

YEAR 2016

ANNUAL REPORT

of the

NAME FLATHEAD UTILITY COMPANY

LOCATION KALISPELL, MT

PRIVATE WATER UTILITY

TO THE

PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING 01/31/17

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

FLATHEAD UTILITY COMPANY

PO BOX 1139

(address)

KALISPELL, MT 59903

(city, state, zip code)

For Year Ended 01/31/17

Date Utility First Organized 02/07/79

Telephone Number 406-755-5392

Location of books and records 115 Kelly Road, Kalispell

Contacts			
Name	Title	Principal Business Address	Salary
Person to send correspondence: John D Billmayer	President	115 Kelly Rd, Kalispell	0
Person who prepared this report:			
Officers and Managers: John D Billmayer	President	115 Kelly Rd, Kalispell	0
Total Officer and Manager Compensation			0

[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:	\$ 83,651.00	\$ 96,379.00
OPERATING EXPENSES:		
Operation and Maintenance Expense	58,014.00	86,066.00
Depreciation Expense	1,501.00	1,889.00
Taxes Other than Income	1,051.00	867.00
Deferred Federal Income Taxes	2,895.00	452.00
Deferred State Income Taxes	1,397.00	218.00
TOTAL OPERATING EXPENSES	\$ 64,858.00	\$ 89,492.00
NET INCOME (LOSS) from OPERATIONS	\$ 18,793.00	\$ 6,887.00
Other Income:		
Non Utility Income	7,537.00	7,247.00
Capitol Credits	-	134.00
TOTAL OTHER INCOME	\$ 7,537.00	\$ 7,381.00
Other Deductions:		
Non-Utility Expenses	3,848.00	11,866.00
Interest Expense	6,076.00	56.00
TOTAL OTHER DEDUCTIONS	\$ 9,924.00	\$ 11,922.00
NET INCOME (LOSS)	\$ 16,406.00	\$ 2,346.00

COMPARATIVE BALANCE SHEET		
ACCOUNT NAME	Current Year	Previous Year
ASSETS:		
Utility Plant in Service	189,055.00	182,455.00
Less: Accumulated Deprec. & Amort.	60,781.00	59,280.00
NET UTILITY PLANT	\$ 128,274.00	\$ 123,175.00
Cash	2,634.00	2,712.00
Customer Accounts Receivable	6,533.00	6,304.00
Other Assets (Specify)		
TOTAL ASSETS OTHER THAN UTILITY PLANT	\$ 9,167.00	\$ 9,016.00
TOTAL ASSETS	\$ 137,441.00	\$ 132,191.00
LIABILITIES AND CAPITAL		
CAPITAL		
Common Stock Issued	500.00	500.00
Preferred Stock Issued		
Other Paid in Capital		
Retained Earnings	23,901.00	7,495.00
Proprietary Capital		
TOTAL CAPITAL	\$ 24,401.00	\$ 7,995.00
LIABILITIES		
Long Term Debt	81,902.00	96,751.00
Accounts Payable	19,595.00	19,595.00
Notes Payable		
Customer Deposits	7,251.00	7,180.00
Accrued Taxes		
Other Liabilities (Specify)		
Corporate Taxes Payable	4,292.00	670.00
Advances for Construction		
Contributions in aid of Construction		
TOTAL LIABILITIES	\$ 113,040.00	\$ 124,196.00
TOTAL LIABILITIES AND CAPITAL	\$ 137,441.00	\$ 132,191.00

Accumulated Depreciation and Amortization of Utility Plant		
ACCOUNT 108	Current Year	Previous Year
Balance at First of Year	59,280.00	57,391.00
Credits During the Year:	1,501.00	1,889.00
Accruals Charged to Depreciation Account		
Salvage		
Other Credits (Specify):		
Total Credits	\$ 60,781.00	\$ 59,280.00
Debits During the Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify):		
Total Debits	\$ -	\$ -
Balance at End of Year	\$ 60,781.00	\$ 59,280.00

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	
TOTAL DURING THE YEAR			\$ -

Accumulated Deferred Income Taxes	
Description	Amount
Accumulated Deferred Income Taxes	
Federal	
State	
Total Accumulated Deferred Income Taxes	\$ -

Capital Stock		
	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		
	Appropriated	Unappropriated
Balance at first of year -----		
Changes during year:		
Net Income (loss) -----		
Dividends -----		
Other (Specify): -----		

Balance end of year -----		

Proprietary Capital		
	Proprietor or Partner	Partner
Balance at first of year -----		
Changes during year (Specify):		

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	4,350.00			4,350.00
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	8,661.00			8,661.00
311	Pumping Equipment				
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations				
335	Hydrants				
339	Other Plant and Misc. Equipment	13,927.00			13,927.00
340	Office Furniture and Equipment	3,004.00			3,004.00
341	Transportation Equipment	9,832.00			9,832.00
342	Stores Equipment				
343	Tools, Shop & Garage Equipment	4,483.00			4,483.00
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant	138,198.00	6,600.00		144,798.00
Total Water Plant		\$ 182,455.00	\$ 6,600.00	\$ -	\$ 189,055.00

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				5,337.00		511.00	5,848.00
311	Pumping Equipment							
320	Water Treatment Equipment							
330	Distribution Reservoirs and Standpipes							
331	Transmission and Distribution Mains							
333	Services							
334	Meters and Meter Installations							
335	Hydrants							
339	Other Plant and Misc. Equipment				13,141.00		524.00	13,665.00
340	Office Furniture and Equipment				3,004.00			3,004.00
341	Transportation Equipment				8,666.00		466.00	9,132.00
342	Stores Equipment							
343	Tools, Shop & Garage Equipment				4,482.00			4,482.00
344	Laboratory Equipment							
345	Power Operated Equipment							
346	Communication Equipment							
347	Miscellaneous Equipment							
348	Other Tangible Plant				24,650.00			24,650.00
TOTAL					\$ 59,280.00	\$ -	\$ 1,501.00	\$ 60,781.00

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	7,866.00
Fuel for Power Production	
Chemicals	
Materials and Supplies	13,479.00
Contractual Services	17,817.00
Rents	13,400.00
Transportation Expense	2,098.00
Insurance Expense	
Regulatory Commission Expense	
Bad Debt Expense	
Miscellaneous Expense	3,354.00
TOTAL	\$ 58,014.00

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 Wells: _____	

Reservoirs, Standpipes, and Purification System	
No. of Reservoirs: _____	Capacity in Gallons: _____
No. of Standpipes: _____	Capacity in Gallons: _____
Method of Purification: _____	

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

Number and Classification of Consumers							
	Beginning of Year			End of Year			
Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase (Decrease)
Residential							
Commercial							
Industrial							
Fire Hydrants							
Governmental							
All Other							
Total	-	-	-	-	-	-	-

Total Pumping Station Statistics	
Total Amount of Water Obtained by all methods during the year: _____ gals.	
Maximum Water obtained all methods during any one day: _____ gals.	
Minimum Amount of Water obtained all methods during one day: _____ gals.	
Range of ordinary pressure on mains _____ lbs to _____ lbs	
Range of fire pressure in mains _____ lbs to _____ lbs	

Affidavit

STATE OF MONTANA)

County of Flathead)

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

Flathead Utility Co.

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.

Bill Mayer
(Signature)

(Signature)

Subscribed and sworn before me this 28 day of April, 20 17

Jennifer R Evenson

(SEAL)

Jennifer R. Evenson

