

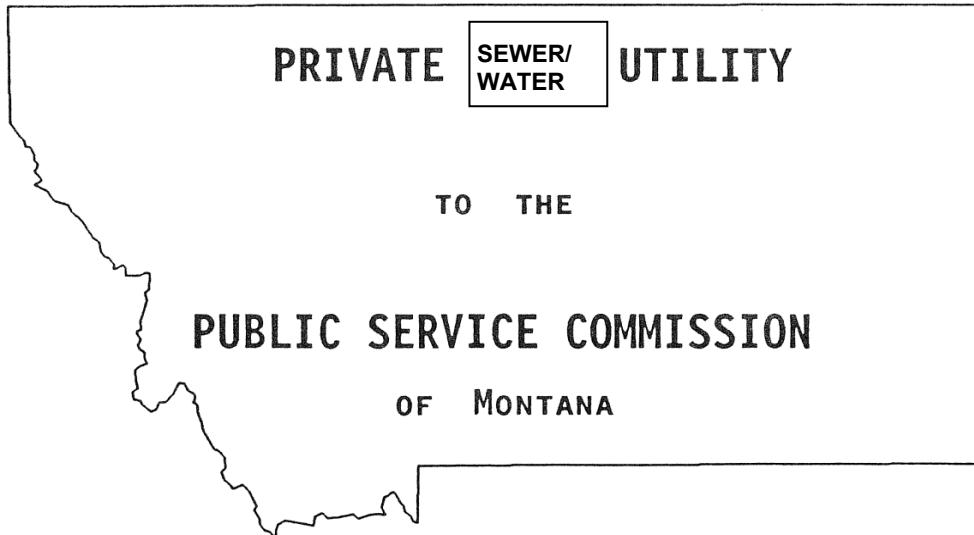
YEAR 2020

ANNUAL REPORT

of the

NAME HLH, LLC Water/Waste Water

LOCATION 1627 W. Main St., Suite 299, Bozeman, MT 59715



FOR THE YEAR ENDING December 31, 2020

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

HLH, LLC

Water/Waste Water

1627 W. Main St., Suite 299, Bozeman, MT 59715

(address)

(city, state, zip code)

For Year Ended December 31, 2020

Date Utility First Organized January 14, 2008

Telephone Number 406-570-0371

Location of books and records same address as preparer

Contacts			
Name	Title	Principal Business Address	Salary
Person to send correspondence:	Kevin Loustaunau Manager	1627 W. Main St., Suite 299 Bozeman, MT 59715	
Person who prepared this report:	Jennifer Bos	510 S 23rd Ave Bozeman, MT 59718	
Officers and Managers:			
Kevin Loustaunau	Manager	same as above	\$33,000.00
Matt Huggins	Manager	same as above	\$33,000.00

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
Kevin Loustaunau	33.33%	same as above	\$33,000.00
Matt Huggins	33.33%	same as above	\$33,000.00
Leigh Huggins	33.33%	same as managers	0

INCOME STATEMENT

ACCOUNT NAME	Current Year 2020	Previous Year 2019
OPERATING REVENUE:		
Metered		
Residential		
Commercial		
Industrial		
Other		
Unmetered		
Residential	393,144.00	363,849.00
Commercial		
Industrial		
Fire Protection		
Bulk Sales		
Sale of Materials		
Other		
TOTAL OPERATING REVENUE:	\$ 393,144.00	\$ 363,849.00
OPERATING EXPENSES:		
Operation and Maintenance Expense	322,999.00	326,632.00
Depreciation and Amortization Expense	63,668.00	63,141.00
Taxes Other than Income	2,267.00	734.00
Deferred Federal Income Taxes		
Deferred State Income Taxes		
TOTAL OPERATING EXPENSES	\$ 388,934.00	\$ 390,507.00
NET INCOME (LOSS) from OPERATIONS	\$ 4,210.00	\$ (26,658.00)
Other Income:		
Non Utility Income		
PPP Forgiveness	10,938.00	
TOTAL OTHER INCOME	\$ 10,938.00	\$ -
Other Deductions:		
Non-Utility Expenses		
Interest Expense	53,003.00	55,428.00
TOTAL OTHER DEDUCTIONS	\$ 53,003.00	\$ 55,428.00
NET INCOME (LOSS)	\$ (37,855.00)	\$ (82,086.00)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Current Year 2020	Previous Year 2019
ASSETS:		
Utility Plant in Service	1,440,426.00	1,440,426.00
Less: Accumulated Deprec. & Amort.	(668,066.00)	(604,398.00)
NET UTILITY PLANT	\$ 772,360.00	\$ 836,028.00
Cash	43,481.00	12,427.00
Customer Accounts Receivable		
Other Assets (Specify) Prepaid Exp.		
Transfer Receivable	-	-
Goodwill	29,164.00	29,164.00
Prepaid Rent		
TOTAL ASSETS OTHER THAN UTILITY PLANT	\$ 72,645.00	\$ 41,591.00
TOTAL ASSETS (1)	\$ 845,005.00	\$ 877,619.00
LIABILITIES AND CAPITAL		
CAPITAL		
Common Stock Issued		
Preferred Stock Issued		
Other Paid in Capital	96,048.00	96,048.00
Retained Earnings	(\$313,875.00)	(276,020.00)
Proprietary Capital		
TOTAL CAPITAL	\$ (217,827.00)	\$ (179,972.00)
LIABILITIES		
Long Term Debt	799,322.00	835,855.00
Accounts Payable	(2.00)	(66.00)
Notes Payable	121,512.00	133,802.00
Customer Deposits		
Accrued Taxes		
Other Liabilities (Specify)		
Due To WFC	142,000.00	88,000.00
Advances for Construction		
Contributions in aid of Construction		
TOTAL LIABILITIES	\$ 1,062,832.00	\$ 1,057,591.00
TOTAL LIABILITIES AND CAPITAL	\$ 845,005.00	\$ 877,619.00

(1) Pursuant to PSC Final Order 6972f in Docket D2008.10.123, paragraph 30, the acquisition adjustment has been removed. The assets reflect the resulting reduction.

Accumulated Depreciation and Amortization of Utility Plant		
ACCOUNT 108	Current Year 2020	Previous Year 2019
Balance at First of Year	604,398.00	541,257.00
Credits During the Year:		
Accruals Charged to Depreciation/Amort Account	63,668.00	63,141.00
Salvage		
Other Credits (Specify):		
.....		
.....		
Total Credits (1)	\$ 668,066.00	\$ 604,398.00
Debits During the Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify):		
.....		
.....		
Total Debits	\$ -	\$ -
Balance at End of Year	\$ 668,066.00	\$ 604,398.00

Contributions in Aid of Construction			
Report below all contractor and developer agreements & 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	\$ -

(1) Pursuant to PSC Final Order 6972f in Docket D2008.10.123, paragraph 30, the acquisition adjustment has been removed.

Capital Stock		
	Common Stock	Preferred Stock
Par or stated value per share	N/A	N/A
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		(\$276,020.00)
Changes during year:		
Net Income (loss)		(\$37,855.00)
Dividends		
Other (Specify):		
prior year adjustment		
Balance end of year		(\$313,875.00)

Proprietary Capital		
	Proprietor or Partner	Partner
Balance at first of year		\$ 96,048.00
Changes during year (Specify):		
Balance at end of year		\$ 96,048.00

Long Term Debt			
Description of Obligation	Interest	Payment	Principal at Balance Sheet Date
	Rate		
Commercial Loan	5.50%	\$6,814.81	\$799,322.00
Total			\$799,322.00

Water/Wastewater Utility Plant Accounts

Acct No.	Account Name	Previous Year 2019	Additions	Retirements	Current Year 2020
301	Organization	22,527.00			22,527.00
302	Franchises				
303	Land & Land Rights				
304	Structures and Improvements (1)	1,224,847.00			1,224,847.00
305	Collecting and Impounding Reservoirs				
306	Lake River and Other Intakes				
307	Wells and Springs	70,466.50			70,466.50
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment				
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations	114,599.00			114,599.00
335	Hydrants				
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				
348	Other Tangible Plant	7,985.00			7,985.00
Total Water/Wastewater Plant		\$ 1,440,424.50	\$ -	\$ -	\$ 1,440,424.50

(1) Pursuant to PSC Final Order 6972f in Docket D2008.10.123, paragraph 30, the acquisition adjustment has been removed.

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 1/1/2020	Debits	Credits	Accumulated Depreciation End of Year 12/31/2020
304	Structures and Improvements (1)	25			573,786.81		49,359.07	623,145.88
305	Collecting and Impounding Reservoirs							
306	Lake River and Other Intakes							
307	Wells and Springs				3,479.11		2,818.67	6,297.78
308	Infiltration Galleries and Tunnels							
309	Supply Mains							
310	Power Generation Equipment							
311	Pumping Equipment							
320	Water Treatment Equipment							
330	Distribution Reservoirs and Standpipes							
331	Transmission and Distribution Mains							
333	Services							
334	Meters and Meter Installations				10,823.29		7,639.97	18,463.26
335	Hydrants							
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							
348	Other Tangible Plant				2,203.48		2,661.67	4,865.15
TOTAL					\$ 590,292.69	\$ -	\$ 62,479.38	\$ 652,772.07

(1) Pursuant to PSC Final Order 6972f in Docket D2008.10.123, paragraph 30, the acquisition adjustment has been removed.

Water and Wastewater Operation and Maintenance Expense

Account Name	Amount
Salaries and Wages - Employees	
Salaries and Wages - Officers, Directors and Majority Stockholders	66,000.00
Employee Pension and Benefits	
Purchased Water	
Purchased Power	23,050.28
Fuel for Power Production	
Testing	13,837.50
Materials and Supplies	2,306.00
Contractual Services-Professional Fees	31,444.72
Rents	54,000.00
Repairs	107,519.72
Insurance Expense	4,069.00
Regulatory Commission Expense	5,464.50
Telephone Expense	4,750.52
Miscellaneous	10,557.04
TOTAL	\$ 322,999.28

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
Business Management Services, LLC	\$ 26,595.00	Accounting
Advanced Pump & Equipment, Inc.	\$ 86,452.00	Operation & Management of Water and Wastewater System
TLC Septic	18,135.00	Repairs & Maintenance
Energy Laboratories, Inc.	\$ 13,638.00	Testing

Sources of Water Supply

Surface Water: River: _____ Lake: _____ Stream: _____ Impounding Reservoir: _____

Ground Water: No. of Springs: _____ No. of Shallow Wells: _____ No. of Deep Wells: _____ 3

Reservoirs, Standpipes, and Purification System

No. of Reservoirs: _____ 1 _____ Capacity in Gallons _____ 347,000 _____

No. of Standpipes: _____ Capacity in Gallons: _____

Method of Purification: Chlorination and corrosion control (Ortho Phosphate)
Water is sampled monthly.

Services and Meters

Size->	1/2"	5/8"	1 in	1 1/2 in	2 in	3 in	4 in	6 in	
Services				217					
Meters				217	1				

Number and Classification of Consumers

Classification	Beginning of Year			End of Year			Increase (Decrease)
	Metered	Unmetered	Total	Metered	Unmetered	Total	
Residential		216	216	216	0	216	
Commercial		1	1	1	0	1	
Industrial							
Fire Hydrants		10	10		10	10	
Governmental							
All Other							
Total	-	227	227	217	10	227	-

Total Pumping Station Statistics

Total Amount of Water Obtained by all methods during the year: Water 8,887,601 gallons

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 _____ 50 _____ lbs to _____ 75 _____ lbs

Range of fire pressure in mains _____ 25 _____ lbs to _____ 150 _____ lbs


*The 2" meter is located in the pump room.

Affidavit

STATE OF MONTANA)

County of Gallatin)

I, the undersigned, on our oath do severally say that the foregoing return of Matthew L. Huggins 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)

Subscribed and sworn before me this 28th day of April, 2021





