

RECEIVED BY

YEAR 2004

FORM NO. 402-A(12/88)

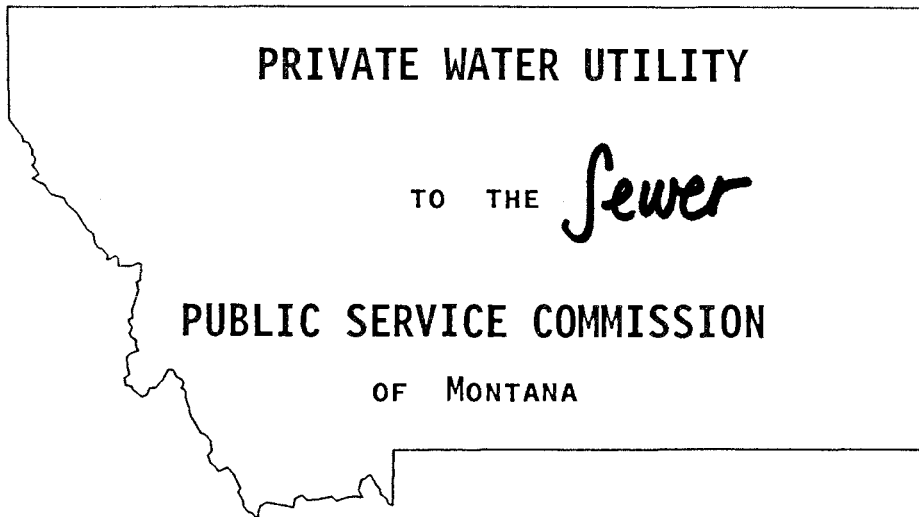
PUBLIC SERVICE
COMMISSION

ANNUAL REPORT

OF THE

NAME Fairmont Hot Springs Resort

LOCATION Fairmont, Montana



FOR THE YEAR ENDING 12-31-04

REPORT OF
Wilder Resorts, Inc.
DBA Fairmont Hot Springs Resort
1500 Fairmont Road, Anaconda, MT 59711

For the Year Ended December 31, 2004

Date Utility Organized May 9, 2000

Telephone Number (406) 797-3241

Location where books are located Same address as above.

Name	Title	Contracts:	Salary
		Principal Business Address	
Person to Send Correspondence:	Ed Henrich, General Manager	1500 Fairmont Road, Fairmont, MT 59711	XXXXXXXXXXXXXXXXXX
Person who prepared this report:	Steve Luebeck, CPA Controller	1500 Fairmont Road, Fairmont, MT 59711	XXXXXXXXXXXXXXXXXX
Officers and Managers:			
Carol Seable	President	Same as above.	N/A
Ed Henrich	Secretary/Treasurer	Same as above.	\$2,900.00
Steve Luebeck	Controller	Same as above.	2,439.91
Vern Cook	Maintenance Director	Same as above.	8,826.02

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

Name	Percent Ownership in Utility	Principal Business Address	Salary Charged Utility
LMW Holding, US Ltd.	100%	Same as above.	None

Wilder Resorts, Inc.
DBA Fairmont Hot Springs Resort
Sewer Division - Income Statement
For The Year Ended December 31, 2004

	Current Year 2004	Previous Year 2003
GROSS REVENUE		
Metered		
Residential	\$0	\$0
Commercial	0	0
Unmetered		
Residential	5,819	6,715
Commercial	17,596	17,624
TOTAL GROSS REVENUE	\$23,415	\$24,339
OPERATING EXPENSES		
Operation and Maintenance Expense	\$12,641	\$13,385
Depreciation Expense *	0	0
Taxes Other Than Income **	3,745	3,752
Income Taxes	50	50
TOTAL OPERATING EXPENSE	\$16,436	\$17,187
TOTAL OPERATING INCOME OR LOSS	\$6,979	\$7,152
Other Income		
Non-utility Income	0	0
Other Deductions		
Non-utility expense	0	0
Interest	0	0
NET INCOME (LOSS)	\$6,979	\$7,152

* 2003 Depreciation was restated to recognize the PSC's denial of sewer plant in rate base.

** Property taxes for 2003 were restated to recognize the 2nd half of 2002 property taxes paid in 2003.

Wilder Resorts, Inc.
DBA Fairmont Hot Springs Resort
Water Division - Income Statement
For The Year Ended December 31, 2004

	Current Year	Previous Year
	2004	2003
GROSS REVENUE		
Metered		
Residential	\$2,192	\$0
Commercial	20,167	0
Unmetered		
Residential	14,168	15,363
Commercial	61,246	65,801
TOTAL GROSS REVENUE	\$97,773	\$81,164
OPERATING EXPENSES		
Operation and Maintenance Expense	\$78,148	\$69,409
Depreciation Expense	19,467	19,853
Taxes Other Than Income	345	345
Income Taxes	50	50
TOTAL OPERATING EXPENSE	\$98,010	\$89,657
TOTAL OPERATING INCOME OR LOSS	(\$236)	(\$8,493)
Other Income		
Non-utility Income	0	0
Other Deductions		
Non-utility expense	0	0
Interest	0	0
NET INCOME (LOSS)	(\$236)	(\$8,493)

Wilder Resorts, Inc.
DBA FAIRMONT HOT SPRINGS RESORT
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2003 & 2004

	2004	2003
Current assets		
Cash	\$1,419,953	\$1,998,573
Accounts receivable	114,981	91,832
Accounts receivable - water/sewer division	1,526	986
Inventories	208,974	229,879
Prepaid expenses	251,079	83,571
Total Current Assets	\$1,996,513	\$2,404,841
Property & equipment		
Land & land improvements	\$339,247	\$339,247
Buildings & improvements	3,467,322	2,500,036
Furniture & equipment	3,536,921	3,338,723
Water supply and distribution equipment	200,628	216,567
Sewer equipment	0	0
Construction in progress	0	0
Subtotal	\$7,544,118	\$6,394,573
Less: accumulated depreciation	(3,983,056)	(3,587,139)
Net property and equipment	\$3,561,062	\$2,807,434
Intangible asset		
Rate Case - unamortized portion Water	13,858	0
Rate Case - unamortized portion Sewer	9,106	1,600
Total intangible asset	\$22,964	\$1,600
Total assets	\$5,580,539	\$5,213,875
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities		
Accounts payable	\$244,134	\$96,173
Accounts payable - water division	750	1,822
Accrued expenses	394,384	295,316
Property taxes payable *	x	54,588
Income taxes payable *	x	19,535
Total Current Liabilities	\$639,268	\$467,434
Long-Term Liabilities		
Deferred income taxes	\$143,890	\$158,495
Total long-term liabilities	\$143,890	\$158,495
Stockholders equity		
Common stock	\$250,000	\$250,000
Retained earnings - general	4,486,885	4,321,533
Retained earnings - water division	29,446	29,862
Retained earning - sewer division **	31,050	(13,449)
Total Stockholders equity	\$4,797,381	\$4,587,946
Total liabilities and stockholders equity	\$5,580,539	\$5,213,875

* 2004 payables were reclassified as accrued expenses.

** See note on statement of retained earnings section.

Accumulated Depreciation and Amortization of Water Utility Plant

Account 108	Current Year	Previous Year
Balance First of Year	\$103,845	\$83,992
Credits During Year	19,467	19,853
Accruals Charged to Depreciation Acct.	0	0
Salvage	0	0
Other Credits (specify)	0	0
Total Credits	\$19,467	\$19,853
Debits During Year	0	0
Book Cost of Plant Retired	0	0
Cost of Removal	0	0
Other Debits (Specify)	0	0
Balance End of Year	\$123,312	\$103,845

Accumulated Depreciation and Amortization of Sewer Utility Plant

Account 108	Current Year	Previous Year
Balance First of Year	\$221,523	\$206,505
Credits During Year	0	15,018
Accruals Charged to Depreciation Acct.	0	0
Salvage	0	0
Other Credits (specify)	0	0
Total Credits	\$0	\$15,018
Debits During Year	0	0
Book Cost of Plant Retired *	221,523	0
Cost of Removal	0	0
Other Debits (Specify)	0	0
Balance End of Year	\$0	\$221,523

* PSC denied plant cost in rate base.

Contributions in Aid of Construc Contributions in Aid of Constructio

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	Indicate Cash or Property
Total during year		

Accumulated Deferred Income T Accumulated Deferred Income Tax

Description		
Accumulated Deferred Income Taxes	N/A	N/A
Federal	N/A	N/A
State	N/A	N/A
	N/A	N/A
Total Accumulated Deferred Income Taxes	N/A	N/A

Capital Stock

	Common Stock	Preferred Stock
Par or stated value per share	\$500	None
Shares authorized	50,000	
Shares issued and outstanding	500	
Total par value of stock issued	\$250,000	
Dividends declared per share for year	\$0	

Retained Earnings - Water Division

	Appropriated	Unappropriated
Balance first of year	None	\$29,682
Changes during year (Specify):		
Net Income 2004		(236)
Balance end of year		\$29,446

Retained Earnings - Sewer Division

	Appropriated	Unappropriated
Balance first of year	None	\$1,571
Changes during year (Specify):		
Net Income 2004		6,979
Prior Period Adjustment *		22,500
Balance end of year		\$31,050

* In 2004, the PSC denied allowing the Sewer Plant in rate base. Thus, this adjustment removes depreciation expense recognized in 2002 and 2003 on the Sewer Plant.

Proprietary Capital

	Proprietor/Partner	Partner
Balance first of year	N/A	N/A
Changes during year (Specify):		
Balance end of year		

Long Term Debt

Description of obligation	Interest Rate / Pymts	Principal Per Balance Sheet Date
	N/A	None
Total	None	None

Water Utility Plant Accounts

Acct #	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0
303	Land and Land Rights	0	0	0	0
304	Structures	14,854	0	0	14,854
305	Collecting and Impounding Reservoirs	0	0	0	0
306	Lake, River and other Intakes	0	0	0	0
307	Wells and springs	9,660	0	0	9,660
308	Infiltration Galleries and Tunnels	0	0	0	0
309	Supply Mains	0	0	0	0
310	Power Generation Equipment	0	0	0	0
311	Pumping Equipment	53,870	9,059	0	62,929
320	Water Treatment Equipment	597	3,164	0	3,761
330	Distribution Reservoirs and Standpipes	0	0	0	0
331	Transmission and Distribution Mains	0	0	0	0
333	Services	0	0	0	0
334	Meters and Meter Installations	108,664	0	0	108,664
335	Hydrants	0	0	0	0
339	Other Plant and Misc. Equipment *	17,500	0	17,500	0
340	Office Furniture	0	0	0	0
341	Transportation Equipment *	10,662	0	10,662	0
342	Stores Equipment	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	0	0	0
346	Communication Equipment	0	0	0	0
347	Miscellaneous Equipment	760	0	0	760
348	Other Tangible Plant	0	0	0	0
	Total Water Plant	\$216,567	\$12,223	\$28,162	\$200,628

* PSC denied truck and backhoe in rate base

Sewer Utility Plant Accounts

Acct #	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0
303	Land and Land Rights	0	0	0	0
304	Structures	0	0	0	0
305	Collecting and Impounding Reservoirs **	228,436	0	228,436	0
306	Lake, River and other Intakes	0	0	0	0
307	Wells and springs	0	0	0	0
308	Infiltration Galleries and Tunnels	0	0	0	0
309	Supply Mains	0	0	0	0
310	Power Generation Equipment	0	0	0	0
311	Pumping Equipment	0	0	0	0
320	Water Treatment Equipment	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0
331	Transmission and Distribution Mains	0	0	0	0
333	Services	0	0	0	0
334	Meters and Meter Installations	0	0	0	0
335	Hydrants	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0
340	Office Furniture	0	0	0	0
341	Transportation Equipment	0	0	0	0
342	Stores Equipment	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0
344	Laboratory Equipment	0	0	0	0
345	Power Operated Equipment	0	0	0	0
346	Communication Equipment	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
	Total Water Plant	\$228,436	\$0	\$228,436	\$0

** PSC denied power plant in rate base

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct #	Account Name	Average Service Life In Years	Average Salvage In %	Depr. Rate Applied	Accumulated Depreciation Previous Year	Debits	Credits	Accumulated Depreciation End of Year
304	Structures	18	0%	Straight Line	\$11,713	0	\$127	\$11,841
305	Collecting and Impounding Reservoirs		0%		0	0	0	0
306	Lake, River and other Intakes		0%		0	0	0	0
307	Wells and springs	11	0%	Straight Line	9,660	0	0	9,660
308	Infiltration Galleries and Tunnels		0%		0	0	0	0
309	Supply Mains		0%		0	0	0	0
310	Power Generation Equipment		0%		0	0	0	0
311	Pumping Equipment	7	0%	Straight Line	50,551	0	3,118	53,669
320	Water Treatment Equipment	10	0%	Straight Line	512	0	399	911
330	Distribution Reservoirs and Standpipes		0%		0	0	0	0
331	Transmission and Distribution Mains		0%		0	0	0	0
333	Services		0%		0	0	0	0
334	Meters and Meter Installations	7	0%	Straight Line	19,384	0	15,497	34,881
335	Hydrants		0%		0	0	0	0
339	Other Plant and Misc. Equipment		0%		0	0	0	0
340	Office Furniture		0%		0	0	0	0
341	Transportation Equipment		0%		0	0	0	0
342	Stores Equipment		0%		0	0	0	0
343	Tools, Shop and Garage Equipment		0%		0	0	0	0
344	Laboratory Equipment		0%		0	0	0	0
345	Power Operated Equipment		0%		0	0	0	0
346	Communication Equipment		0%		0	0	0	0
347	Miscellaneous Equipment	7	0%	Straight Line	45	0	326	371
348	Other Tangible Plant		0%		0	0	0	0
	Total Water Plant				\$91,867	\$0	\$19,467	\$111,333

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - SEWER

Acct #	Account Name	Average Service Life In Years	Average Salvage In %	Depr. Rate Applied	Accumulated Depreciation Previous Year	Debits	Credits	Accumulated Depreciation End of Year
304	Structures		0%		\$0	\$0	\$0	\$0
305	Collecting and Impounding Reservoirs		0%		0	0	0	0
306	Lake, River and other Intakes		0%		0	0	0	0
307	Wells and springs		0%		0	0	0	0
308	Infiltration Galleries and Tunnels		0%		0	0	0	0
309	Supply Mains		0%		0	0	0	0
310	Power Generation Equipment		0%		0	0	0	0
311	Pumping Equipment		0%		0	0	0	0
320	Water Treatment Equipment		0%		0	0	0	0
330	Distribution Reservoirs and Standpipes		0%		0	0	0	0
331	Transmission and Distribution Mains		0%		0	0	0	0
333	Services		0%		0	0	0	0
334	Meters and Meter Installations		0%		0	0	0	0
335	Hydrants		0%		0	0	0	0
339	Other Plant and Misc. Equipment		0%		0	0	0	0
340	Office Furniture		0%		0	0	0	0
341	Transportation Equipment		0%		0	0	0	0
342	Stores Equipment		0%		0	0	0	0
343	Tools, Shop and Garage Equipment		0%		0	0	0	0
344	Laboratory Equipment		0%		0	0	0	0
345	Power Operated Equipment		0%		0	0	0	0
346	Communication Equipment		0%		0	0	0	0
347	Miscellaneous Equipment		0%		0	0	0	0
348	Other Tangible Plant		0%		0	0	0	0
	Total Water Plant				\$0	\$0	\$0	\$0

SOURCES OF WATER SUPPLY

Surface Water: River 0 Lake 0 Stream 0 Impounding Res. 0
 Ground Water: Springs No. 0 Shallow Wells No. 0 Deep Wells 4

SUPPLY, TRANSMISSION & DISTRIBUTION MAINS (FEET)

Size (Inches)	First of Year	Laid During Year	Total	Abandoned During Year	Taken Up During Yr.	Total	Close of Year
4	2,000	0	2,000	0	0	2,000	2,000
6	2,150	0	2,150	0	0	2,150	2,150
8	7,200	0	7,200	0	0	7,200	7,200
TOTAL	11,350	0	11,350	0	0	11,350	11,350

RESERVOIRS, STANDPIPES AND PURIFICATION SYSTEMS

Number of Reservoirs 1 Capacity in Gallons 250,000
 Number of Standpipes 0 Capacity in Gallons 0
 Method of Purification Gas Chlorination.

SERVICES AND METERS

Services

1/2 in.	3/4 in.	1 in.	1 1/2 in.	2 in.	3 in.	4 in.	6 in.
<u>0</u>	<u>70</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>7</u>

Meters

<u>0</u>	<u>65</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>6</u>
----------	-----------	----------	----------	----------	----------	----------	----------

NUMBER AND CLASSIFICATION OF CONSUMERS

-Beginning of Year-

-End of Year-

Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase or Decrease
Residential	26	0	26	26	0	26	0.00
Commercial	3	1 *	4	3	1	4	0.00
Industrial	0	0	0	0	0	0	0.00
Fire Hydrants	0	0	0	0	0	0	0.00
Governmental	0	0	0	0	0	0	0.00
All Other	0	0	0	0	0	0	0.00
TOTAL	29	0	30	29	1	30	0.00

* This customer is only a customer of the sewer utility.

TOTAL PUMPING STATION STATISTICS

Total Amount of Water Obtained by all methods during the Year.
 Maximum Water Obtained all methods during any one day.
 Minimum Amount of Water obtained, all methods during one day.
 Total Amount of Water passed through customers meters during year.
 Range of ordinary pressure on mains 80 lbs. To 120 lbs.
 Range of fire pressure on mains 40 lbs. To 80 lbs.

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 or organization of any kind whatever, amounting to \$500 or more.

Name of Recipient	Amount	Description of Service
Hunter Brother Construction	\$600	Flushing Sewer Mains.
Total	\$600	

SEWER OPERATION AND MAINTENANCE EXPENSE


Account Name	Amount
Salaries and Wages - Employees	\$4,299
Salaries and Wages - Officer	1,200
Employee Pension	0
Purchased Water	0
Purchased Power	1,389
Fuel For Power Production	0
Chemicals	0
Equipment Repair	0
Materials and Supplies	388
Contractual Services	600
Rents	810
Rate Case Expense	2,154
Legal	0
Transportation Expense	0
Education	65
Water Quality Testing	0
Insurance Expense	1,640
Regulatory Commission Expense	96
Bad Debt Expense	0
Miscellaneous Expense	0
Total	\$12,641

WATER OPERATION AND MAINTENANCE EXPENSE

Account Name	Amount
Salaries and Wages - Employees	\$14,222
Salaries and Wages - Officer	1,700
Employee Pension	0
Purchased Water	0
Purchased Power	31,889
Fuel For Power Production	0
Chemicals	310
Equipment Repair	3,111
Materials and Supplies	2,609
Outside Services Services	1,941
Rents	1,350
Rate Case Expense	1,732
Legal	595
Transportation Expense	0
Education	800
Water Quality Testing	1,042
Insurance Expense	16,445
Regulatory Commission Expense	401
Bad Debt Expense	0
Miscellaneous Expense	0
Total	\$78,148

STATE OF MONTANA)
County of Silverbow)

We, the undersigned, on our oath do severally say that the foregoing return the Fairmont Hot Springs Resort, 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.



Steve Luebeck, controller

Subscribed and sworn to before me this 29th day of April, 19 2005.



EMMS - July 20, 2006
