

Valley Water System  
2425 W Central Ave., Ste 201  
Missoula, MT 59801-6402

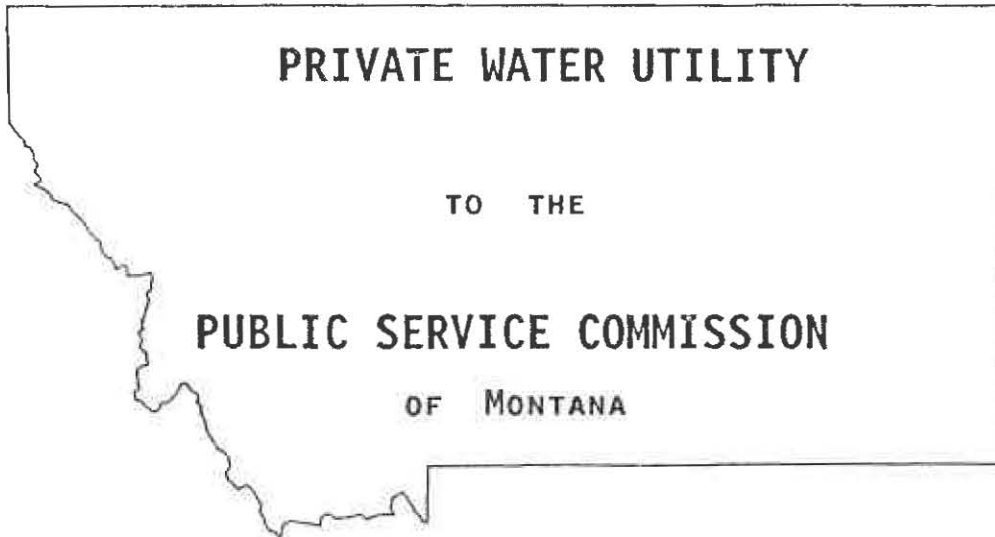
YEAR 2013

## ANNUAL REPORT

of the

NAME JL Real Estate Development LLC dba Valley Water System

LOCATION 2425 W Central Ave., Ste. 201, Missoula, MT 59801-6402



FOR THE YEAR ENDING 31-Dec-13

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## Valley Water System Ownership

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INCOME STATEMENT		
ACCOUNT NAME	Current Year	Previous Year
<b>OPERATING REVENUE:</b>		
Metered		
Residential		
Commercial		
Industrial		
Other		
Unmetered		
Residential	22,444	16,161
Commercial		
Industrial		
Fire Protection		
Bulk Sales		
Sale of Materials		
Other		
<b>TOTAL OPERATING REVENUE:</b>	<b>22,444</b>	<b>16,161</b>
<b>OPERATING EXPENSES:</b>		
Operation and Maintenance Expense	12,809	7,968
Depreciation Expense	10,000	10,000
Taxes Other than Income		
Deferred Federal Income Taxes		
Deferred State Income Taxes		
<b>TOTAL OPERATING EXPENSES</b>	<b>22,809</b>	<b>17,968</b>
<b>NET INCOME (LOSS) from OPERATIONS</b>	<b>-364</b>	<b>-1,807</b>
<b>Other Income:</b>		
Non Utility Income		
<b>TOTAL OTHER INCOME</b>	<b>0</b>	<b>0</b>
<b>Other Deductions:</b>		
Non-Utility Expenses		
Interest Expense		
<b>TOTAL OTHER DEDUCTIONS</b>	<b>0</b>	<b>0</b>
<b>NET INCOME (LOSS)</b>	<b>-364</b>	<b>-1,807</b>

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COMPARATIVE BALANCE SHEET		
ACCOUNT NAME	Current Year	Previous Year
<b>ASSETS:</b>		
Utility Plant in Service	250,000	250,000
Less: Accumulated Deprec. & Amort.	70,000	60,000
<b>NET UTILITY PLANT</b>	<b>180,000</b>	<b>190,000</b>
Cash	42,421	32,501
Customer Accounts Receivable	1,150	1,150
Other Assets (Specify)		
<b>TOTAL ASSETS OTHER THAN UTILITY PLANT</b>	<b>43,571</b>	<b>33,651</b>
<b>TOTAL ASSETS</b>	<b>223,571</b>	<b>223,651</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>CAPITAL</b>		
Common Stock Issued		
Preferred Stock Issued		
Other Paid in Capital	35,000	35,000
Retained Earnings	158,286	158,651
Proprietary Capital		
<b>TOTAL CAPITAL</b>	<b>193,286</b>	<b>193,651</b>
<b>LIABILITIES</b>		
Long Term Debt		
Accounts Payable		
Notes Payable	30,285	30,000
Customer Deposits		
Accrued Taxes		
Other Liabilities (Specify)		
Advances for Construction		
Contributions in aid of Construction		
<b>TOTAL LIABILITIES</b>	<b>30,285</b>	<b>30,000</b>
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>223,571</b>	<b>223,651</b>

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Accumulated Depreciation and Amortization of Utility Plant		
ACCOUNT 108	Current Year	Previous Year
Balance at First of Year	250,000	250,000
Credits During the Year:		
Accruals Charged to Depreciation Account	-70,000	-60,000
Salvage		
Other Credits (Specify):		
Total Credits	180,000	190,000
Debits During the Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify):		
Total Debits	0	0
Balance at End of Year	180,000	190,000

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	Property
TOTAL DURING THE YEAR		\$ -

Accumulated Deferred Income Taxes	
Description	Amount
Accumulated Deferred Income Taxes	
Federal	
State	
Total Accumulated Deferred Income Taxes	\$ -

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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 at first of year		158,651
Changes during year:		
Net Income (loss)		-364
Dividends		
Other (Specify):		
Balance end of year		158,286

Proprietary Capital		
	Proprietor or Partner	Partner
Balance at first of year		
Changes during year (Specify):		
Balance at end of year		

Long Term Debt			
Description of Obligation	Interest Rate	Payment	Principal at Balance Sheet Date
Total		0	0

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Water Utility Plant Accounts					
Acct No.	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures and Improvements				
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	250,000	-	-	250,000
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations				
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				
Total Water Plant		\$ 250,000	\$ -	\$ -	250,000



### 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							
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	25	0%	S/L	60,000		10,000	70,000
320	Water Treatment Equipment							
330	Distribution Reservoirs and Standpipes							
331	Transmission and Distribution Mains							
333	Services							
334	Meters and Meter Installations							
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							
<b>TOTAL</b>					60,000	0	10,000	70,000

## Missoula, MT 59801-6402

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	2,331
Fuel for Power Production	
Chemicals	
Materials and Supplies	664
Contractual Services	9,520
Rents	
Transportation Expense	
Insurance Expense	
Regulatory Commission Expense	294
Bad Debt Expense	
<b>TOTAL</b>	<b>12,809</b>

### 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.

[illegible]

### Sources of Water Supply

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

Ground Water: No. of Springs: \_\_\_\_\_ No. of Shallow Wells: \_\_\_\_\_ No. of Deep Wells: 2

### Reservoirs, Standpipes, and Purification System

No. of Reservoirs: 1 Capacity in Gallons: 180  
No. of Standpipes: 0 Capacity in Gallons: \_\_\_\_\_  
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			35						
Meters									

### Number and Classification of Consumers

Classification	Beginning of Year			End of Year			Increase (Decrease)
	Metered	Unmetered	Total	Metered	Unmetered	Total	
Residential		35	35		35	35	0
Commercial							
Industrial							
Fire Hydrants							
Governmental							
All Other							
Total	-	35	35	-	35	35	-

### Total Pumping Station Statistics

Total Amount of Water Obtained by all methods during the year: 6,110,804 gals.  
Maximum Water obtained all methods during any one day: 42,813 gals.  
Minimum Amount of Water obtained all methods during one day: 7,288 gals.  
Range of ordinary pressure on mains 65 lbs to 75 lbs  
Range of fire pressure in mains 60 lbs to 75 lbs

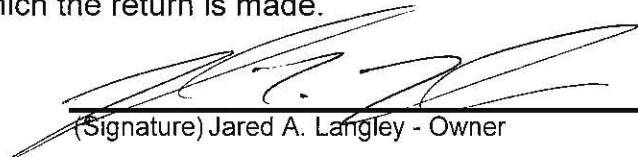
Affidavit

STATE OF MONTANA

)

County of Missoula )

We, the undersigned, on our oath do severally say that the foregoing return of JL Real Estate Development LLC dba Valley Water System 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) Jared A. Langley - Owner

  
(Signature) Karen N Wiltse - Controller

Subscribed and sworn before me this 22<sup>nd</sup> day of April, 20 14

  
\_\_\_\_\_

(SEAL)

