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PUBLIC SERVICE COMMISSION

ANNUAL REPORT

OF THE

NAME HLHILLO - waste water

LOCATION Bozeman, mT

PRIVATE WATER UTILITY

TO THE

PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING December 31, 2008

FORM NO. 402-A(12/88)

TABLE OF CONTENTS

		F
SCHEDULE	PAGE	
Y-Jamei Considera	2	
Identification	2	
Income Statement	3	
Balance Sheet	4	
Contributions in Aid of Construction	5	
Accumulated Depreciation &		
Amortization of Utility Plant	5	
Capital Stock	6	
Retained Earnings	6	
Proprietary Capital	6	
Long Term Debt	6	
Water Utility Plant Accounts	7	
Analysis of Accumulated Depreciation		
by Primary Account	8	
Payments For Services Rendered By Other Than Employees	9	
Water Orangian and Maintanana		
Water Operation and Maintenance Expense	9	
Water Customers	10	
Operating Statistics	10	

REPORT OF

HLH, LLC - waste water

(Exact Name of Utility)

1027 W. main Styste 299 Bozeman, mt 59715

(Address)

(City, State, Zip Code)

For Year Ended December 31, 2008

Date Utility First Organized January 14, 2008

Telephone Number 406 - 570 - 0371

Location where books and records are located <u>Same address</u> as preparer

		Contracts:	1000-000-000-000-000-000-000-000-000-00
Name	Title	Principal Business Address	Salary
Person to send correspondence:	Kevin Loustanna manager	1027 w.main 5t. Soite 299 Bozeman,m7 59715	XXXXXXX
Person who prepared this report:	erin Parker meac	777 E. Main St. Suite 201 Bozeman, MT 59715	XXXXXXX
Officers & Managers:			\$
revin Kevin	manager	same as above	\$ 8,975
matt Huggins	manager	same as above	\$ 4,875
			\$
			· \$

Report every corporation or person owning interest or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Precent Ownership in Utility	Principal Business Address	Salary Charged Utility
Kevin Loostaunau	33,331.	same as above	\$ 8,875
matt Huggins	33.331.	same asabove	\$ 4,875
hoggins Hoggins	10.671.	same as managers	\$ 0
American Pension Service	16.67.1.	same as managers	0

COMPARATIVE BALANCE SHEET

ACCONT NAME	CURRENT YEAR	PREVIOUS YEAR
Assets:		
Utility Plant In Service	544,774	0
Accumulated Depreciation and Amortization	(10,898)	0
Net Utility Plant		
Cash	5,479	0
Customer Account Receivable Other Assets (Specify)		
Prepaid expenses	568	
Due from communications Goodwill	37,891 14,583	2
Loan fees & start-up costs	7,768	6
Total Assets	590,184	0
Liabilities an Capital:		
Common Stock Issued		
Preferred Stock Issued		
Other Paid In Capital	185,521 3,339	0
Retained Earnings Proprietary Capital	3,339	
Total Capital		
Long Term Debt	400,000	0
Accounts Payable		
Notes Payable		
Customer Deposits Accrued Taxes		
Other Liabilities (Specify)		
Due to communications	34	0
Deferred revenues	1,234	0
Advances for Construction Contributions In Aid Of Construction	·	
Total Liabilities and Capital	590,184	· O

INCOME STATEMENT

Account Name	Current Year	Previous Year
GROSS REVENUE:		
Metered		
Residential		
Commercial		
Industrial		
Other		
Unmetered		
Residential	89,096	NA
Commerical	753	
Industrial		
Fire Protection	· · · · · · · · · · · · · · · · · · ·	
Bulk Sales		
Sale of MaterialsOther		
TOTAL GROSS REVENUE	89,849	
Operation and Maintenance		
Expense	75,135	0
Depreciation Expense	ves,01	0
Taxes Other Than Income	479	\circ
Income Taxes		
Deferred Federal income Taxes		
Deferred State Income Taxes		
TOTAL OPERATING EXPENSE	(86,510)	U
NET OPERATING INCOME (LOSS)	3,389	O
Other Income:		
Non-Utility Income		
Other Deductions:		
Non-Utility Expenses Interest Expense		
interest Exhelise		
NET INCOME (LOSS)	9,389	

CAPITAL STOCK

	Common Stock	Preferred Stock
Par or stated value per share Shares authorized	NA	210
Shares issued and outstanding Total par value of stock issued		
Dividends declared per share for year		

RETAINED EARNINGS

	Appropriated	Unappropriated
Balance first of year	0/18	NIA
Changes during year (Specify):		
Balance end of year		

PROPRIETARY CAPITAL

Balance first of year	Proprietor or Partner 185,52
Changes during year (specify):	3,339
Balance end of year	188,860

LONG TERM DEBT

Int	erest	Principal Per Balance
Rate	Pymts	Sheet Date
45		a9a,0a0
	40,25	
	469.99	
	1.861.22	
	193.34	·
	285.93	
		40.25 462.99 1,860.22 193.34

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 first of year		
Changes during year (Specify):		
Balance end of year		

PROPRIETARY CAPITAL

Balance first of year	Proprietor or Partner	Partner
Changes during year (specify):		
Balance end of year		

LONG TERM DEBT

	Inte	Principal Per Balance	
Description of Obligation	Rate	Pymts	Sheet Date
11/14		398,65	
13/15		26.5	
Total			Q88,572

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
	Appropriated

PROPRIETARY CAPITAL

Balance first of year	Proprietor or Partner	Partner
Changes during year (specify):		
Balance end of year		

LONG TERM DEBT

	Inte	Interest					
Description of Obligation	Rate	Pymts	Per Balance Sheet Date				
Description of Obligation Line of credit			111,494				
Total			111,494				

Accumulated Depreciation and Amortization of Utility Plant

Account 108	Current Year	Previous Year
Balance First of Year	6	
Credits During Year	13,896	
Accruals Charged to Depreciation Account	· · · · · · · · · · · · · · · · · · ·	
Salvage		
Other Credits (Specify)		
Total Credits	19,890	
Debits During Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify)		
Dolones End of Year	12,596	
Balance End of Year	.4,550	

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 "Cash or Property"	Amount
Total During Year		0

ACCUMULATED DEFERRED INCOME TAXES

Description	Total
Accumulated Deferred Income Taxes:	
Federal	Ø
State	
Total Accumulated Deferred Income Taxes	0

WATER UTILITY PLANT ACCOUNTS

Acct No.	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization	0	18,509		18,509
302	Franchises				
303	Land & Land Rights				
304	Structures and Improvements		544,774		544,774
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				
311	Pumping Equipment				
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Tranmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations				
335	Hydrants				
339	Other Plant and Miscellaneous Eqipment				
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				
	Total Water Plant		563,388		56,59

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT

ACCUMULATED DEPRECIATION BALANCE END OF YEAR	895																							_	695	
ACCUMI DEPREC BALANC END OF	000																					·			0)	
CREDITS	10,895																								C 895	
DEBITS																										
ACCUMULATED DEPRECIATION BALANCE PREVIOUS YEAR	0													- :											0	
DEPR. RATE APPLIED	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%		
AVERAGE SALVAGE IN PERCENT	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%		
AVERAGE SERVICE LIFE IN YEARS	S S																									
ACCOUNT	Structures & Improvements	Collecting & Impounding Reservairs	Lake River & Other Intakes	Wells and Springs	Infiltrations Galleries & Tunnels	Supply Mains	Power Generating Equip.	Pumping Equipment	Water Treatment Equip.	Distribution Reservoirs & Standpipes	Trans, & Dist. Mains	Services	Meter & Meter Installation	Hydrants	Other Plant & Misc. Equip.	Office Furniture and Equipment	Transportation Equip.	Stores Equipment	Tools, Shop & Garage Equipment	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Other Tangible Plant	Totals	
ACCT. NO.	304	305	306	307	308	309	310	311	320	330	331	333	334	335	339	340	341	342	343	344	345	346	347	348		

WATER OPERATION AND MAINTENANCE EXPENSE

ACCOUNT NAME	AMOUNT
Salaries and Wages - Employees	
Salaries and Wages - Officers, Directors and Majority Stockholders	13,750
Employee Pensions and Benefits	
Purchased Water	
Purchased Power Otivites	14,610
Fuel For Power Production	
Chemicals (Testing)	5001
Materials and Supplies	
Contractual Services	
Rents	
Transportation Expense	
Insurance Expense	867
Regulatory Commission Expense	
Bad Debt Expense	
Miscellaneous Expense	37,940
Total	75,135

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 for 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
awus .	5857	Repairs's maintenance Legal fees Testing Power
williams blent PLLinergy Laboratoria	7 2.957	Legal fees
in eray Laboratoris	25 3 349	Testing
Nw Energy	६७, १२३	Power
	-	

SOURCES OF WATER SUPPLY

Surface Water:	River	Lake	Stream	Impounding Res
Ground Water	Springe Ma	Shallor	u Walle Na	Doop Walle No

SUPPLY, TRANSMISSION & DISTRIBUTION MAINS (FEET)

Size Inches	First of . Year	Laid During Year	Total	Abandoned During Yr.	Taken Up During Yr.	Total	Close of Year
8"	3,850		3,850		0	3,850	3,850
ن ان	240		240	0	0	240	340
Α"	2,500		2,500	0		ಎ್ಕ್	a,500
Total	०९८,७	0	७.5 90	0	0	لم. حجه م	6,590

RESERVOIRS, STANDPIPES AND PURIFICATION SYSTEM

Number of S	Standpipes	0	Capacity in Ga Capacity in Ga حصاحت	allons	0	1465		
				,	ND METE			
Services 1/2 in.	5/8 in.	1 jn.	1 1/2 in.	2 in.	3 in.	4 in.	6 in.	
Meters								

NUMBER AND CLASSIFICATION OF CONSUMERS

-Beginning of Year-

-Close of Year-

Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase or Decrease
Residential	0	alle	31G	0	a16	910	
Commercial	0	\	1	0	\	1	
Industrial							
Fire Hydrants							
Governmental							
All Other							
Total		マ ハ	2/7		דוב	FIE	

TOTAL PUMPING STATION STATISTICS

Total Amount of Water Obtained by all methods during the Year	000 585,0	gals.
Maximum Water obtained all methods during any one day		gals.
Minimum Amount of Water obtained all methods during one day	-	gals.
Total Amount of Water passed through customers meters during ye	ear	gals.
Range of ordinary pressure on mains NA lbs. to NA	lbs.	
Range of fire pressure in mains who lbs. to who lbs.	. ·	

STATE OF MONTANA)
County of Gallatin
We, the undersigned, on our oath do severally say that the foregoing return the
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.
Subscribed and sworn to before me this 12 day of June, 19 2009.
by Kevin Laustaunau, member
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() Notany Public

