***Landmark Water Company, LLC***
***280 W Kagy Suite D- 325***
***Bozeman, MT 59715***
***406-581-2100***

To: Montana Public Service Commission
Utility Division
PO Box 202601
Helena, MT 59620-601

From: Landmark Water Company, LLC

Date: March 21, 2021

**Re: 2021 Annual Report**

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Dear Ladies and Gentlemen:

Enclosed please find one copy of the 2021 Annual Report for Landmark Water Company, LLC. I have filed this report electronically via the new EDDI system.

Please feel free to contact us if you have any questions. Thank you.

Best Regards,

Thomas L Clinton

Thomas L. Clinton
President

YEAR 2021

# ANNUAL REPORT

of the

NAME Landmark Water Company, LLC

LOCATION 280 W Kagy Suite D - 325, Bozeman, MT 59715

## PRIVATE WATER UTILITY

TO THE

## PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING 12/31/2021

Form No. 402-A (01/2009)

# 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

Table of Contents

# REPORT OF

Landmark Water Compnay, LLC

280 W Kagy Suite D - 325 — Bozeman, MT 59715

*(address)* — *(city, state, zip code)*

For Year Ended: 12/31/2021

Date Utility First Organized: 2/11/2003

Telephone Number: 406-581-2100

Location of books and records: 280 W Kagy Suite D-325, Bozeman, MT 59715

## Contacts

| Name | Title | Principal Business Address | Salary |
|---|---|---|---|
| Person to send correspondence:<br>Thomas L. Clinton | President | 280 W Kagy Suite D-325<br>Bozeman, MT 59715 | |
| Person who prepared this report:<br>Thomas L. Clinton | | 280 W Kagy Suite D-325<br>Bozeman, MT 59715 | |
| Officers and Managers:<br>Potter Clinton<br>Dvelopment, Inc. | Managing<br>Member | 280 W Kagy Suite D-325<br>Bozeman, MT 59715 | |
| | | | |
| | | | |
| | | | |
| 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 |
|---|---|---|---|
| Potter Clinton<br>Development, Inc. | 100% | 280 W Kagy Suite D-325<br>Bozeman, MT 59715 | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

# INCOME STATEMENT

| ACCOUNT NAME | Current Year | Previous Year |
|---|---|---|
| **OPERATING REVENUE:** | | |
| Metered | | |
| Residential | 245,500.00 | 240,264.00 |
| Commercial | | |
| Industrial | | |
| Other | | |
| Unmetered | | |
| Residential | | |
| Commercial | | |
| Industrial | | |
| Fire Protection | | |
| Bulk Sales | | |
| Sale of Materials | | |
| Other | | |
| TOTAL OPERATING REVENUE: | $ 245,500.00 | $ 240,264.00 |
| **OPERATING EXPENSES:** | | |
| Operation and Maintenance Expense | 229,154.00 | 221,707.00 |
| Depreciation Expense | 36,005.00 | 36,005.00 |
| Taxes Other than Income | | |
| Deferred Federal Income Taxes | | |
| Deferred State Income Taxes | | |
| TOTAL OPERATING EXPENSES | $ 265,159.00 | $ 257,712.00 |
| **NET INCOME (LOSS) from OPERATIONS** | $ (19,659.00) | $ (17,448.00) |
| **Other Income:** | | |
| Non Utility Income | | |
| | | |
| | | |
| TOTAL OTHER INCOME | $ - | $ - |
| **Other Deductions:** | | |
| Non-Utility Expenses | | |
| Interest Expense | 25.00 | 460.00 |
| | | |
| | | |
| TOTAL OTHER DEDUCTIONS | $ 25.00 | $ 460.00 |
| **NET INCOME (LOSS)** | $ (19,684.00) | $ (17,908.00) |

# COMPARATIVE BALANCE SHEET

| ACCOUNT NAME | Current Year | Previous Year |
|---|---|---|
| **ASSETS:** | | |
| Utility Plant in Service | 928,910.00 | 928,910.00 |
| Less: Accumulated Deprec. & Amort. | 870,876.00 | 834,871.00 |
| NET UTILITY PLANT | $ 58,034.00 | $ 94,039.00 |
| Cash | 48,539.00 | 39,315.00 |
| Customer Accounts Receivable | 25,390.00 | 24,427.00 |
| Other Assets (Specify) | | |
| | | |
| | | |
| | | |
| TOTAL ASSETS OTHER THAN UTILITY PLAN | $ 73,929.00 | $ 63,742.00 |
| **TOTAL ASSETS** | $ 131,963.00 | $ 157,781.00 |
| **LIABILITIES AND CAPITAL** | | |
| **CAPITAL** | | |
| Common Stock Issued | | |
| Preferred Stock Issued | | |
| Other Paid in Capital | | |
| Retained Earnings | (189,340.00) | (166,657.00) |
| Proprietary Capital | (120,267.00) | (120,267.00) |
| **TOTAL CAPITAL** | $ (309,607.00) | $ (286,924.00) |
| **LIABILITIES** | | |
| Long Term Debt | - | 3,098.00 |
| Accounts Payable | 127.00 | 164.00 |
| Notes Payable | 441,443.00 | 441,443.00 |
| Customer Deposits | | |
| Accrued Taxes | | |
| Other Liabilities (Specify) | | |
| | | |
| | | |
| | | |
| Advances for Construction | | |
| Contributions in aid of Construction | | |
| **TOTAL LIABILITIES** | $ 441,570.00 | $ 444,705.00 |
| **TOTAL LIABILITIES AND CAPITAL** | $ 131,963.00 | $ 157,781.00 |

## Accumulated Depreciation and Amortization of Utility Plant

| ACCOUNT 108 | Current Year | Previous Year |
|---|---|---|
| Balance at First of Year | 834,871.00 | 798,866.00 |
| Credits During the Year: | | |
| Accruals Charged to Depreciation Account | 36,005.00 | 36,005.00 |
| Salvage | | |
| Other Credits (Specify): | | |
| | | |
| | | |
| | | |
| Total Credits | $ 870,876.00 | $ 834,871.00 |
| Debits During the Year: | | |
| Book Cost of Plant Retired | | |
| Cost of Removal | | |
| Other Debits (Specify): | | |
| Miscellaneous adjusment | | |
| | | |
| | | |
| Total Debits | $ - | $ - |
| Balance at End of Year | $ 870,876.00 | $ 834,871.00 |

## Contributions in Aid of Construction

| Report below all contractor and developer agreements ar 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 | $ - |

## 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 | | (166,657.00) |
| Changes during year: | | |
| Net Income (loss) | | (19,683.00) |
| Dividends | | |
| Other (Specify): | | |
| | | |
| | | |
| | | |
| | | |
| Balance end of year | | (186,340.00) |

## Proprietary Capital

| | Proprietor or Partner | Partner |
|---|---|---|
| Balance at first of year | (120,267.00) | |
| Changes during year (Specify): | | |
| Net Loss | | |
| Schedule M | | |
| | | |
| | | |
| Balance at end of year | (120,267.00) | |

## Long Term Debt

| Description of Obligation | Interest Rate | Payment | Principal at Balance Sheet Date |
|---|---|---|---|
| | | | |
| | | | - |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total | | $ - | $ - |

## Water Utility Plant Accounts

| Acct No. | Account Name | Previous Year | Additions | Retirements | Current Year |
|---|---|---|---|---|---|
| 301 | Organization | 88,010.00 | | | 88,010.00 |
| 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 | 146,883.00 | | | 146,883.00 |
| 310 | Power Generation Equipment | | | | |
| 311 | Pumping Equipment | | | | |
| 320 | Water Treatment Equipment | | | | |
| 330 | Distribution Reservoirs and Standpipes | | | | |
| 331 | Transmission and Distribution Mains | 577,218.00 | | | 577,218.00 |
| 333 | Services | | | | |
| 334 | Meters and Meter Installations | 2,679.00 | | | 2,679.00 |
| 335 | Hydrants | 114,120.00 | | | 114,120.00 |
| 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 | | $ 928,910.00 | $ - | $ - | $ 928,910.00 |

## 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 | 15 | 0% | | 88,009.00 | | | 88,009.00 |
| 305 | Collecting and Impounding Reservoirs | | | | | | | - |
| 306 | Lake River and Other Intakes | | | | | | | - |
| 307 | Wells and Springs | | | | | | | - |
| 308 | Infiltration Galleries and Tunnels | | | | | | | - |
| 309 | Supply Mains | 20 | 0% | | 132,119.00 | | 7,344.00 | 139,463.00 |
| 310 | Power Generation Equipment | | | | | | | - |
| 311 | Pumping Equipment | | | | | | | - |
| 320 | Water Treatment Equipment | | | | | | | - |
| 330 | Distribution Reservoirs and Standpipes | | | | | | | - |
| 331 | Transmission and Distribution Mains | 20 | 0% | | 497,944.00 | | 28,661.00 | 526,605.00 |
| 333 | Services | | | | | | | - |
| 334 | Meters and Meter Installations | 15 | 0% | | 2,679.00 | | | 2,679.00 |
| 335 | Hydrants | 15 | 0% | | 114,120.00 | | | 114,120.00 |
| 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** | | | | | $ 834,871.00 | $ - | $ 36,005.00 | $ 870,876.00 |

## 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 | 137,741.00 |
| Waterline Repairs & Maintenance | |
| Purchased Power | |
| Fuel for Power Production | |
| Chemicals | |
| Materials and Supplies | |
| Contractual Services | 17,685.00 |
| Operating Expenses | 4,520.00 |
| Administrative Costs | 9,208.00 |
| Management Fees | 60,000.00 |
| | |
| | |
| **TOTAL** | $ 229,154.00 |

## 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.

| Name of Recipient | Amount | Description of Service |
|---|---|---|
| Christine Clarkson | 13,000.00 | Customer billing and meter reading |
| O'Neill Brothers Hydrology | 4,685.00 | Water Quality Testing |
| First West Insurance | 1,212.00 | Insurance |
| Big Sky Western Bank | 3,123.00 | Principal & Interest Long Term Debt |
| U S Postal | 1,563.00 | Postage for Billings |
| River Rock County Water & Sewer District | 137,741.00 | Purchased Water |
| Potter Clinton Development, Inc. | 60,000.00 | Operations/company management |
| Rudd & Company | 3,450.00 | Tax Return Preparation |
| PDV 1006 | 4,200.00 | Office Rent |

## Sources of Water Supply

Surface Water: River: ______ Lake: ______ Stream: ______ Impounding Reservoir: ______

Ground Water: No. of Springs: ______ No. of Shallow Wells: _______ No. of Deep Wells: ______

**Water is purchased from River Rock County Water and Sewer District on a metered basis.**

## Reservoirs, Standpipes, and Purification System

No. of Reservoirs: ______ Capacity in Gallons: ____________

No. of Standpipes: ______ 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 | | | | | | | | | |
| Meters | | | | | | | | | |

## Number and Classification of Consumers

| | Beginning of Year | | | End of Year | | | |
|---|---|---|---|---|---|---|---|
| Classification | Metered | Unmetered | Total | Metered | Unmetered | Total | Increase (Decrease) |
| Residential | 240 | | 240 | 240 | | 240 | |
| Commercial | | | | | | | |
| Industrial | | | | | | | |
| Fire Hydrants | | | | | | | |
| Governmental | | | | | | | |
| All Other | | | | | | | |
| Total | 240.00 | - | 240.00 | 240.00 | - | 240.00 | - |

## Total Pumping Station Statistics

Total Amount of Water Obtained by all methods during the year:________________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 _________ lbs to _________ lbs
Range of fire pressure in mains _________ lbs to _________ lbs

# Affidavit

STATE OF MONTANA )

County of Gallatin

We, the undersigned, on our oath do severally say that the foregoing return of Landmark Water Company, LLC 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.

Thomas L Clenton
(Signature)

(Signature)

Subscribed and sworn before me this 21 day of March, 20 22

BRIDGET FASSLER
Notary Public
for the State of Montana
Residing at:
Bozeman, Montana
My Commission Expires:
May 29, 2023

BRIDGET FASSLER NOTARIAL SEAL STATE OF MONTANA

(SEAL)

State of Montana County of Gallatin