ANNUAL REPORT
of the
NAME
HLH, LLC Water
LOCATION
1627 W. Main Street, Suite 299, Bozeman, MT 59715

PRIVATE WATER UTILITY
TO THE
PUBLIC SERVICE COMMISSION
OF MONTANA

FOR THE YEAR ENDING December 31, 2011

Form No. 402-A (01/2009)
General Instructions


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 yearfiler, 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
<table>
<thead>
<tr>
<th>SCHEDULE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification</td>
<td>2</td>
</tr>
<tr>
<td>Income Statement</td>
<td>3</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>4</td>
</tr>
<tr>
<td>Contributions in Aid of Construction</td>
<td>5</td>
</tr>
<tr>
<td>Accumulated Depreciation and Amortization of Utility Plant</td>
<td>6</td>
</tr>
<tr>
<td>Capital Stock</td>
<td>6</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td>6</td>
</tr>
<tr>
<td>Proprietary Capital</td>
<td>6</td>
</tr>
<tr>
<td>Long Term Debt</td>
<td>6</td>
</tr>
<tr>
<td>Water Utility Plant Accounts</td>
<td>7</td>
</tr>
<tr>
<td>Analysis of Accumulated Deprecation by Primary Account</td>
<td>8</td>
</tr>
<tr>
<td>Payments For Services Rendered by Other Than Employees</td>
<td>9</td>
</tr>
<tr>
<td>Water Operation and Maintenance Expense</td>
<td>9</td>
</tr>
<tr>
<td>Water Customers</td>
<td>10</td>
</tr>
<tr>
<td>Operating Statistics</td>
<td>10</td>
</tr>
</tbody>
</table>
REPORT OF
HLH, LLC-Water

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

For Year Ended December 31, 2011
Date Utility First Organized January 14, 2008
Telephone Number 406-570-0371
Location of books and records same address as preparer

<table>
<thead>
<tr>
<th>Contacts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Title</td>
</tr>
<tr>
<td>Person to send correspondence:</td>
<td>Kevin Loustaunau</td>
</tr>
<tr>
<td>Person who prepared this report:</td>
<td>Jennifer Bos</td>
</tr>
<tr>
<td>Officers and Managers:</td>
<td></td>
</tr>
<tr>
<td>Kevin Loustaunau</td>
<td>Manager</td>
</tr>
<tr>
<td>Matt Huggins</td>
<td>Manager</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ownership</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Percent Ownership in Utility</td>
</tr>
<tr>
<td>Kevin Loustaunau</td>
<td>33.33%</td>
</tr>
<tr>
<td>Matt Huggins</td>
<td>33.33%</td>
</tr>
<tr>
<td>Leigh Huggins</td>
<td>16.67%</td>
</tr>
<tr>
<td>American Pension Services</td>
<td>16.67%</td>
</tr>
</tbody>
</table>
### INCOME STATEMENT

<table>
<thead>
<tr>
<th>ACCOUNT NAME</th>
<th>Current Year 2011</th>
<th>Previous Year 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUE:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metered</td>
<td></td>
<td></td>
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<tr>
<td>Residential</td>
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<tr>
<td>Commercial</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial</td>
<td></td>
<td></td>
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<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unmetered</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>196,937.00</td>
<td>177,023.00</td>
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<tr>
<td>Commercial</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial</td>
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<tr>
<td>Fire Protection</td>
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</tr>
<tr>
<td>Bulk Sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of Materials</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUE:</strong></td>
<td>$ 196,937.00</td>
<td>$ 177,023.00</td>
</tr>
</tbody>
</table>

| **OPERATING EXPENSES:**      |                   |                    |
| Operation and Maintenance    | 132,157.00        | 101,265.00         |
| Depreciation and Amortization| 26,918.00         | 26,311.00          |
| Taxes Other than Income      | 1,012.00          | 507.00             |
| **TOTAL OPERATING EXPENSES** | $ 160,087.00      | $ 128,083.00       |

| **NET INCOME (LOSS) from OPERATIONS** | $ 36,850.00 | $ 48,940.00 |

| Other Income:                |                   |                    |
| Non Utility Income           |                   |                    |
| **TOTAL OTHER INCOME**       | $ -              | $ -                |

| Other Deductions:            |                   |                    |
| Non-Utility Expenses         |                   |                    |
| Interest Expense             | 31,325.00         | 40,830.00          |
| **TOTAL OTHER DEDUCTIONS**   | $ 31,325.00       | $ 40,830.00        |

<p>| <strong>NET INCOME (LOSS)</strong>        | $ 5,525.00        | $ 8,110.00         |</p>
<table>
<thead>
<tr>
<th>ACCOUNT NAME</th>
<th>Current Year 2011</th>
<th>Previous Year 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASSETS:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utility Plant in Service</td>
<td>653,442.00</td>
<td>641,323.00</td>
</tr>
<tr>
<td>Less: Accumulated Deprec. &amp; Amort.</td>
<td>(104,971.00)</td>
<td>(78,053.00)</td>
</tr>
<tr>
<td>NET UTILITY PLANT</td>
<td>$ 548,471.00</td>
<td>$ 563,270.00</td>
</tr>
<tr>
<td>Cash</td>
<td>25,802.00</td>
<td>25,346.00</td>
</tr>
<tr>
<td>Customer Accounts Receivable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Assets (Specify)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid Exp.</td>
<td>6,448.00</td>
<td>6,448.00</td>
</tr>
<tr>
<td>Loan fees &amp; start-up costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer Receivable</td>
<td>14,343.00</td>
<td>27,891.00</td>
</tr>
<tr>
<td>Goodwill</td>
<td>14,582.00</td>
<td>14,582.00</td>
</tr>
<tr>
<td>9,255.00</td>
<td>9,255.00</td>
<td></td>
</tr>
<tr>
<td>TOTAL ASSETS OTHER THAN UTILITY PLANT</td>
<td>$ 70,430.00</td>
<td>$ 83,522.00</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$ 618,901.00</td>
<td>$ 646,792.00</td>
</tr>
</tbody>
</table>

LIABILITIES AND CAPITAL

CAPITAL

|                                      |                   |                   |
|                                      | 185,525.00        | 185,525.00        |
| Retained Earnings                   | 14,074.00         | 8,549.00          |
| Proprietary Capital                 |                   |                   |
| TOTAL CAPITAL                        | $ 199,599.00      | $ 194,074.00      |

LIABILITIES

|                                      | Current Year 2011 | Previous Year 2010 |
|                                      | 419,021.00        | 425,670.00         |
| Accounts Payable                     | 281.00            |                   |
| Notes Payable                        |                   |                   |
| Customer Deposits                    |                   |                   |
| Accrued Taxes                        |                   |                   |
| Other Liabilities (Specify)          |                   |                   |
| Transfer Payable                     |                   | 48.00             |
| Rent Payable                         |                   | 27,000.00         |
| Deferred revenues                    |                   |                   |
| Advances for Construction            |                   |                   |
| Contributions in aid of Construction |                   |                   |
| TOTAL LIABILITIES                    | $ 419,302.00      | $ 452,718.00      |
| TOTAL LIABILITIES AND CAPITAL        | $ 618,901.00      | $ 646,792.00      |
### Accumulated Depreciation and Amortization of Utility Plant

<table>
<thead>
<tr>
<th>ACCOUNT 108</th>
<th>Current Year 2011</th>
<th>Previous Year 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at First of Year</td>
<td>78,053.00</td>
<td>51,742.00</td>
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<tr>
<td>Credits During the Year:</td>
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<td></td>
</tr>
<tr>
<td>Accruals Charged to Depreciation Account</td>
<td>26,918.00</td>
<td>26,311.00</td>
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<tr>
<td>Salvage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Credits (Specify):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Credits</td>
<td>$ 104,971.00</td>
<td>$ 78,053.00</td>
</tr>
<tr>
<td>Debits During the Year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Book Cost of Plant Retired</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Removal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Debits (Specify):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Debits</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Balance at End of Year</td>
<td>$ 104,971.00</td>
<td>$ 78,053.00</td>
</tr>
</tbody>
</table>

### 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.

<table>
<thead>
<tr>
<th>Indicate</th>
<th>Cash</th>
<th>Property</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL DURING THE YEAR | $ - |

### Accumulated Deferred Income Taxes

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Deferred Income Taxes</td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td></td>
</tr>
<tr>
<td>State</td>
<td></td>
</tr>
<tr>
<td>Total Accumulated Deferred Income Taxes</td>
<td>$ -</td>
</tr>
</tbody>
</table>
## Capital Stock

<table>
<thead>
<tr>
<th>Common Stock</th>
<th>Preferred Stock</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

- **Par or Stated Value per Share**: N/A
- **Shares Authorized**: N/A
- **Shares Issued and Outstanding**: N/A
- **Total Par Value of Stock Issued**: N/A
- **Dividends Declared per Share for Year**: N/A

## Retained Earnings

<table>
<thead>
<tr>
<th>Appropriated</th>
<th>Unappropriated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at First of Year</strong></td>
<td><strong>$8,549.00</strong></td>
</tr>
<tr>
<td><strong>Changes during Year</strong></td>
<td><strong>$5,525.00</strong></td>
</tr>
<tr>
<td>Net Income (loss)</td>
<td>N/A</td>
</tr>
<tr>
<td>Dividends</td>
<td>N/A</td>
</tr>
<tr>
<td>Other (Specify):</td>
<td>N/A</td>
</tr>
</tbody>
</table>

- **Balance End of Year**: **$14,074.00**

## Proprietary Capital

<table>
<thead>
<tr>
<th>Proprietor or Partner</th>
<th>Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at First of Year</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Changes during Year</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at End of Year</strong></td>
<td></td>
</tr>
</tbody>
</table>

## Long Term Debt

<table>
<thead>
<tr>
<th>Description of Obligation</th>
<th>Interest Rate</th>
<th>Principal at Balance</th>
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</thead>
<tbody>
<tr>
<td>Commercial Loan</td>
<td>7.39%</td>
<td>$3,164.10</td>
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<tr>
<td></td>
<td></td>
<td>$419,021.47</td>
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</tbody>
</table>

- **Total**: **$3,164.10**
<table>
<thead>
<tr>
<th>Acct No.</th>
<th>Account Name</th>
<th>Previous Year 2010</th>
<th>Additions</th>
<th>Retirements</th>
<th>Current Year 2011</th>
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</thead>
<tbody>
<tr>
<td>301</td>
<td>Organization</td>
<td>9,255.00</td>
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<td>9,255.00</td>
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<tr>
<td>302</td>
<td>Franchises</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>303</td>
<td>Land &amp; Land Rights</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>304</td>
<td>Structures and Improvements</td>
<td>641,323.00</td>
<td>12,119.00</td>
<td></td>
<td>653,442.00</td>
</tr>
<tr>
<td>305</td>
<td>Collecting and Impounding Reservoirs</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>306</td>
<td>Lake River and Other Intakes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>307</td>
<td>Wells and Springs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>308</td>
<td>Infiltration Galleries and Tunnels</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>309</td>
<td>Supply Mains</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>310</td>
<td>Power Generation Equipment</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>311</td>
<td>Pumping Equipment</td>
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<td></td>
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</tr>
<tr>
<td>320</td>
<td>Water Treatment Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>330</td>
<td>Distribution Reservoirs and Standpipes</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>331</td>
<td>Transmission and Distribution Mains</td>
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<td></td>
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</tr>
<tr>
<td>333</td>
<td>Services</td>
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<tr>
<td>334</td>
<td>Meters and Meter Installations</td>
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</tr>
<tr>
<td>335</td>
<td>Hydrants</td>
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</tr>
<tr>
<td>339</td>
<td>Other Plant and Misc. Equipment</td>
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<tr>
<td>340</td>
<td>Office Furniture and Equipment</td>
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</tr>
<tr>
<td>341</td>
<td>Transportation Equipment</td>
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<td></td>
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</tr>
<tr>
<td>342</td>
<td>Stores Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>343</td>
<td>Tools, Shop &amp; Garage Equipment</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>344</td>
<td>Laboratory Equipment</td>
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<tr>
<td>345</td>
<td>Power Operated Equipment</td>
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</tr>
<tr>
<td>346</td>
<td>Communication Equipment</td>
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</tr>
<tr>
<td>347</td>
<td>Miscellaneous Equipment</td>
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<td></td>
</tr>
<tr>
<td>348</td>
<td>Other Miscellaneous Equipment</td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Water Plant | $650,578.00 | $12,119.00 | $ - | $662,697.00
## Analysis of Accumulated Depreciation by Primary Account

<table>
<thead>
<tr>
<th>Acct No.</th>
<th>Account</th>
<th>Average Service Life in Years</th>
<th>Average Salvage Value in Percent</th>
<th>Depr. Rate Applied</th>
<th>Accumulated Depreciation Beginning of Year 01/01/2011</th>
<th>Debits</th>
<th>Credits</th>
<th>Accumulated Depreciation End of Year 12/31/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>304</td>
<td>Structures and Improvements</td>
<td>25</td>
<td></td>
<td></td>
<td>76,511.00</td>
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<td>26,404.00</td>
<td>102,915.00</td>
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<tr>
<td>305</td>
<td>Collecting and Impounding Reservoirs</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>306</td>
<td>Lake River and Other Intakes</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>307</td>
<td>Wells and Springs</td>
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<td>Infiltration Galleries and Tunnels</td>
<td></td>
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</tr>
<tr>
<td>309</td>
<td>Supply Mains</td>
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<td>311</td>
<td>Pumping Equipment</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>320</td>
<td>Water Treatment Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>330</td>
<td>Distribution Reservoirs and Standpipes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>331</td>
<td>Transmission and Distribution Mains</td>
<td></td>
<td></td>
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<tr>
<td>333</td>
<td>Services</td>
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</tr>
<tr>
<td>334</td>
<td>Meters and Meter Installations</td>
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<tr>
<td>335</td>
<td>Hydrants</td>
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<tr>
<td>339</td>
<td>Other Plant and Misc. Equipment</td>
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<tr>
<td>340</td>
<td>Office Furniture and Equipment</td>
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<tr>
<td>341</td>
<td>Transportation Equipment</td>
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<tr>
<td>342</td>
<td>Stores Equipment</td>
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</tr>
<tr>
<td>343</td>
<td>Tools, Shop &amp; Garage Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>344</td>
<td>Laboratory Equipment</td>
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</tr>
<tr>
<td>345</td>
<td>Power Operated Equipment</td>
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<tr>
<td>346</td>
<td>Communication Equipment</td>
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</tr>
<tr>
<td>347</td>
<td>Miscellaneous Equipment</td>
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<tr>
<td>348</td>
<td>Other Tangible Plant</td>
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<td></td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 76,511.00</td>
<td>$</td>
<td>$ 26,404.00</td>
<td>$ 102,915.00</td>
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</table>

2010 Annual Depreciation was overstated by $77 due to an incorrect date of service for the 2010 additions. 2011 Annual Depreciation has been reduced by $77.
### Water Operation and Maintenance Expense

<table>
<thead>
<tr>
<th>Account Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages - Employees</td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages - Officers, Directors and Majority Stockholders</td>
<td>25,000.00</td>
</tr>
<tr>
<td>Employee Pension and Benefits</td>
<td></td>
</tr>
<tr>
<td>Purchased Water</td>
<td></td>
</tr>
<tr>
<td>Purchased Power</td>
<td>13,430.46</td>
</tr>
<tr>
<td>Fuel for Power Production</td>
<td></td>
</tr>
<tr>
<td>Chemicals Testing</td>
<td>2,854.77</td>
</tr>
<tr>
<td>Materials and Supplies</td>
<td>837.47</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>50,651.58</td>
</tr>
<tr>
<td>Rents</td>
<td>18,000.00</td>
</tr>
<tr>
<td>Repairs</td>
<td>13,668.76</td>
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<tr>
<td>Insurance Expense</td>
<td>2,354.50</td>
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<tr>
<td>Regulatory Commission Expense</td>
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</tr>
<tr>
<td>Miscellaneous</td>
<td>5,359.16</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>132,156.70</strong></td>
</tr>
</tbody>
</table>

### 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.

<table>
<thead>
<tr>
<th>Name of Recipient</th>
<th>Amount</th>
<th>Description of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Management Services, LLC</td>
<td>7,527.53</td>
<td>Accounting</td>
</tr>
<tr>
<td>Goetz, Gallik &amp; Baldwin, P.C.</td>
<td>12,849.81</td>
<td>Legal</td>
</tr>
<tr>
<td>Advanced Pump &amp; Equipment, Inc.</td>
<td>21,120.00</td>
<td>Operation &amp; Management</td>
</tr>
</tbody>
</table>
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: | 1 | Capacity in Gallons: 347000 |
| No. of Standpipes: |   | Capacity in Gallons: ________ |
| Method of Purification: | None-water is sampled monthly and is absent of bacteria. It does not require purification. |

Services and Meters

<table>
<thead>
<tr>
<th>Size-&gt;</th>
<th>1/2&quot;</th>
<th>5/8&quot;</th>
<th>1 in</th>
<th>1 1/2 in</th>
<th>2 in</th>
<th>3 in</th>
<th>4 in</th>
<th>6 in</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>51</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meters</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

Number and Classification of Consumers

<table>
<thead>
<tr>
<th>Classification</th>
<th>Beginning of Year</th>
<th>End of Year</th>
<th>Increase (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>Metered 0</td>
<td>Unmetered 216</td>
<td>Total 216</td>
</tr>
<tr>
<td>Commercial</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Industrial</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Fire Hydrants</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Governmental</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>All Other</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>227.00</td>
<td>227.00</td>
<td>227.00</td>
</tr>
</tbody>
</table>

Total Pumping Station Statistics

Total Amount of Water Obtained by all methods during the year: _____11,385,000____ 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 __50____ lbs to ___75____ lbs
Range of fire pressure in mains __25____ lbs to __150____ lbs
Affidavit

STATE OF MONTANA

County of ______Gallatin_______________________)

We, the undersigned, on our oath do severally say that the foregoing return of
Matthew Huggins and P. Kevin Koustaanay
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)

(Signature)

Subscribed and sworn before me this 30th day of April, 2012.

Jennifer J. Bos
NOTARY PUBLIC for the State of Montana
Residing at Bozeman, Montana
My Commission Expires October 31, 2014

__________________________
Jennifer J. Bos