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PUBLIC SERVICE
COMMISSION

ANNUAL REPORT

OF THE

NAME

Big Mountain Water Company

LOCATION

Eight (8) miles North of Whitefish, Montana

PRIVATE WATER UTILITY

TO THE

PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING

April 30, 2008

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 USOA.
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 NA". 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 filled out in duplicate and one copy returned within 2 1/2 months after the close of the reporting period. The report should be returned to:

Montana Public Service Commission
Utility Division
2701 Prospect Avenue
Helena, Montana 59620

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REPORT OF

Big Mountain Water Company
(Exact Name of Utility)

P.O. Box 1400, Whitefish MT 59937
(Address) (City, State, Zip Code)

For Year Ended *April 30, 2008*

Date Utility First Organized *1979*

Telephone Number *(406) 862-1941*

Location where books and records are located *3812 Big Mountain Road, Whitefish MT*

Contracts:			
Name	Title	Principal Business Address	Salary
Person to send correspondence:	<i>Gayle Chaffey</i>	<i>P.O. Box 1400 Whitefish MT 59937</i>	XXXXXXXX
Person who prepared this report:	<i>Gayle Chaffey</i>	<i>same</i>	XXXXXXXX
Officers & Managers:			\$
<i>Daniel Shaver</i>	<i>President</i>	<i>same</i>	<i>\$ n/a</i>
<i>Dave Lawrence</i>	<i>V. President</i>	<i>same</i>	<i>\$ n/a</i>
<i>Fandy Whitlock</i>	<i>Sec/Treas</i>	<i>same</i>	<i>\$ n/a</i>
			\$

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

Name	Percent Ownership in Utility	Principal Business Address	Salary Charged Utility
<i>Winter Park, Inc.</i>	<i>100%</i>	<i>P.O. Box 1400 Whitefish MT 59937</i>	<i>\$ n/a</i>
			\$
			\$

INCOME STATEMENT

Account Name	Current Year	Previous Year
GROSS REVENUE:		
Metered		
Residential	141 153	133,441
Commercial		
Industrial <i>Fire Line</i>	5 748	5 783
Other		
Unmetered		
Residential		
Commerical <i>Hydrant</i>	225	375
Industrial <i>Taken On/Off</i>	—	225
Fire Protection		
Bulk Sales <i>Late Pay</i>	82	93
Sale of Materials		
Other <i>Hook legs</i>	900	1 450
TOTAL GROSS REVENUE	148 108	141 367
Operation and Maintenance Expense	73 787	59 484
Depreciation Expense	53 261	54 599
Taxes Other Than Income		
Income Taxes	8 424	10 914
Deferred Federal Income Taxes		
Deferred State Income Taxes		
TOTAL OPERATING EXPENSE	135 472	124 997
NET OPERATING INCOME (LOSS)	12 636	16 370
Other Income:		
Non-Utility Income		
Other Deductions:		
Non-Utility Expenses		
Interest Expense		
NET INCOME (LOSS)	12 636	16 370

COMPARATIVE BALANCE SHEET

ACCONT NAME	CURRENT YEAR	PREVIOUS YEAR
Assets:		
<i>Work In Progress</i>	0	119 853
Utility Plant In Service	1 617 286	1 468 210
Accumulated Depreciation and Amortization	(769 106)	(715 845)
Net Utility Plant	<u>848 180</u>	<u>872 218</u>
Cash	67 405	23 000
Customer Account Receivable	12 689	11 646
Other Assets (Specify)		
Total Assets	928 274	906 864
Liabilities an Capital:		
Common Stock Issued	100 000	100, 000
Preferred Stock Issued		
Other Paid In Capital		
Retained Earnings	(64 521)	(77 157)
Proprietary Capital		
Total Capital		
Long Term Debt		
Accounts Payable	29 348	18 084
Notes Payable		
Customer Deposits		
Accrued Taxes		
Other Liabilities (Specify)		
<i>Income Taxes Payable</i>	8 424	10 914
Advances for Construction		
Contributions In Aid Of Construction <i>Contributed Capital</i>	855 023	855 023
Total Liabilities and Capital	928 274	906 864

CAPITAL STOCK

	Common Stock	Preferred Stock
Par or stated value per share	\$ 10.00	
Shares authorized	20,000	
Shares issued and outstanding	10,000	
Total par value of stock issued	\$ 100,000	
Dividends declared per share for year	N/A	

RETAINED EARNINGS

	Appropriated	Unappropriated
Balance first of year		77,157
Changes during year (Specify):		
<i>Net Income</i>		12,636
Balance end of year		64,521

PROPRIETARY CAPITAL

	Proprietor or Partner	Partner
Balance first of year		
Changes during year (specify):		
<i>N/A</i>		
Balance end of year		

LONG TERM DEBT

Description of Obligation	Interest		Principal Per Balance Sheet Date
	Rate	Pymts	
<i>N/A</i>			
Total			

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	247 697			247 697
305	Collecting and Impounding Reservoirs				
306	Lake River and Other Intakes				
307	Wells and Springs	275 077	140 674		415 751
308	Infiltration Galleries and Tunnels				
309	Supply Mains :	163 185	8 403		171 588
310	Power Generation Equipment				
311	Pumping Equipment	39 917			39 917
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes	700 708			700 708
331	Transmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations	8 468			8 468
335	Hydrants	1 148			1 148
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop & Garage Equipment				
344	Laboratory Equipment <i>WORK IN PROGRESS</i>	119 853		119 853	0
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment <i>BACKLOG PREV</i>	13 991			13 991
348	Other Tangible Plant	18 019			18 019
	Total Water Plant	1 588 063			1 617 287

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT

ACCT. NO.	ACCOUNT	AVERAGE SERVICE LIFE IN YEARS	AVERAGE SALVAGE IN PERCENT	DEPR. RATE APPLIED	ACCUMULATED DEPRECIATION BALANCE PREVIOUS YEAR	DEBITS	CREDITS	ACCUMULATED DEPRECIATION BALANCE END OF YEAR
304	Structures & Improvements		%	%				
305	Collecting & Impounding Reservoirs		%	%				
306	Lake River & Other Intakes		%	%				
307	Wells and Springs		%	%				
308	Infiltrations Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equip.		%	%				
311	Pumping Equipment		%	%				
320	Water Treatment Equip.		%	%				
330	Distribution Reservoirs & Standpipes		%	%	N/A			
331	Trans. & Dist. Mains		%	%				
333	Services		%	%				
334	Meter & Meter Installation		%	%				
335	Hydrants		%	%				
339	Other Plant & Misc. Equip.		%	%				
340	Office Furniture and Equipment		%	%				
341	Transportation Equip.		%	%				
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		%	%				
	Totals							

WATER OPERATION AND MAINTENANCE EXPENSE

ACCOUNT NAME	AMOUNT
Salaries and Wages - Employees	<i>12/19</i>
Salaries and Wages - Officers, Directors and Majority Stockholders	
Employee Pensions and Benefits	
Purchased Water	
Purchased Power	
Fuel For Power Production	
Chemicals	
Materials and Supplies	
Contractual Services	
Rents	
Transportation Expense	
Insurance Expense	
Regulatory Commission Expense	
Bad Debt Expense	
Miscellaneous Expense	
Total	

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, 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
<i>CARVER ENGINEER</i>	<i>4188.20</i>	<i>CONSULTING FEES</i>
<i>CENTURYTEL</i>	<i>4980.00</i>	<i>TELEPHONE - UTILITIES</i>
<i>ENERGY LABORATORIES</i>	<i>3941.50</i>	<i>TESTING</i>
<i>FLATHEAD Electric</i>	<i>17160.00</i>	<i>UTILITIES</i>
<i>H.D. Supply WATERWORKS</i>	<i>5880.11</i>	<i>Supplies</i>
<i>LIGHTS ENGINEERING</i>	<i>1895.00</i>	<i>MAINTENANCE/REPAIRS</i>
<i>MT DEPT OF ENVIR QTY</i>	<i>682.00</i>	<i>FEES</i>
<i>MT Environ Lab</i>	<i>834.50</i>	<i>TESTING</i>
<i>NEW CASTLE</i>	<i>3975.78</i>	<i>Supplies/MAINTENANCE</i>
<i>SANDRA CONST</i>	<i>2930.01</i>	<i>MAINTENANCE/REPAIRS</i>
<i>WINTER SPORTS, INC</i>	<i>20027.76</i>	<i>Labor, Material, Supplies</i>

SOURCES OF WATER SUPPLY

Surface Water: River _____ Lake _____ Stream _____ Impounding Res. _____
 Ground Water: Springs No. _____ Shallow Wells No. _____ Deep Wells No. 5

SUPPLY, TRANSMISSION & DISTRIBUTION MAINS (FEET)

Size Inches	First of Year	Laid During Year	Total	Abandoned During Yr.	Taken Up During Yr.	Total	Close of Year
10"	8064						8064
8"	37217						37217
6"	2164						2164
4"	450						450
2"	2850						2850
1"	200						200
Total	50945						50945

RESERVOIRS, STANDPIPES AND PURIFICATION SYSTEM

Number of Reservoirs 3 Capacity in Gallons 1.1 million Gallons
 Number of Standpipes _____ Capacity in Gallons _____
 Method of Purification NONE

SERVICES AND METERS

Services	5/8 in.	1 in.	1 1/2 in.	2 in.	3 in.	4 in.	6 in.	3/4" TOTAL
1/2 in.								
Meters	<u>113</u>	<u>90</u>	<u>8</u>	<u>4</u>	<u>5</u>	<u>2</u>	<u>3</u>	<u>12 237</u>

NUMBER AND CLASSIFICATION OF CONSUMERS

-Beginning of Year- -Close of Year-

Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase or Decrease
Residential	<u>198</u>		<u>198</u>			<u>198</u>	
Commercial	<u>30</u>		<u>30</u>			<u>30</u>	
Industrial	<u>13</u>		<u>13</u>			<u>13</u>	
Fire Hydrants		<u>94</u>	<u>94</u>			<u>94</u>	
Governmental							
All Other <u>Hotel/Condo</u>	<u>242</u>		<u>242</u>			<u>242</u>	
Total	<u>483</u>	<u>94</u>	<u>577</u>			<u>577</u>	

TOTAL PUMPING STATION STATISTICS

Total Amount of Water Obtained by all methods during the Year 23,203,274 gals.
 Maximum Water obtained all methods during any one day _____ gals.
 Minimum Amount of Water obtained all methods during one day _____ gals.
 Total Amount of Water passed through customers meters during year _____ gals.
 Range of ordinary pressure on mains _____ lbs. to _____ lbs.
 Range of fire pressure in mains _____ lbs. to _____ lbs.

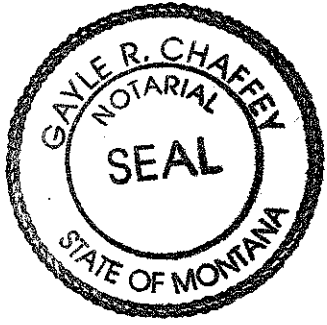
STATE OF MONTANA)
County of FLATHEAD)

We, the undersigned, on our oath do severally say that the foregoing return the BIG MOUNTAIN WATER COMPANY, 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]
Ruby Whitlock

Subscribed and sworn to before me this 29th day of August, 2008.

[Signature]
GAYLE R. CHAFFEY



GAYLE R. CHAFFEY
NOTARY PUBLIC FOR THE
STATE OF MONTANA
RESIDING AT KALISPELL, MONTANA
MY COMMISSION EXPIRES
OCTOBER 22, 2011