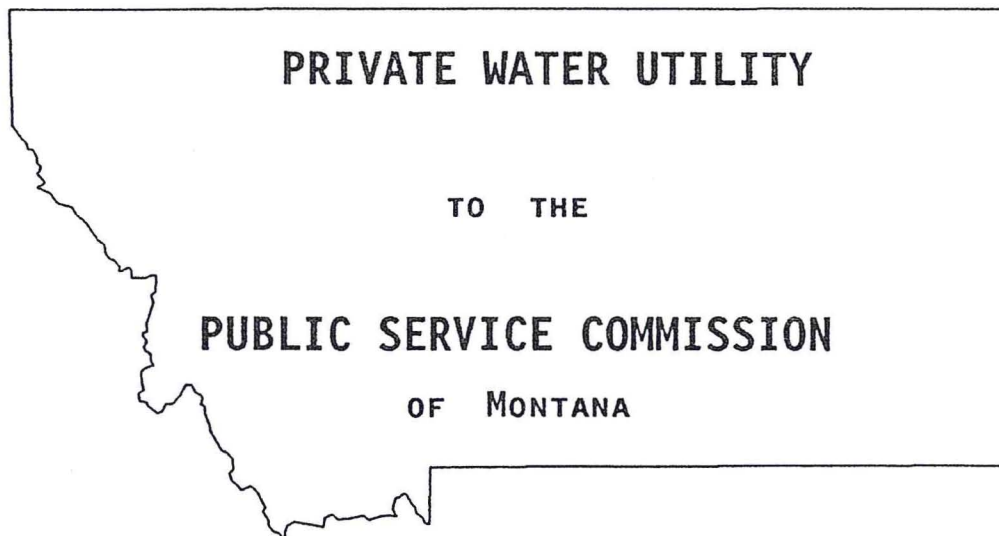
of the

NAME

Flathead Utility Company, Inc.

LOCATION

2191 3rd Avenue East, Kalispell, Montana 59901



FOR THE YEAR ENDING 31-Jan-14

Table of Contents

SCHEDULE	PAGE
Identification	2
Income Statement	3
Balance Sheet	4
Contributions in Aid of Construction	5
Accumulated Depreciation and Amortization of Utility Plant	6
Capital Stock	6
Retained Earnings	6
Proprietary Capital	6
Long Term Debt	6
Water Utility Plant Accounts	7
Analysis of Accumulated Deprecation by Primary Account	8
Payments For Services Rendered by Other Than Employees	9
Water Operation and Maintenance Expense	9
Water Customers	10
Operating Statistics	10

REPORT OF

FLATHEAD UTILITY COMPANY, INC.

2191 3RD AVENUE EAST

(address)

KALISPELL, MT. 59901

(city, state, zip code)

For Year Ended 1/31/2014

Date Utility First Organized 2/7/1979

Telephone Number 406-755-5392

Location of books and records 2191 3rd avenue East, Kalispell, Mt. 59901

Contacts			
Name	Title	Principal Business Address	Salary
Person to send correspondence:	James J. Billmayer President	2191 3rd. Avenue east Kalispell, Mt. 59901	
Person who prepared this report:			
Officers and Managers:	James J. Billmayer President	same	n/a

[illegible]

INCOME STATEMENT		
ACCOUNT NAME	Current Year	Previous Year
OPERATING REVENUE:		
Metered		
Residential		
Commercial		
Industrial		
Other		
Unmetered		
Residential		
Commercial		
Industrial		
Fire Protection		
Bulk Sales		
Sale of Materials		
Other		
TOTAL OPERATING REVENUE:	\$ 91,806.00	\$ 78,262.00
OPERATING EXPENSES:		
Operation and Maintenance Expense	87,525.00	68,720.00
Depreciation Expense	4,304.00	2,366.00
Taxes Other than Income	1,438.00	622.00
Deferred Federal Income Taxes		221.00
Deferred State Income Taxes	50.00	114.00
TOTAL OPERATING EXPENSES	\$ 93,317.00	\$ 69,043.00
NET INCOME (LOSS) from OPERATIONS	\$ (1,511.00)	9,219.00
Other Income:		
Non Utility Income		
Capitol Credits	653.00	
Lease Income	6,832.00	
TOTAL OTHER INCOME	\$ 7,485.00	
Other Deductions:		
Non-Utility Expenses	5,589.00	5,165.00
Interest Expense	407.00	534.00
TOTAL OTHER DEDUCTIONS	\$ 5,996.00	\$ 5,699.00
NET INCOME (LOSS)	\$ (22.00)	\$ 3,520.00

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Current Year	Previous Year
ASSETS:		
Utility Plant in Service	216,010.00	210,510.00
Less: Accumulated Deprec. & Amort.	88,120.00	83,816.00
NET UTILITY PLANT	\$ 127,890.00	\$ 126,694.00
Cash		774.00
Customer Accounts Receivable		
Other Assets (Specify)		
TOTAL ASSETS OTHER THAN UTILITY PLANT	\$ -	\$ 774.00
TOTAL ASSETS	\$ 127,890.00	\$ 127,468.00
LIABILITIES AND CAPITAL		
CAPITAL		
Common Stock Issued	500.00	500.00
Preferred Stock Issued		
Other Paid in Capital		
Retained Earnings	4,415.00	4,437.00
Proprietary Capital		
TOTAL CAPITAL	\$ 4,915.00	\$ 4,937.00
LIABILITIES		
Long Term Debt	107,387.00	107,387.00
Accounts Payable	2,188.00	
Notes Payable	5,793.00	7,979.00
Customer Deposits	7,557.00	6,657.00
Accrued Taxes		
Other Liabilities (Specify)		
Checking Account		-
Corporate Taxes Payable	50.00	178.00
Advances for Construction		
Contributions in aid of Construction		
TOTAL LIABILITIES	\$ 122,975.00	\$ 122,531.00
TOTAL LIABILITIES AND CAPITAL	\$ 127,890.00	\$ 127,468.00

Accumulated Depreciation and Amortization of Utility Plant		
ACCOUNT 108	Current Year	Previous Year
Balance at First of Year	83,816.00	81,450.00
Credits During the Year:	4,304.00	2,366.00
Accruals Charged to Depreciation Account		
Salvage		
Other Credits (Specify):		
Total Credits	\$ 88,120.00	\$ 83,816.00
Debits During the Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify):		
Total Debits	\$ -	\$ -
Balance at End of Year	\$ 88,120.00	\$ 83,816.00

Contributions in Aid of Construction			
Report below all contractor and developer agreements and line extension agreements from which cash or property was received during the year	Indicate		Amount
	Cash	Property	
	N/A	N/A	
TOTAL DURING THE YEAR			N/A

Accumulated Deferred Income Taxes	
Description	Amount
Accumulated Deferred Income Taxes	
Federal	
State	
Total Accumulated Deferred Income Taxes	N/A

Capital Stock		
	Common Stock	Preferred Stock
Par or stated value per share	10	
Shares Authorized	50	
Shares Issued and Outstanding	50	
Total par value of stock issued	500	
Dividends declared per share for year	N/A	

Retained Earnings		
	Appropriated	Unappropriated
Balance at first of year	4437	
Changes during year:		
Net Income (loss)	-22	
Dividends		
Other (Specify):		
Balance end of year	4415	

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

Long Term Debt			
Description of Obligation	Interest Rate	Payment	Principal at Balance Sheet Date
Escrow Service - JJB - 8756-07	8%		5,793.00
James J. Billmayer		Various	107,387.00
Customer Deposits	6%		7,557.00
Total		\$ -	\$ 120,737.00

Water Utility Plant Accounts

Acct No.	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures and Improvements				
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	7,284.00			7,284.00
311	Pumping Equipment				
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations	1,310.00			1,310.00
335	Hydrants				
339	Other Plant and Misc. Equipment	29,552.00			29,552.00
340	Office Furniture and Equipment	11,401.00			11,401.00
341	Transportation Equipment		5,500.00		5,500.00
342	Stores Equipment				
343	Tools, Shop & Garage Equipment	10,580.00			10,580.00
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment	23,823.00			23,823.00
348	Other Tangible Plant	126,560.00			126,560.00
Total Water Plant		\$ 210,510.00	\$ 5,500.00	\$ -	\$ 216,010.00

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							
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				SEE ATTACHED			
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							
346	Communication Equipment							
347	Miscellaneous Equipment							
348	Other Tangible Plant							
TOTAL					\$ -	\$ -	\$ -	\$ -

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	12,292.00
Fuel for Power Production	4,316.00
Chemicals	-
Materials and Supplies	26,814.00
Contractual Services	5,496.00
Rents	23,112.00
Transportation Expense	7,663.00
Insurance Expense	2,759.00
Regulatory Commission Expense	
Bad Debt Expense	
Miscellaneous Expense	5,073.00
TOTAL	\$ 87,525.00

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.

[illegible]

Sources of Water Supply

Surface Water: River: _____ Lake: _____ Stream: _____ Impounding Reservoir: _____

Ground Water: No. of Springs: _____ No. of Shallow Wells: _____ No. of Deep V _____ 4

Reservoirs, Standpipes, and Purification System

No. of Reservoirs: _____ Capacity in Gallons: _____

No. of Standpipes: _____ Capacity in Gallons: _____

Method of Purification: _____
NONE

Services and Meters

Size->	1/2"	3/4 in	1 in	1 1/2 in	2 in	3 in	4 in	6 in	
Services									
Meters		210	61						

Number and Classification of Consumers

Classification	Beginning of Year			End of Year			Increase (Decrease)
	Metered	Unmetered	Total	Metered	Unmetered	Total	
Residential	271		271	271		271	0
Commercial							
Industrial							
Fire Hydrants							
Governmental							
All Other							
Total	271.00	-	271.00	271.00	-	271.00	-

Total Pumping Station Statistics

Total Amount of Water Obtained by all methods during the 45295309 gals.
 Maximum Water obtained all methods during any one day 395478 gals.
 Minimum Amount of Water obtained all methods during or 31287 gals.
 Range of ordinary pressure on mains 50 - 60 lbs to 75 - 80 lbs
 Range of fire pressure in mains n/a lbs to n/a lbs

Affidavit

STATE OF MONTANA)

County of Flathead)

We, the undersigned, on our oath do severally say that the foregoing return of Flathead Utility Company

water utility, has been prepared under our direction from the original books, papers and records of said utility and declare the same to be a full, true and correct statement embracing all the financial transactions of said utility during the period for which the return is made.

J. J. Billmeyer
(Signature)

J. J. Billmeyer, President
(NAME & TITLE)

Subscribed and sworn before me this 19th day of May, 2014

Kathy L. Hafferman

(SEAL)

