

RECEIVED BY  
2010 APR 30 P 4: 53

PUBLIC SERVICE  
COMMISSION

YEAR 2009

ANNUAL REPORT  
OF THE  
UTILITY SOLUTIONS, LLC  
BOZEMAN, GALLATIN COUNTY, MONTANA

PRIVATE SEWER UTILITY  
TO THE  
PUBLIC SERVICE COMMISSION  
OF MONTANA  
FOR THE YEAR ENDING DECEMBER 31, 2009

## 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 Depreciation by Primary Account	8
Payments For Services Rendered by Other Than Employees	9
Sewer Operation and Maintenance Expense	9

## REPORT OF

UTILITY SOLUTIONS, LLC  
P.O. BOX 10098 BOZEMAN, MT 59719

For Year Ended: December 31, 2009

Date Utility First Organized: May 15, 2003

Telephone Number: 406-587-0994

Location where books and records are located: 517 South 22nd Ave, Suite 8, Bozeman MT

Contracts:			
Name	Title	Principal Business Address	Salary
Double-Tree, Inc.	manager	P.O. Box 10098 Bozeman, MT 59719	N/A

Report every corporation or person owning interest or holding directly or indirectly 5 percent or more voting securities of the reporting utility:

Name	Ownership in Utility	Principal Business Address	Salary
Barbara Campbell	45%	P.O. Box 10098 Bozeman, MT 59719	\$0.00
Montana Ventures I, LLC	55%	c/o Guy Graves 201 W. Short St. Lexington, KY 40509	\$0.00

**INCOME STATEMENT (SEWER)**

Account Name	Current Year	Previous Year
<b>GROSS REVENUE:</b>		
Metered **Flat Rate**		
Residential	\$ 167,529	\$ 171,940
Commercial	\$ -	\$ -
Industrial	\$ -	\$ -
Other	\$ -	\$ -
Unmetered		
Residential	\$ -	\$ -
Commercial	\$ -	\$ -
Industrial	\$ -	\$ -
Fire Protection	\$ -	\$ -
Bulk Sales	\$ -	\$ -
Sale of Materials	\$ -	\$ -
Other	\$ 724	\$ 718
<b>TOTAL GROSS REVENUE</b>	<b>\$ 168,253</b>	<b>\$ 172,658</b>
Expense	\$ 204,518	\$ 168,008
Depreciation Expense	\$ 65,425	\$ 65,808
Taxes Other Than Income	\$ 3,291	\$ 4,038
Income Taxes	\$ -	\$ -
Deferred Federal Income Taxes	\$ -	\$ -
<b>TOTAL OPERATING EXPENSE</b>	<b>\$ 273,234</b>	<b>\$ 237,853</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>\$ (104,981)</b>	<b>\$ (65,195)</b>
<b>Other Income:</b>		
Non-Utility Income	\$ -	\$ -
<b>Other Deductions:</b>		
Non-Utility Expense	\$ -	\$ -
Interest Expense (paid)	\$ 2,511	\$ 2,753
Interest Expense (unpaid)	\$ 20,261	\$ 54,857
<b>NET INCOME (LOSS)</b>	<b>\$ (127,752)</b>	<b>\$ (122,806)</b>

**COMPARATIVE BALANCE SHEET (SEWER)**

<b>Account Name</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Assets:</b>		
Utility Plant In Service	\$ 1,216,221	\$ 1,214,674
Accumulated Depreciation and Amortization	\$ (396,205)	\$ (333,132)
<b>Net Utility Plant:</b>	<b>\$ 820,016</b>	<b>\$ 881,542</b>
Cash	\$ 5,260	\$ 118,140
Accounts Receivable	\$ 8,984	\$ 7,379
Other Assets:		
<b>Total Assets</b>	<b>\$ 834,260</b>	<b>\$ 1,007,061</b>
<b>Liabilities and Capital:</b>		
Common Stock Issued	\$ -	\$ -
Preferred Stock Issued	\$ -	\$ -
Other Paid In Capital	\$ -	\$ -
Retained Earnings	\$ -	\$ -
Proprietary Capital	\$ -	\$ -
LLC Members Equity	\$ (1,001,332)	\$ (690,527)
<b>Total Capital</b>	<b>\$ (1,001,332)</b>	<b>\$ (690,527)</b>
Long Term Debt	\$ 1,350,702	\$ 1,350,702
Accounts Payable	\$ 77,394	\$ 7,585
Notes Payable	\$ 332,379	\$ 284,445
Customer Deposits	\$ -	\$ -
Accrued Taxes	\$ -	\$ -
<b>Other Liabilities (specify)</b>		
Accrued Interest	\$ 75,118	\$ 54,857
<b>Total Liabilities</b>	<b>\$ 1,835,592</b>	<b>\$ 1,697,588</b>
Advances For Construction	\$ -	\$ -
Contributions In Aid Of Construction (PSC regulated)	\$ -	\$ -
<b>Total Liabilities and Capital</b>	<b>\$ 834,260</b>	<b>\$ 1,007,061</b>

**Straight-Line Depreciation  
Accumulated Depreciation and Amortization of Utility Plant**

Account 108	Current Year	Previous Year
Balance First of Year	\$333,132.37	\$267,324.33
Credits During Year:	\$0.00	\$0.00
Accruals Charged to Depreciation Account	\$65,424.83	\$65,808.04
Other Credits (Specify)	\$0.00	\$0.00
<b>Total Credits</b>	<b>\$65,424.83</b>	<b>\$65,808.04</b>
Debits During Year:		
Book Cost of Plant Retired	\$2,351.75	\$0.00
Cost of Removal	\$0.00	\$0.00
Other Debits (Specify)	\$0.00	\$0.00
<b>Total Debits</b>	<b>\$2,351.75</b>	<b>\$0.00</b>
<b>Balance End of Year</b>	<b>\$396,205.45</b>	<b>\$333,132.37</b>

**CONTRIBUTIONS IN AID OF CONSTRUCTION**

Report all contractor and developer agreements from which cash was received during the year	Indicate "Cash or Property"	Amount
<b>PSC regulated area</b>		
District PIAC from Developer	Cash	\$0.00
<b>Total During Year:</b>		<b>\$0.00</b>

**ACCUMULATED DEFERRED INCOME TAXES**

Description	Total
Accumulated Deferred Income Taxes:	
Federal	NONE
State	NONE
<b>Total Accumulated Deferred Income Taxes</b>	<b>\$0.00</b>

**CAPITAL STOCK**

		Common Stock	Preferred Stock
Par or stated value per share		NONE	
Shares authorized			
Shares issued and outstanding			
Total par value			
Dividends declared per share for year			

**RETAINED EARNINGS**

		Appropriated	Unappropriated
Balance first of year		NONE	
Changes during year (Specify):			
Balance end of year			0

**PROPRIETARY CAPITAL**

			Partner
Balance first of year		\$ (690,527)	
Changes during year (specify)			
Net (Loss)		\$ (310,805)	
Balance end of year		\$ (1,001,332)	

**LONG TERM DEBT**

Description of Obligation	Interest		Principal Per Balance Sheet Date
	Rate	Payments	
Private Notes Payable	1% over prime		\$ 1,350,702

**SEWER UTILITY PLANT ACCOUNTS**

Acct No.	Account Name	Previous Yr.	Additions	Retirements	Current Year
301	Organization	\$ -			\$ -
302	Licenses & Permits capitalized	\$ 171,988			\$ 171,988
303	Land & Land Rights	\$ 23,744			\$ 23,744
304	Property Improvements	\$ 14,659			\$ 14,659
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	Sewer Treatment Plant	\$ 398,832	\$ 3,899		\$ 402,731
330	Distribution Reservoirs and Standpipes	\$ -			\$ -
331	Transmission and Distribution Mains	\$ 437,409			\$ 437,409
333	Services	\$ -			\$ -
334	Meters and Meter Installations	\$ -			\$ -
334	Hydrants	\$ -			\$ -
339	Other Plant and Misc. Equipment	\$ -			\$ -
340	Office Furniture & Equipment	\$ 6,756		\$ 2,352	\$ 4,404
341	Transportation Equipment	\$ 7,654			\$ 7,654
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	\$ -			\$ -
349	Disposal Beds	\$ 153,632			\$ 153,632
	<b>TOTAL SEWER PLANT</b>	\$ 1,214,674	\$ 3,899	\$ 2,352	\$ 1,216,221



**ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT**

Acct No.	Account	Average Service Life in Years	Average Salvage in Percent	Depreciation Rate Applied	Accumulated Depreciation Balance Previous Year	Debits	Credits	Accumulated Depreciation Balance End of Year
302	Licenses & Permits capitalized	15.00		Amortization	\$ 60,643	\$ 11,466		\$ 72,108
303	Land & Land Rights	NA		NA	\$ -			NA
304	Property Improvements	10.00		Straight Line	\$ 4,322	\$ 1,466		\$ 5,787
305	Collecting and Impounding Reservoirs	NA		NA	\$ -			NA
306	Lake River and Other Intakes	NA		NA	\$ -			NA
307	Wells and Springs	NA		NA	\$ -			NA
308	Infiltration Galleries and Tunnels	NA		NA	\$ -			NA
309	Supply Mains	NA		NA	\$ -			NA
310	Power Generation Equipment	NA		NA	\$ -			NA
311	Pumping Equipment	NA		NA	\$ -			NA
320	Water Treatment Plant	15.00		Straight Line	\$ 142,969	\$ 26,527		\$ 169,497
	Distribution Reservoirs & Standpipes	NA			\$ -			NA
331	Transmission and Distribution Mains	25.00		Straight Line	\$ 94,528	\$ 17,496		\$ 112,025
333	Services	NA		NA	\$ -			NA
334	Meters and Meter Installations	NA		NA	\$ -			NA
334	Hydrants	NA		NA	\$ -			NA
339	Other Plant and Misc. Equipment	7.00		NA	\$ -			NA
340	Office Furniture & Equipment	5.00		Straight Line	\$ 3,816	\$ 793	\$ 2,352	\$ 2,257
341	Transportation Equipment	5.00		Straight Line	\$ 4,816	\$ 1,531		\$ 6,347
342	Stores Equipment	NA		NA	\$ -			NA
343	Tools, Shop & Garage Equipment	NA		NA	\$ -			NA
344	Laboratory Equipment	NA		NA	\$ -			NA
345	Power Operated Equipment	NA		NA	\$ -			NA
346	Communication Equipment	NA		NA	\$ -			NA
347	Miscellaneous Equipment	NA		NA	\$ -			NA
348	Other Tangible Plant	NA		NA	\$ -			NA
349	Disposal Beds	25.00		Straight Line	\$ 22,039	\$ 6,145		\$ 28,184
	<b>TOTAL WATER PLANT</b>				\$ 333,132	\$ 65,425	\$ 2,352	\$ 396,205

Note: Only regulated portions of assets are shown.

**SEWER OPERATION AND MAINTENANCE EXPENSE**

ACCOUNT NAME	AMOUNT
Salaries and Wages	\$ -
Materials and Supplies	\$ 1,043
Chemicals	\$ 1,550
Purchased Power	\$ 8,162
Fuel for Power Production	\$ -
Contractual Services	\$ 30,727
Engineering Expense	\$ -
Management Contract	\$ 114,207
Rental Equipment and Property	
Auto Transportation	\$ 1,708
Other Equipment Expense	\$ 624
Laboratory and Testing	\$ 2,965
Insurance	\$ 9,238
Regulatory Commission	\$ 20,100
Permits, Fees, and Licenses	\$ 37
Advertising	\$ 221
Postage and Printing	\$ 991
Miscellaneous Expense	\$ 631
Office	\$ 9,827
Bad Debt Expense	\$ 692
Legal Expense	\$ -
Accounting	\$ 819
Petty Cash	\$ 250
Meters	\$ -
Loan Fees	\$ 722
<b>Total</b>	\$ 204,518

**PAYMENT FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES**

Name of Recipient	Amount	Description of Service
Contractual Services:		
Hughes Kellner	\$ 10,120	Regulatory
Barrows	\$ 9,364	Regulatory
Scenic City	\$ 26,439	Disposal

Affidavit

STATE OF MONTANA )

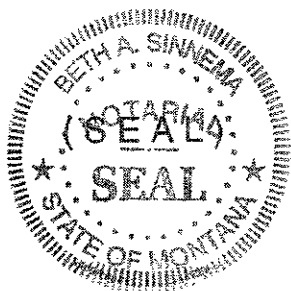
County of Gallatin )

We, the undersigned, on our oath do severally say that the foregoing return of Utility Solutions, LLC sewer 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.

Beth Ann Campbell  
(Signature)

\_\_\_\_\_  
(Signature)

Subscribed and sworn before me this 29th day of April, 20 10



Beth A. Sinnema  
Beth A. Sinnema  
Residing at Bozeman MT  
My Commission expires 01-25-2011