		YEAR	2017
	ANNUAL REPORT	-	
	of the		
NAME	AquaFlo, LLC		
LOCATION	Helena, Montana		
	PRIVATE WATER UTIL and WASTE WATER UT TO THE PUBLIC SERVICE COMMIS OF MONTANA	ILITY	
FOR THE `	YEAR ENDING 201	7	
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.
- 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.
- 4 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.
- 5 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.
- 7 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.
- 8 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	2017	
Date Utility First Organized	3/1/2007	
Telephone Number	406-442-4747	
Location of books and records	4855 N Montana Ave.	Helena, MT

Contacts						
Name	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 or person owning interest or holding 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 STATEMENT					
ACCOUNT NAME	Cur	rent Year 2017	Previous Year 2016		
Metered			1		
Residential		66,209.77		63,231.51	
Commercial		2,326.99		1,927.88	
Industrial					
Other					
Unmetered		74 550 00		70 000 00	
Residential	\$	74,559.69	\$	76,008.33	
Commercial		3,304.71		3,214.17	
Industrial					
Fire Protection					
Bulk Sales					
Sale of Materials - Meter					
Other - Connect, disconnect, NSF		674.00		74.00	
TOTAL OPERATING REVENUE:	\$	147,075.16	\$	144,455.89	
Operation and Maintenance Expense Depreciation Expense Taxes Other than Income Federal Income Taxes State Income Taxes	\$	109,900.81 10,114.00 2,552.68 3,490.75 2,621.00	\$	100,805.67 10,183.00 1,687.34 3,730.00 1,954.00	
TOTAL OPERATING EXPENSES	\$	128,679.24	\$	118,360.01	
	Ŧ	,	Ŧ	,	
NET INCOME (LOSS) from OPERATIONS	\$	18,395.92	\$	26,095.88	
Other Income:					
Non Utility Income		3,800.00		4,100.00	
Expense Reimbursement		3,000.00		4,100.00	
TOTAL OTHER INCOME	\$	3,800.00	\$	4,100.00	
Other Deductions:					
Non-Utility Expenses					
		-		-	
ROI		27.340.80		27,340.80	
			1		
TOTAL OTHER DEDUCTIONS	\$	27,340.80	\$	27,340.80	
				·	
NET INCOME (LOSS)	\$	(5,144.88)	\$	2,855.08	
Interest Expense ROI TOTAL OTHER DEDUCTIONS				27,34	

COMPARATI	VE BALAN	ICE SHEET		
ACCOUNT NAME		rrent Year 2017	Previ	ous Year 2016
ASSETS:				
Utility Plant in Service	\$	289,952.00	\$	239,952.00
Less: Accumulated Deprec. & Amort.	Ť	132,374.00		122,260.00
NET UTILITY PLANT	\$	157,578.00	\$	117,692.00
		,		,
Cash	\$	38,736.65	\$	58,503.49
Customer Accounts Receivable		-		
Other Assets (Specify)	d	27,478.00		27,478.00
TOTAL ASSETS OTHER THAN UTILITY	PLAN \$	66,214.65	\$	85,981.49
TOTAL ASSETS	\$	223,792.65	\$	203,673.49
LIABILITIES AND CAPITAL				
CAPITAL				
Common Stock Issued				
Preferred Stock Issued				
Other Paid in Capital				
Retained Earnings				
Proprietary Capital	\$	199,200.65	\$	201,743.49
TOTAL CAPITAL	\$	199,200.65	\$	201,743.49
LIABILITIES	<b>—</b> —			
Long Term Debt	\$	25,000.00		
Accounts Payable	\$	-		
Notes Payable				
Customer Deposits		(400.00)		4 000 00
Accrued Taxes (2017 return, due in 2018	<u>»)</u>	(408.00)		1,930.00
Other Liabilities (Specify)				
Advances for Construction				
Contributions in aid of Construction				
	\$	24,592.00	\$	1,930.00
TOTAL LIABILITIES AND CAPITAL	\$	223,792.65	\$	203,673.49

Accumulated Depreciation and Amortization of Utility Plant					
ACCOUNT 108	Current Year 2017			Previous Year 2016	
Balance at First of Year	\$	122,260	\$	112,077	
Credits During the Year:	\$	10,114	\$	10,183	
Accruals Charged to Depreciation Account					
Salvage					
Other Credits (Specify):					
Total Credits	\$	132,374	\$	122,260	
Debits During the Year:					
Book Cost of Plant Retired					
Cost of Removal					
Other Debits (Specify):					
Total Debits	\$	-	\$	-	
Balance at End of Year	\$	132,374	\$	122,260	

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

Accumulated Deferred Income Taxes				
Description	Amount			
Accumulated Deferred Income Taxes				
Federal	(297.00)			
State	(111.00)			
Total Accumulated Deferred Income Taxes	\$ (408.00)			

Taxes from the 2017 return that are due in 2018.

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 Earnings					
nor Balance at first of year	ne	Appropriated	Unappropriated		
Changes during year: Net Income (loss)					
Dividends Other (Specify):					
Balance end of year					

Proprietary Capital								
Proprietor or Partner Partner								
Balance at first of year	\$	201,743.49						
Changes during year (Specify):								
Net income, change in acrd tax liability	\$	(2,542.84)						
Balance at end of year	\$	199,200.65						

Long Term Debt						
	Interest			Principal at Balance		
Description of Obligation	Rate	Payment	:	Sheet Date		
			\$	25,000.00		
	]					
Total		\$-	\$	25,000.00		

	Utili	Plant Acco	unt	S		-	
					Cu	rrent Year	
Acct No.		2016	A	dditions	Retirements		2017
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		\$	50,000		\$	50,000
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		\$ 267,430	\$	50,000	\$-	\$	317,430

	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 2017	Debits	Credits	Accumulated Depreciation End of Year 2017		
304	Sewer Building							0		
305	Water Building							0		
306	Lake River and Other Intakes							0		
307	Wells and Springs							0		
308	Infiltration Galleries and Tunnels							0		
309	Supply Mains							0		
310	Power Generation Equipment							0		
311	Pumping Equipment	7	0%	Straight Line	22,940	0		22,940		
320	Water Treatment Equipment	20	0%	Straight Line		833		833		
330	Combined Water Plant	25	0%	Straight Line	69,663	7,025		76,688		
331	Combined Sewer Plant	25	0%	Straight Line	3,393	342		3,735		
333	Services									
334	Meters and Meter Installations	7	0%	Straight Line	7,476	0		7,476		
335	Hydrants							0		
339	Other Plant and Misc. Equipment							0		
340	Office Furniture and Equipment							0		
341	Transportation Equipment							0		
342	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		
346	Communication Equipment							0		
347	Fencing	15	0%	Straight Line	16,268	1,914		18,182		
348	Other Tangible Plant									
тот	AL				122,260	10,114	0	132,374		

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	16,765.52
Operation and Maintenance	17,175.63
Chemicals	
Materials and Supplies	213.68
Contractual Services (Operation, Engineering, Billing, Legal, Mgmt)	65,458.51
Testing & Monitoring	2,377.10
Transportation Expense	
Insurance Expense	3,016.00
Regulatory Commission Expense	600.00
Bad Debt Expense	
Miscellaneous Expense	4,294.37
TOTAL	\$ 109,900.81

## 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	\$21,200	Management
Accounting Beans, LLC	\$19,985	Billing and Accounting Services
Integerated Water	\$31,823	Billing and Accounting Services Professional Service and O&M
	-	
	<u> </u>	

# 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 SystemNo. of Reservoirs:1Capacity in Gallons:292,000No. of Standpipes:0Capacity in Gallons:0Method 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									143
Meters									144

Number and Classification of Consumers									
	Be	eginning of Ye	ear		End of Year				
Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increa (Decre		
Residential	138		138	139		139		1	
Commercial	6		6	6		6		0	
Industrial									
Fire Hydrants		2	2		2	2		0	
Governmental									
All Other									
Total	144	2	146	145	2	147		1	

Total Pumping Station Statistics	
Total Amount of Water Obtained by all methods during the year: 13,239,900	
Maximum Water obtained all methods during any one day: 80,089	
Minimum Amount of Water obtained all methods during one day: 15,731	
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 severally say that the foregoing return of AquaFlo, LLC

water and wastewater utility, has been prepared under my 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.

(Signature) John Maxness

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_April\_\_\_\_\_, 2018

(SEAL)