

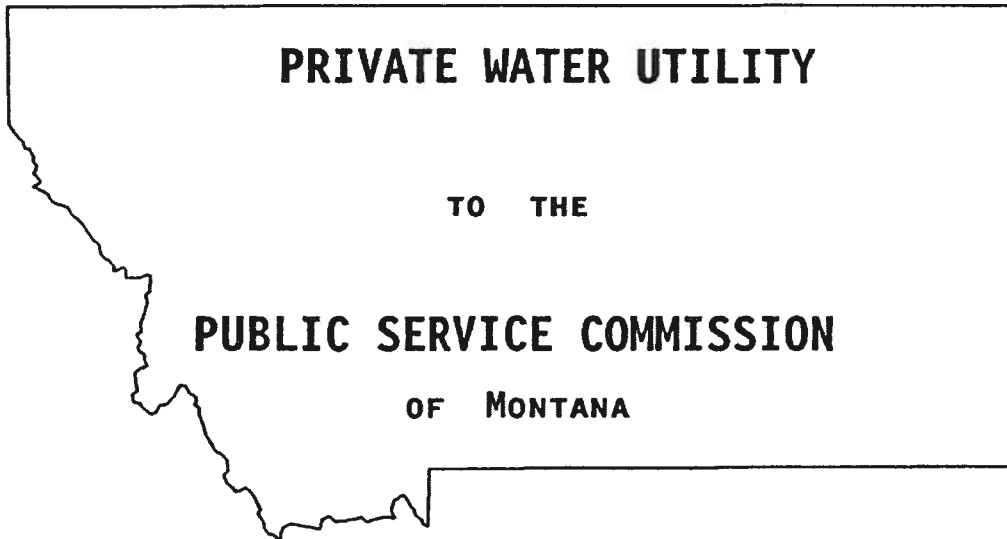
YEAR 2016

# ANNUAL REPORT

of the

NAME Big Mountain Water Company

LOCATION 3812 Big Mountain Road, Whitefish MT 59937



FOR THE YEAR ENDING September 30, 2016 (17 months, change in year end)

## 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

Big Mountain Water Company ("BMWC")

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P.O. Box 1400

Whitefish, MT 59937

*(address)*

*(city, state, zip code)*

For Year Ended 9/30/2016 (17 months, change in year end from April 30 to September 30)

Date Utility First Organized 1979

Telephone Number (406) 862-1941

Location of books and records 3812 Big Mountain Road, Whitefish MT 59937

## Contacts

Name	Title	Principal Business Address	Salary
Person to send correspondence: Gayle Chaffey	Corporate Administrator	P.O. Box 1400 Whitefish, MT 59937	No BMWC salary
Person who prepared this report: Randy Whitlock	Treasurer	Same	No BMWC salary
Officers and Managers: Daniel Graves	President	Same	No BMWC salary
Bradley Kincaid	Vice President	Same	No BMWC salary
Randy Whitlock	Treasurer	Same	No BMWC salary
<b>Total Officer and Manager Compensation</b>			

## 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
Winter sports, Inc.	100%	P.O. Box 1400 Whitefish, MT 59937	Reimbursement for direct expenses

## INCOME STATEMENT

ACCOUNT NAME	Current Year	Previous Year
<b>OPERATING REVENUE:</b>		
Metered		
Residential      Water usage	271,143.44	168,285.47
Commercial      Meter charges	117,433.45	77,673.34
Industrial      Fire line charges	6,927.77	5,028.01
Other		
Unmetered		
Residential      Hydrant connection	75.00	750.00
Commercial      Late payment		55.62
Industrial      Hook-up charges	2,275.00	625.00
Fire Protection		
Bulk Sales		
Sale of Materials		
Other		217.23
<b>TOTAL OPERATING REVENUE:</b>	<b>\$ 397,854.66</b>	<b>\$ 252,634.67</b>
<b>OPERATING EXPENSES:</b>		
Operation and Maintenance Expense	181,201.62	112,726.38
Depreciation Expense	93,581.46	63,945.21
Taxes Other than Income		
Deferred Federal Income Taxes	-	26,526.82
Deferred State Income Taxes	-	4,254.41
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 274,783.08</b>	<b>\$ 207,452.82</b>
<b>NET INCOME (LOSS) from OPERATIONS</b>	<b>\$ 123,071.58</b>	<b>\$ 45,181.85</b>
<b>Other Income:</b>		
Non Utility Income		
<b>TOTAL OTHER INCOME</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other Deductions:</b>		
Non-Utility Expenses		
Interest Expense		
<b>TOTAL OTHER DEDUCTIONS</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET INCOME (LOSS)</b>	<b>\$ 123,071.58</b>	<b>\$ 45,181.85</b>

## COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Current Year	Previous Year
<b>ASSETS:</b>		
Utility Plant in Service	1,936,559.39	1,930,497.81
Less: Accumulated Deprec. & Amort.	1,259,668.28	1,166,086.82
<b>NET UTILITY PLANT</b>	<b>\$ 676,891.11</b>	<b>\$ 764,410.99</b>
Cash	444,429.82	269,090.09
Customer Accounts Receivable	38,405.22	51,813.30
Other Assets (Specify)	338.16	
Prepays	32,694.60	
WIP		
<b>TOTAL ASSETS OTHER THAN UTILITY PLAN</b>	<b>\$ 515,867.80</b>	<b>\$ 320,903.39</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,192,758.91</b>	<b>\$ 1,085,314.38</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>CAPITAL</b>		
Common Stock Issued	100,000.00	100,000.00
Preferred Stock Issued		
Other Paid in Capital	780,022.86	780,022.86
Retained Earnings	289,971.89	166,900.31
Proprietary Capital		
<b>TOTAL CAPITAL</b>	<b>\$ 1,169,994.75</b>	<b>\$ 1,046,923.17</b>
<b>LIABILITIES</b>		
Long Term Debt		
Accounts Payable	22,764.16	7,609.98
Notes Payable		
Customer Deposits		
Accrued Taxes	-	30,781.23
Other Liabilities (Specify)		
Advances for Construction		
Contributions in aid of Construction		
<b>TOTAL LIABILITIES</b>	<b>\$ 22,764.16</b>	<b>\$ 38,391.21</b>
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 1,192,758.91</b>	<b>\$ 1,085,314.38</b>

Accumulated Depreciation and Amortization of Utility Plant		
ACCOUNT 108	Current Year	Previous Year
Balance at First of Year	1,166,086.82	1,102,141.61
Credits During the Year:		
Accruals Charged to Depreciation Account	93,581.46	63,945.21
Salvage		
Other Credits (Specify):		
.....		
.....		
<b>Total Credits</b>	<b>\$ 1,259,668.28</b>	<b>\$ 1,166,086.82</b>
Debits During the Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify):		
.....		
.....		
<b>Total Debits</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Balance at End of Year</b>	<b>\$ 1,259,668.28</b>	<b>\$ 1,166,086.82</b>

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	
.....			
.....			
.....			
.....			
<b>TOTAL DURING THE YEAR</b>			<b>\$ -</b>

Accumulated Deferred Income Taxes	
Description	Amount
Accumulated Deferred Income Taxes	
Federal	-
State	-
<b>Total Accumulated Deferred Income Taxes</b>	<b>\$ -</b>

Capital Stock		
	Common Stock	Preferred Stock
Par or stated value per share -----	10	none
Shares Authorized -----	20000	none
Shares Issued and Outstanding -----	10000	none
Total par value of stock issued -----	100000	none
Dividends declared per share for year	none	none

Retained Earnings		
	Appropriated	Unappropriated
Balance at first of year -----		166,900.31
Changes during year:		
Net Income (loss) -----		123,071.58
Dividends -----		-
Other (Specify): -----		
-----		
-----		
-----		
Balance end of year		289,971.89

Proprietary Capital		
	Proprietor or Partner	Partner
Balance at first of year -----	none	none
Changes during year (Specify):	none	none
-----	none	none
-----	none	none
-----	none	none
-----	none	none
Balance at end of year		

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



## 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	354,576.35			354,576.35
305	Collecting and Impounding Reservoirs				-
306	Lake River and Other Intakes				-
307	Wells and Springs	422,393.04			422,393.04
308	Infiltration Galleries and Tunnels				-
309	Supply Mains	241,891.85			241,891.85
310	Power Generation Equipment				-
311	Pumping Equipment	106,984.61			106,984.61
320	Water Treatment Equipment				-
330	Distribution Reservoirs and Standpipes	700,708.17			700,708.17
331	Transmission and Distribution Mains				-
333	Services				-
334	Meters and Meter Installations	42,784.42	4,726.58		47,511.00
335	Hydrants	5,890.02			5,890.02
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	27,450.65			27,450.65
348	Other Tangible Plant	27,818.70	1,335.00		29,153.70
<b>Total Water Plant</b>		<b>\$ 1,930,497.81</b>	<b>\$ 6,061.58</b>	<b>\$ -</b>	<b>\$ 1,936,559.39</b>

### 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	12.14	0%	SL	238,147.50		18,165.79	256,313.29
305	Collecting and Impounding Reservoirs				-		-	-
306	Lake River and Other Intakes				-		-	-
307	Wells and Springs	25	0%	SL	249,136.95		15,232.74	264,369.69
308	Infiltration Galleries and Tunnels				-		-	-
309	Supply Mains	18.89	0%	SL	186,342.70		7,478.15	193,820.85
310	Power Generation Equipment				-		-	-
311	Pumping Equipment	10	0%	SL	64,444.18		8,252.38	72,696.56
320	Water Treatment Equipment				-		-	-
330	Distribution Reservoirs and Standpipes	25	0%	SL	367,783.64		30,851.18	398,634.82
331	Transmission and Distribution Mains				-		-	-
333	Services				-		-	-
334	Meters and Meter Installations	12.5	0%	SL	17,539.05		5,185.62	22,724.67
335	Hydrants	17.5	0%	SL	4,230.43		671.74	4,902.17
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	20	0%	SL	18,519.97		2,485.57	21,005.54
348	Other Tangible Plant	17.5	0%	SL	19,942.40		5,258.29	25,200.69
<b>TOTAL</b>					\$ 1,166,086.82	\$ -	\$ 93,581.46	\$ 1,259,668.28

## Water Operation and Maintenance Expense

Account Name	Amount
Contracted Labor - Daily Plant Operations	53,166.40
Contracted Labor - Repairs & Maintenance	55,032.30
Contracted Labor - Accounting & Management	7,561.06
Contracted Labor - Water Reads	8,746.70
Education & Training	128.00
Bank Charges	266.77
Computer Service Agreements	3,030.20
Testing	1,432.00
Dues & Subscriptions	140.00
Legal - General Business	102.24
Operating Supplies	1,153.35
Postage & Delivery	1,768.74
Repairs & Maintenance	27,737.80
Taxes & Licenses	2,170.14
Other Operating Expenses	2,738.61
Utilities	16,027.11
<b>TOTAL</b>	<b>\$ 181,201.42</b>

## 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
Winter Sports	53,166.40	Contract labor - daily plant ops
Winter Sports	55,032.30	Contract labor - repairs & maint.
Winter Sports	7,561.06	Contract labor - accounting
Winter Sports	8,746.70	Contract labor - meter reads
Winter Sports	1,768.74	Reimb. for postage meter usage
Total	126,275.20	(the cost for all such contracted services is based upon actual time worked as reported per individual time sheets)
A-1 Sanitation	1,050.00	Emergency Repairs-value boxes
Billmayer Drilling	15,443.25	Replace pump/motor #4
Black Mountain Software	3,852.75	Computer software & service agreement
Cutting Edge Excavation	2,738.61	Water Line repair
HD Supply Waterworks	30,937.34	Meters & equipment
Montana Environmental Lab	774.00	water testing
New Castle Electric, Inc.	3,640.20	Repairs to electrical equipment
Northwest Pipe Fittings, Inc	712.48	Flow Meter
Sandry Construction Company, Inc.	13,037.04	Repairs to PRV
VALLI Information Systems, Inc.	1,200.00	Computer support
Flathead Electric Co-op	17,595.00	Electrical utility charges

### Sources of Water Supply

Surface Water: River: \_\_\_\_\_ Lake: \_\_\_\_\_ Stream: \_\_\_\_\_ Impounding Reservoir: \_\_\_\_\_

Ground Water: No. of Springs: \_\_\_\_\_ No. of Shallow Wells: \_\_\_\_\_ No. of Deep Wells: 5

### Reservoirs, Standpipes, and Purification System

No. of Reservoirs: 3 Capacity in Gallons: 1.1 Million gallons

No. of Standpipes: 0 Capacity in Gallons: 0

Method of Purification: \_\_\_\_\_

### Services and Meters

Size->	1/2"	5/8"- 3/4"	1 in	1 1/2 in	2 in	3 in	4 in	6 in	
Services									
Meters	0	114	156	16	4	5	1	0	296

### Number and Classification of Consumers

Classification	Beginning of Year			End of Year			Increase (Decrease)
	Metered	Unmetered	Total	Metered	Unmetered	Total	
Residential	259		259	296		296	37
Commercial			0			0	0
Industrial			0			0	0
Fire Hydrants		100	100		100	100	0
Governmental			0			0	0
All Other	1		1			0	-1
<b>Total</b>	260.00	100.00	360.00	296.00	100.00	396.00	36

### Total Pumping Station Statistics

Total Amount of Water Obtained by all methods during the year: 34,896,196 gals.

Maximum Water obtained all methods during any one day: 285,000 gals.

Minimum Amount of Water obtained all methods during one day: 72,000 gals.

Range of ordinary pressure on mains 45 lbs to 95 lbs

Range of fire pressure in mains 45 lbs to 95 lbs

Affidavit

STATE OF MONTANA )

County of FLAThead )

We, the undersigned, on our oath do severally say that the foregoing return of Big Mountain Water 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.

[Signature]  
(Signature)

[Signature]  
(Signature)

Subscribed and sworn before me this 20 day of January, 20 17

[Signature]

(SEAL)

