

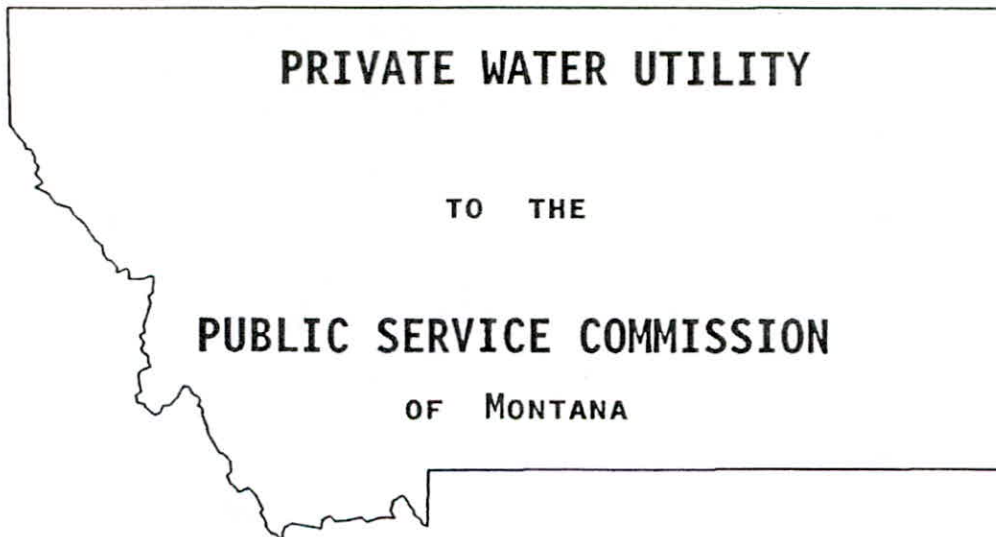
YEAR 2015

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 12/31/2015

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

Valley Water System Ownership

2425 W Central Ave., Ste. 201
(address)

Missoula, MT 59801-6402
(city, state, zip code)

For Year Ended 2015

Date Utility First Organized 8/29/2008

Telephone Number (406) 251-7916

Location of books and records 2425 W Central Ave., Ste. 201, Missoula, MT 59801-6402

Contacts			
Name	Title	Principal Business Address	Salary
Person to send correspondence: Jared A. Langley	Owner	2425 W Central, Ste. 201 Missoula, MT 59801-6402	
Person who prepared this report: Karen Wiltse	Controller	2425 W Central, Ste. 201 Missoula, MT 59801-6402	
Officers and Managers:			
Total Officer and Manager Compensation			

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
Jared A. Langley	100%	2425 W Central, Ste. 201 Missoula, MT 59801-6402	0

INCOME STATEMENT		
ACCOUNT NAME	Current Year	Previous Year
OPERATING REVENUE:		
Metered		
Residential		
Commercial		
Industrial		
Other		
Unmetered		
Residential	29,335.00	23,745.00
Commercial		
Industrial		
Fire Protection		
Bulk Sales		
Sale of Materials		
Other		
TOTAL OPERATING REVENUE:	\$ 29,335.00	\$ 23,745.00
OPERATING EXPENSES:		
Operation and Maintenance Expense	25,343.00	13,601.00
Depreciation Expense	10,000.00	10,000.00
Taxes Other than Income	3,206.00	2,214.00
Deferred Federal Income Taxes		
Deferred State Income Taxes		
TOTAL OPERATING EXPENSES	\$ 38,549.00	\$ 25,815.00
NET INCOME (LOSS) from OPERATIONS	\$ (9,214.00)	\$ (2,070.00)
Other Income:		
Non Utility Income		
TOTAL OTHER INCOME	\$ -	\$ -
Other Deductions:		
Non-Utility Expenses		
Interest Expense		
TOTAL OTHER DEDUCTIONS	\$ -	\$ -
NET INCOME (LOSS)	\$ (9,214.00)	\$ (2,070.00)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Current Year	Previous Year
ASSETS:		
Utility Plant in Service	250,000.00	250,000.00
Less: Accumulated Deprec. & Amort.	90,000.00	80,000.00
NET UTILITY PLANT	\$ 160,000.00	\$ 170,000.00
Cash	36,591.00	21,215.00
Customer Accounts Receivable		
Other Assets (Specify)		
TOTAL ASSETS OTHER THAN UTILITY PLANT	\$ 36,591.00	\$ 21,215.00
TOTAL ASSETS	\$ 196,591.00	\$ 191,215.00
LIABILITIES AND CAPITAL		
CAPITAL		
Common Stock Issued		
Preferred Stock Issued		
Other Paid in Capital	35,000.00	35,000.00
Retained Earnings	154,296.00	156,215.00
Proprietary Capital		
TOTAL CAPITAL	\$ 189,296.00	\$ 191,215.00
LIABILITIES		
Long Term Debt		
Accounts Payable		
Notes Payable	7,295.00	
Customer Deposits		
Accrued Taxes		
Other Liabilities (Specify)		
Advances for Construction		
Contributions in aid of Construction		
TOTAL LIABILITIES	\$ 7,295.00	\$ -
TOTAL LIABILITIES AND CAPITAL	\$ 196,591.00	\$ 191,215.00

Accumulated Depreciation and Amortization of Utility Plant		
ACCOUNT 108	Current Year	Previous Year
Balance at First of Year	250,000.00	250,000.00
Credits During the Year:		
Accruals Charged to Depreciation Account	90,000.00	80,000.00
Salvage		
Other Credits (Specify):		
Total Credits	\$ 340,000.00	\$ 330,000.00
Debits During the Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify):		
Total Debits	\$ -	\$ -
Balance at End of Year	\$ 340,000.00	\$ 330,000.00

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	
	Cash	Property
TOTAL DURING THE YEAR		\$ -

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

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		156215
Changes during year:		
Net Income (loss)		-9214
Dividends		
Other (Specify):		
Balance end of year		147001

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
JLEI			7295
Total		\$ -	\$ 7,295.00

Water Utility Plant Accounts

Acct No.	Account Name	Previous Year	Additions	Retirements
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	250,000.00		
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		\$ 250,000.00	\$ -	\$ -

[illegible]

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	80,000.00		10,000.00	90,000.00
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					\$ 80,000.00	\$ -	\$ 10,000.00	\$ 90,000.00

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	3,677.00
Fuel for Power Production	
Chemicals	
Materials and Supplies	
Contractual Services	10,772.00
Rents	
Transportation Expense	
Insurance Expense	
Regulatory Commission Expense	203.00
Bad Debt Expense	
TOTAL	\$ 14,652.00

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:

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	
Commercial							
Industrial							
Fire Hydrants							
Governmental							
All Other							
Total	-	35.00	35.00	-	35.00	35.00	-

Total Pumping Station Statistics

Total Amount of Water Obtained by all methods during the year: _____ 6110804 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 _____ 65 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 19th day of April, 20 16

(SEAL)

