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ANNUAL REPORT

of the

NAME AquaFlo, LLC

LOCATION Helena, Montana

PRIVATE WATER UTILITY and WASTE WATER UTILITY

TO THE

PUBLIC SERVICE COMMISSION

of Montana

FOR THE YEAR ENDING 2015

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.
- Interpret all accounting words or phrases in accordance with the Uniform System of Accounts for Water Utilities.
- 3 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

AquaFlo, LLC

P O Box 1091		Helena, MT 59624
(address)		(city, state, zip code)
For Year Ended	2015	
Date Utility First Organized	3/1/2007	
Telephone Number	406-442-4747	
Location of books and records	4855 N Montana Ave., H	Helena, MT

	Contacts					
Name	Title	Principal Business Address	Salary			
Person to send correspondence: John Maxness	Manager	P O Box 1091 Helena, MT 59624				
Person who prepared this report: Sandra Barrows	Regulatory Consultant	6171 Lazy Man Gulch Helena, MT 59601				
Officers and Managers: John Maxness	Manager	P O Box 1091 Helena, MT 59624				

	Ownership				
Report every corporation	on or person owning interest or ho	lding directly 5 percent or more of	the voting securities		
of the reporting utility					
Name	Percent Ownership in Utility	Principle Business Address	Amt Pd by Utility		
Aqua Sierra, LLC	100%	PO Box 1091			
		Helena, MT 59624			

INCOME STATE	MENT			
ACCOUNT NAME	Cur	rent Year 2015	Prev	ious Year 2014
OPERATING REVENUE:				
Metered				
Residential		58,161.57		59,689.01
Commercial		1,653.52		1,526.01
Industrial		1,033.32		1,320.01
Other				
Unmetered				
Residential	\$	74,434.29	\$	75,510.36
Commercial		3,238.14	Ψ	3,259.44
Industrial		0,200.14		0,200.44
Fire Protection				
Bulk Sales				
Sale of Materials - Meter				
Other - Connect, disconnect, NSF		293.00		137.00
TOTAL OPERATING REVENUE:	\$	137,780.52	\$	140,121.82
TOTAL OF LITATING REVENUE.	φ	137,760.32	Ψ	140,121.02
OPERATING EXPENSES:				
Operation and Maintenance Expense	\$	100,275.30	\$	100,402.18
Depreciation Expense		11,508.00	Ψ	12,042.00
Taxes Other than Income		1,794.73		2,183.94
Federal Income Taxes		2,724.70		8,913.25
State Income Taxes		2,841.00		2,309.00
TOTAL OPERATING EXPENSES	\$	119,143.73	\$	125,850.37
	Ψ	,	Ψ	.==,000.0.
NET INCOME (LOSS) from OPERATIONS	\$	18,636.79	\$	14,271.45
	•		•	
Other Income:				
Non Utility Income		3,855.00		3,910.00
Expense Reimbursement				
TOTAL OTHER INCOME	\$	3,855.00	\$	3,910.00
	Ψ	0,000.00	Ψ	0,510.00
Other Deductions:				
Non-Utility Expenses				
Interest Expense		-		-
ROI		27,340.80		27,340.80
TOTAL OTHER DEDUCTIONS	\$	27,340.80	\$	27,340.80
NET INCOME (LOSS)	\$	(4,849.01)	\$	(9,159.35)

COMPARA ⁻	TIVE BA	LANC	E SHEET		
ACCOUNT NAME			ent Year 2015	Prev	vious Year 2014
ASSETS:					
Utility Plant in Service		\$	239,952.00	\$	239,952.00
Less: Accumulated Deprec. & Amort.		T	112,077.00	T	100,569.00
NET UTILITY PLANT		\$	127,875.00	\$	139,383.00
	<u> </u>				
Cash	!	\$	45,465.41	\$	36,806.42
Customer Accounts Receivable			-		
Other Assets (Specify) La	and		27,478.00		27,478.00
TOTAL ASSETS OTHER THAN UTILIT	Y PLAN	\$	72,943.41	\$	64,284.42
	_			-	
TOTAL ASSETS		\$	200,818.41	\$	203,667.42
LIABILITIES AND CAPITAL					
EIABIEITIES AND GAI ITAE					
CAPITAL					
Common Stock Issued					
Preferred Stock Issued					
Other Paid in Capital					
Retained Earnings					
Proprietary Capital	;	\$	198,054.41	\$	201,420.67
TOTAL CAPITAL	,	\$	198,054.41	\$	201,420.67
LIABILITIES					
Long Term Debt	(\$	-		
Accounts Payable	(\$	-		
Notes Payable					
Customer Deposits					
Accrued Taxes (2015 return, due in 20	16)		2,764.00		2,246.75
Other Liabilities (Specify)					
Advances for Construction					
Contributions in aid of Construction		φ	0.704.00	Φ	0.040.75
TOTAL LIABILITIES	L;	\$	2,764.00	\$	2,246.75
TOTAL LIABILITIES AND SABITAL	_	•	200 212 (:	Φ.	202 227 12
TOTAL LIABILITIES AND CAPITAL		\$	200,818.41	\$	203,667.42

Accumulated Depreciation and Amortization of Utility Plant					
ACCOUNT 108					
Balance at First of Year	\$	100,569	\$	88,527	
Credits During the Year:	\$	11,508	\$	12,042	
Accruals Charged to Depreciation Account					
Salvage					
Other Credits (Specify):					
Total Credits	\$	112,077	\$	100,569	
Debits During the Year:					
Book Cost of Plant Retired					
Cost of Removal					
Other Debits (Specify):					
Total Debits	\$	-	\$	-	
Delegae at Find of Veer	Φ	110.077	Φ	100 500	
Balance at End of Year	\$	112,077	\$	100,569	

Contributions in Aid of	Contributions in Aid of Construction				
Report below all contractor and developer agreements ar line extension agreements from which cash or property	Indi	cate			
was received during the year	Cash	Property	Amount		
none					
TOTAL DURING THE YEAR			\$ -		

Accumulated Deferred Income Taxes	
Description	Amount
Accumulated Deferred Income Taxes	
Federal	1,790.00
State	974.00
Total Accumulated Deferred Income Taxes	\$2,764.00

Taxes from the 2015 return that are due in 2016.

Car	Capital Stock					
	none	Common Stock	Preferred Stock			
Par or stated value per share						
Shares Authorized						
Shares Issued and Outstanding						
Total par value of stock issued						
Dividends declared per share for year						

Retained E	Retained Earnings				
none	ne Appropriated Unappropriate	d			
Balance at first of year					
Changes during year:					
Net Income (loss)					
Dividends					
Other (Specify):					
Balance end of year					

Proprietary Capital					
	Prop	rietor or Partner	Partner		
Balance at first of year	\$	201,420.67			
Changes during year (Specify):					
Net income - change in acrd tax liability and prior	\$	(3,366.26)			
year estimate					
Balance at end of year	\$	198,054.41			

Long Term Debt					
	Interest		Principal at Balance Sheet Date		
Description of Obligation	Rate	Payment	Sheet Date		
Total		\$ -	\$ -		

Utility Plant Accounts							
		Pre	vious Year			Cu	rrent Year
Acct No.	Account Name		2014	Additions	Retirements		2015
301	Organization						
302	Franchises						
303	Land & Land Rights	\$	27,478			\$	27,478
304	Sewer Building					\$	-
305	Water Building					\$	-
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	\$	22,940			\$	22,940
320	Water Treatment Equipment					\$	-
330	Combined Water Plant	\$	169,751			\$	169,751
331	Combined Sewer Plant	\$	8,562			\$	8,562
333	Services					\$	-
334	Meters and Meter Installations	\$	7,476			\$	7,476
335	Hydrants					\$	-
339	Pumping Equipment					\$	-
340	Office Furniture and Equipment					\$	-
341	Transportation Equipment					\$	-
342	Software	\$	2,520			\$	2,520
343	Tools, Shop & Garage Equipment					\$	-
344	Laboratory Equipment					\$	-
345	Power Operated Equipment					\$	-
346	Communication Equipment					\$	-
347	Fencing	\$	28,703			\$	28,703
348	Other Tangible Plant					\$	-
Total Util	ity Plant	\$	267,430	\$ -	\$ -	\$	267,430

	Analysis of Accumulated Depreciation by Primary Account							
Acct No.	Account	Average Service Life in Years	vice Salvage Rate Salvage Rate Be		Accumulated Depreciation Beginning of Year 2015	Debits	Credits	Accumulated Depreciation End of Year 2015
304	Sewer Building							0
305	Water Building							0
306	Lake River and Other Intakes							0
307	Wells and Springs							0
	Infiltration Galleries and Tunnels							0
309	Supply Mains							0
	Power Generation Equipment							0
	Pumping Equipment	7	0%	Straight Line	20,345	1,693		22,038
320	Water Treatment Equipment				·			0
	Combined Water Plant	25	0%	Straight Line	55,613	7,025		62,638
331	Combined Sewer Plant	25		Straight Line	2,709	342		3,051
333	Services			J	,			•
334	Meters and Meter Installations	7	0%	Straight Line	6,942	534		7,476
335	Hydrants							0
339	Other Plant and Misc. Equipment							0
340	Office Furniture and Equipment							0
341	Transportation Equipment							0
	Software	5	0%	Straight Line	2,520	0		2,520
343	Tools, Shop & Garage Equipment							0
344	Laboratory Equipment							0
345	Power Operated Equipment							0
	Communication Equipment							0
	Fencing	15	0%	Straight Line	12,440	1,914		14,354
348	Other Tangible Plant							
тот	AL				100,569	11,508	0	112,077

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	15,639.70
Operation and Maintenance	13,939.42
Chemicals	
Materials and Supplies	126.20
Contractual Services (Operation, Engineering, Billing, Legal, Mgmt)	58,401.48
Testing & Monitoring	2,722.30
Transportation Expense	
Insurance Expense	2,953.00
Regulatory Commission Expense	900.00
Bad Debt Expense	
Miscellaneous Expense	5,593.20
TOTAL	\$ 100,275.30

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
John Maxness	\$19,200	Management
Accounting Beans, LLC	\$17,493	Billing and Accounting Services
B & R Water	\$7,380	Professional Service
Integerated Water	\$9,718	Professional Service
	+	+

Sources of Water Supply				
Surface Water: River: _n/a Lake: _n/a Stream:n/a_ Impounding Reservoir: _n/a				
Ground Water: No. of Springs:n/a_ No. of Shallow Wells:n/a No. of Deep Wells:3				

Reservoirs, Standpipes, and Purification System					
No. of Reservoirs:	1		Capacity in Gallons:	292,000	
No. of Standpipes:	0		Capacity in Gallons:	0	
Method of Purification:		none			

	Services and Meters								
Size->	1/2"	5/8"	1 in	1 1/2 in	2 in	3 in	4 in	6 in	3/4 in
Services									142
Meters									143

Number and Classification of Consumers							
	Be	eginning of Ye	ear		End of Year		
Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase (Decrease)
Residential	138		138	138		138	0
Commercial	6		6	6		6	0
Industrial							
Fire Hydrants		2	2		2	2	0
Governmental							
All Other							
Total	144	2	146	144	2	146	0

Total Pumping Station Statistics	
Total Amount of Water Obtained by all methods during the year: 11,769,010 Maximum Water obtained all methods during any one day: 66,677 Minimum Amount of Water obtained all methods during one day: 15,816 Range of ordinary pressure on mains60 lbs to70 lbs Range of fire pressure in mains15 lbs to20 lbs	

	Affidavit
STATE OF MONTANA)
County of Lewis and Clark)
I, the undersigned, on our oath do severa	
water and wastewater utility, has been pr papers and records of said utility and dec correct statement embracing all the finan during the period for which the return is n	cial transactions of said utility
	John Maxness
(Signature)	
Subscribed and sworn before me this	day ofApril, 2016
(SEAL)	