

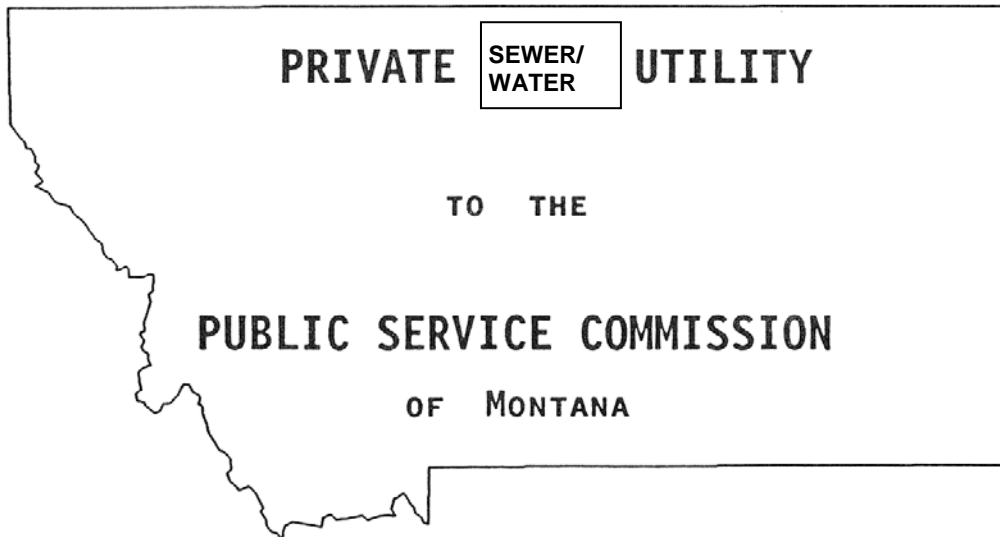
YEAR 2021

# 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, 2021

## 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, 2021

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 2021	Previous Year 2020
<b>OPERATING REVENUE:</b>		
Metered		
Residential		
Commercial		
Industrial		
Other		
Unmetered		
Residential	396,954.00	393,144.00
Commercial		
Industrial		
Fire Protection		
Bulk Sales		
Sale of Materials		
Other		
<b>TOTAL OPERATING REVENUE:</b>	<b>\$ 396,954.00</b>	<b>\$ 393,144.00</b>
<b>OPERATING EXPENSES:</b>		
Operation and Maintenance Expense	330,471.00	322,999.00
Depreciation and Amortization Expense	63,617.00	63,668.00
Taxes Other than Income	1,575.00	2,267.00
Deferred Federal Income Taxes		
Deferred State Income Taxes		
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 395,663.00</b>	<b>\$ 388,934.00</b>
<b>NET INCOME (LOSS) from OPERATIONS</b>	<b>\$ 1,291.00</b>	<b>\$ 4,210.00</b>
<b>Other Income:</b>		
Non Utility Income		
PPP Forgiveness		10,938.00
<b>TOTAL OTHER INCOME</b>	<b>\$ -</b>	<b>\$ 10,938.00</b>
<b>Other Deductions:</b>		
Non-Utility Expenses		
Interest Expense	49,785.00	53,003.00
<b>TOTAL OTHER DEDUCTIONS</b>	<b>\$ 49,785.00</b>	<b>\$ 53,003.00</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (48,494.00)</b>	<b>\$ (37,855.00)</b>

## COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Current Year 2021	Previous Year 2020
<b>ASSETS:</b>		
Utility Plant in Service	1,440,426.00	1,440,426.00
Less: Accumulated Deprec. & Amort.	(731,683.00)	(668,066.00)
<b>NET UTILITY PLANT</b>	<b>\$ 708,743.00</b>	<b>\$ 772,360.00</b>
Cash	93,561.00	43,481.00
Customer Accounts Receivable		
Other Assets (Specify)      Prepaid Exp.		
Transfer Receivable	-	-
Goodwill	29,164.00	29,164.00
Prepaid Rent		
<b>TOTAL ASSETS OTHER THAN UTILITY PLANT</b>	<b>\$ 122,725.00</b>	<b>\$ 72,645.00</b>
<b>TOTAL ASSETS (1)</b>	<b>\$ 831,468.00</b>	<b>\$ 845,005.00</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>CAPITAL</b>		
Common Stock Issued		
Preferred Stock Issued		
Other Paid in Capital	96,048.00	96,048.00
Retained Earnings	(\$287,369.00)	(313,875.00)
Proprietary Capital		
<b>TOTAL CAPITAL</b>	<b>\$ (191,321.00)</b>	<b>\$ (217,827.00)</b>
<b>LIABILITIES</b>		
Long Term Debt	760,327.00	799,322.00
Accounts Payable	(2.00)	(2.00)
Notes Payable	108,464.00	121,512.00
Customer Deposits		
Accrued Taxes		
Other Liabilities (Specify)		
Due To WFC	154,000.00	142,000.00
Advances for Construction		
Contributions in aid of Construction		
<b>TOTAL LIABILITIES</b>	<b>\$ 1,022,789.00</b>	<b>\$ 1,062,832.00</b>
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 831,468.00</b>	<b>\$ 845,005.00</b>

(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 2021	Previous Year 2020
Balance at First of Year	668,066.00	604,398.00
Credits During the Year:		
Accruals Charged to Depreciation/Amort Account	63,617.00	63,668.00
Salvage		
Other Credits (Specify):		
.....		
.....		
Total Credits (1)	\$ 731,683.00	\$ 668,066.00
Debits During the Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify):		
.....		
.....		
Total Debits	\$ -	\$ -
Balance at End of Year	\$ 731,683.00	\$ 668,066.00

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	\$ -

(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 -----		(\$313,875.00)
Changes during year:		
Net Income (loss) -----		(\$48,494.00)
Dividends -----		\$75,000.00
Other (Specify): prior year adjustment -----		
-----		
-----		
-----		
Balance end of year -----		(\$287,369.00)

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 Rate	Payment	Principal at Balance Sheet Date
Commercial Loan	5.50%	\$6,814.81	\$760,326.92
-----			
-----			
-----			
-----			
-----			
-----			
-----			
Total			\$760,326.92



Water/Wastewater Utility Plant Accounts					
Acct No.	Account Name	Previous Year 2020	Additions	Retirements	Current Year 2021
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 1/1/2021	Debits	Credits	Accumulated Depreciation End of Year 12/31/2021
304	Structures and Improvements (1)	25			623,145.88		49,359.07	672,504.95
305	Collecting and Impounding Reservoirs							
306	Lake River and Other Intakes							
307	Wells and Springs				6,297.78		2,818.67	9,116.45
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				18,463.26		7,639.97	26,103.23
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				4,865.15		2,609.86	7,475.01
<b>TOTAL</b>					\$ 652,772.07	\$ -	\$ 62,427.57	\$ 715,199.64

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



### 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 9,203,417 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.

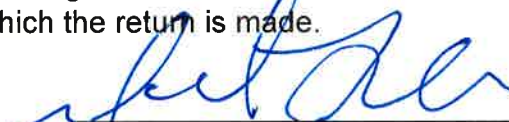
Affidavit

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 29<sup>th</sup> day of April, 2022

  
\_\_\_\_\_  
\_\_\_\_\_

