

YEAR

2019

## ANNUAL REPORT

of the

NAME

High Quality H2O, LLC

LOCATION

Missoula, MT

**PRIVATE WATER UTILITY**

TO THE

**PUBLIC SERVICE COMMISSION**

OF MONTANA

FOR THE YEAR ENDING

December 31, 2019

## 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 Deprecation by Primary Account	8
Payments For Services Rendered by Other Than Employees	9
Water Operation and Maintenance Expense	9
Water Customers	10
Operating Statistics	10

# REPORT OF

High Quality H2O

PO Box 3314

(address)

Missoula, MT 59806

(city, state, zip code)

For Year Ended

2019

Date Utility First Organized

2014

Telephone Number

406-880-4749

Location of books and records

3201 S Russell, Missoula, MT 59801

## Contacts

Name	Title	Principal Business Address	Salary
Person to send correspondence: Betsy Milyard	Member	PO Box 3314 Missoula, MT 59806	
Person who prepared this report: Betsy Milyard	"	"	
Officers and Managers:			
Jeremy Milyard	Member	"	
Betsy Milyard	Member	"	

## 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
Betsy Milyard	50%	PO Box 3314, Missoula, MT 59801	n/a
Jeremy Milyard	50%	PO Box 3314, Missoula, MT 59801	n/a

INCOME STATEMENT		
ACCOUNT NAME	Current Year	Previous Year
<b>OPERATING REVENUE:</b>		
Metered		
Residential		
Commercial		
Industrial		
Other		
Unmetered		
Residential	32,870.00	25,974.00
Commercial	625.00	625.00
Industrial		
Fire Protection		
Bulk Sales		
Sale of Materials		
Other		
<b>TOTAL OPERATING REVENUE:</b>	<b>\$ 33,495.00</b>	<b>\$ 26,599.00</b>
<b>OPERATING EXPENSES:</b>		
Operation and Maintenance Expense	9,367.00	11,645.00
Depreciation Expense	1,091.00	1,091.00
Taxes Other than Income		
Deferred Federal Income Taxes		
Deferred State Income Taxes		
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 10,458.00</b>	<b>\$ 12,736.00</b>
<b>NET INCOME (LOSS) from OPERATIONS</b>	<b>\$ 23,037.00</b>	<b>\$ 13,863.00</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>\$ 23,037.00</b>	<b>\$ 13,863.00</b>



# COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Current Year	Previous Year
<b>ASSETS:</b>		
Utility Plant in Service	30,000.00	30,000.00
Less: Accumulated Deprec. & Amort.	5,592.00	4,501.00
<b>NET UTILITY PLANT</b>	<b>\$ 24,408.00</b>	<b>\$ 25,499.00</b>
Cash	-	-
Customer Accounts Receivable		
Other Assets (Specify)		
<b>TOTAL ASSETS OTHER THAN UTILITY PLANT</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL ASSETS</b>	<b>\$ 24,408.00</b>	<b>\$ 25,499.00</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>CAPITAL</b>		
Common Stock Issued		
Preferred Stock Issued		
Other Paid in Capital	23,349.00	25,412.00
Retained Earnings	1,059.00	87.00
Proprietary Capital		
<b>TOTAL CAPITAL</b>	<b>\$ 24,408.00</b>	<b>\$ 25,499.00</b>
<b>LIABILITIES</b>		
Long Term Debt		
Accounts Payable		
Notes Payable		
Customer Deposits		
Accrued Taxes		
Other Liabilities (Specify)		
Advances for Construction		
Contributions in aid of Construction		
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 24,408.00</b>	<b>\$ 25,499.00</b>

Accumulated Depreciation and Amortization of Utility Plant		
ACCOUNT 108	Current Year	Previous Year
Balance at First of Year	4,501.00	3,410.00
Credits During the Year:	1,091.00	1,091.00
Accruals Charged to Depreciation Account		
Salvage		
Other Credits (Specify):		
Total Credits	\$ 5,592.00	\$ 4,501.00
Debits During the Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify):		
Total Debits	\$ -	\$ -
Balance at End of Year	\$ 5,592.00	\$ 4,501.00

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	
N/A	N/A	N/A	N/A
			N/A
			N/A
			N/A
			N/A
TOTAL DURING THE YEAR			N/A

Accumulated Deferred Income Taxes	
Description	Amount
Accumulated Deferred Income Taxes	
Federal	N/A
State	N/A
Total Accumulated Deferred Income Taxes	N/A



Capital Stock		
	Common Stock	Preferred Stock
Par or stated value per share	N/A	N/A
Shares Authorized	N/A	N/A
Shares Issued and Outstanding	N/A	N/A
Total par value of stock issued	N/A	N/A
Dividends declared per share for year	N/A	N/A

Retained Earnings		
	Appropriated	Unappropriated
Balance at first of year		2063
Changes during year:		
Net Income (loss)		23037
Dividends		
Other (Specify):		
Cash Distribution		25100
Balance end of year		0

Proprietary Capital		
	Proprietor or Partner	Partner
Balance at first of year	12705	12707
Changes during year (Specify):		
Net Income	11518	11519
Cash Distributions	-12550	-12550
Balance at end of year	11673	11676

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	N/A	N/A	N/A	N/A
302	Franchises	N/A	N/A	N/A	N/A
303	Land & Land Rights	N/A	N/A	N/A	N/A
304	Structures and Improvements	N/A	N/A	N/A	N/A
305	Collecting and Impounding Reservoirs	N/A	N/A	N/A	N/A
306	Lake River and Other Intakes	N/A	N/A	N/A	N/A
307	Wells and Springs	N/A	N/A	N/A	N/A
308	Infiltration Galleries and Tunnels	N/A	N/A	N/A	N/A
309	Supply Mains	N/A	N/A	N/A	N/A
310	Power Generation Equipment	N/A	N/A	N/A	N/A
311	Pumping Equipment	N/A	N/A	N/A	N/A
320	Water Treatment Equipment	N/A	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	N/A	N/A	N/A	N/A
331	Transmission and Distribution Mains	N/A	N/A	N/A	N/A
333	Services	N/A	N/A	N/A	N/A
334	Meters and Meter Installations	N/A	N/A	N/A	N/A
335	Hydrants	N/A	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	N/A	N/A	N/A	N/A
340	Office Furniture and Equipment	N/A	N/A	N/A	N/A
341	Transportation Equipment	N/A	N/A	N/A	N/A
342	Stores Equipment	N/A	N/A	N/A	N/A
343	Tools, Shop & Garage Equipment	N/A	N/A	N/A	N/A
344	Laboratory Equipment	N/A	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A	N/A
346	Communication Equipment	N/A	N/A	N/A	N/A
347	Miscellaneous Equipment	N/A	N/A	N/A	N/A
348	Other Tangible Plant	N/A	N/A	N/A	N/A
Total Water Plant		\$ -	\$ -	\$ -	\$ -



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	N/A	N/A	N/A	N/A	N/A	N/A	N/A
305	Collecting and Impounding Reservoirs	N/A	N/A	N/A	N/A	N/A	N/A	N/A
306	Lake River and Other Intakes	N/A	N/A	N/A	N/A	N/A	N/A	N/A
307	Wells and Springs	N/A	N/A	N/A	N/A	N/A	N/A	N/A
308	Infiltration Galleries and Tunnels	N/A	N/A	N/A	N/A	N/A	N/A	N/A
309	Supply Mains	N/A	N/A	N/A	N/A	N/A	N/A	N/A
310	Power Generation Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
311	Pumping Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
320	Water Treatment Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	N/A	N/A	N/A	N/A	N/A	N/A	N/A
331	Transmission and Distribution Mains	N/A	N/A	N/A	N/A	N/A	N/A	N/A
333	Services	N/A	N/A	N/A	N/A	N/A	N/A	N/A
334	Meters and Meter Installations	N/A	N/A	N/A	N/A	N/A	N/A	N/A
335	Hydrants	N/A	N/A	N/A	N/A	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
340	Office Furniture and Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
341	Transportation Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
342	Stores Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
343	Tools, Shop & Garage Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
344	Laboratory Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
346	Communication Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
347	Miscellaneous Equipment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
348	Other Tangible Plant	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL					\$ -	\$ -	\$ -	\$ -

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	938.00
Fuel for Power Production	
Chemicals	
Materials and Supplies	1,158.00
Contractual Services	3,062.00
Rents	3,014.00
Transportation Expense	
Insurance Expense	670.00
Regulatory Commission Expense	502.00
Bad Debt Expense	
<b>TOTAL</b>	<b>\$ 9,344.00</b>

[illegible]



### Sources of Water Supply

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

Ground Water: No. of Springs: \_\_\_\_\_ No. of Shallow Wells: \_\_\_\_\_ No. of Deep V \_\_\_\_\_ 1

### Reservoirs, Standpipes, and Purification System

No. of Reservoirs: N/A

Capacity in Gallons: N/A

No. of Standpipes: N/A

Capacity in Gallons: N/A

Method of Purification:

N/A

### Services and Meters

Size->	1/2"	5/8"	1 in	1 1/2 in	2 in	3 in	4 in	6 in	
Services	Distribution line varies from 3/4" to 2" throughout the system, particular service sizes unknown								
Meters	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

### Number and Classification of Consumers

Classification	Beginning of Year			End of Year			Increase (Decrease)
	Metered	Unmetered	Total	Metered	Unmetered	Total	
Residential	n/a	29	29	n/a	29	29	n/a
Commercial	n/a	1	1	n/a	1	1	n/a
Industrial	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Fire Hydrants	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Governmental	n/a	n/a	n/a	n/a	n/a	n/a	n/a
All Other	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	-	30.00	30.00	-	30.00	30.00	-

### Total Pumping Station Statistics

Total Amount of Water Obtained by all methods during the year: unknown gals.

Maximum Water obtained all methods during any one day: unknown gals.

Minimum Amount of Water obtained all methods during one day: unknown gals.

Range of ordinary pressure on mains unknown lbs to unknown lbs

Range of fire pressure in mains unknown lbs to unknown lbs



Affidavit

STATE OF MONTANA )

County of Missoula )

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

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.

*Robert Melgard*  
(Signature)

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

Subscribed and sworn before me this 18<sup>th</sup> day of June, 20 20

*Donna Sherwood*

(SEAL)

