

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

For the Year Ended December 31, 2008

Date Utility Organized May 9, 2000

Telephone Number (406) 797-3241

Location where books are located Same address as above.

		Contracts:	
Name	Title	Principal Business Address	Salary
Person to Send Correspondence:	Steve Luebeck, General Manager	1500 Fairmont Road, Fairmont, MT 59711	XXXXXXXXXXXXXXXXXX
Person who prepared this report:	Tim Martz, CPA Controller	1500 Fairmont Road, Fairmont, MT 59711	XXXXXXXXXXXXXXXXXX
Officers and Managers:			
Carol Seable	President	Same as above.	N/A
Ed Henrich	Vice President	Same as above.	\$0.00
Steve Luebeck	Controller	Same as above.	3,164.00
Vern Cook	Maintenance Director	Same as above.	11,342.00

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
Water Division - Income Statement
For The Year Ended December 31,

	Current Year	Previous Year
	2007	2007
GROSS REVENUE		
Metered		
Residential	\$9,273	\$8,771
Commercial	72,543	70,132
Unmetered		
Residential	0	0
Commercial	0	0
TOTAL GROSS REVENUE	\$81,816	\$78,903
OPERATING EXPENSES		
Operation and Maintenance Expense	\$85,214	\$78,000
Depreciation Expense	21,592	21,574
Taxes Other Than Income	245	237
Income Taxes	50	50
TOTAL OPERATING EXPENSE	\$107,102	\$99,861
TOTAL OPERATING INCOME OR LOSS	(\$25,286)	(\$24,487)
Other Income		
Non-utility Income	0	0
Other Deductions		
Non-utility expense	0	0
Interest	0	0
NET INCOME (LOSS)	(\$25,286)	(\$24,487)

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

	2008	2007
Current assets		
Cash	\$1,819,598	\$1,668,908
Accounts receivable	152,037	203,361
Accounts receivable - water/sewer division	(171)	(667)
Inventories	231,410	225,141
Prepaid expenses	313,742	314,734
Total Current Assets	\$2,516,616	\$2,411,477
Property & equipment		
Land & land improvements	\$339,247	\$339,247
Buildings & improvements	4,382,498	4,227,452
Furniture & equipment	4,254,236	4,192,142
Water supply and distribution equipment	229,733	229,733
Sewer equipment	0	0
Construction in progress	0	0
Subtotal	\$9,205,714	\$8,988,574
Less: accumulated depreciation	4,744,356	4,699,639
Net property and equipment	\$4,461,358	\$4,288,935
Intangible asset		
Rate Case - unamortized portion Water	0	3,464
Rate Case - unamortized portion Sewer	0	2,766
Total intangible asset	\$0	\$6,230
Long-term Investment	\$0	\$25,000
Total assets	\$6,977,974	\$6,731,642
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities		
Accounts payable	\$150,419	\$198,851
Accounts payable - water division	0	0
Accrued expenses	430,305	443,344
Total Current Liabilities	\$580,724	\$642,195
Long-Term Liabilities		
Deferred income taxes	\$146,217	\$63,770
Total long-term liabilities	\$146,217	\$63,770
Stockholders equity		
Common stock	\$250,000	\$250,000
Retained earnings - general	5,978,970	5,737,024
Retained earnings - water division	(33,846)	(8,561)
Retained earning - sewer division	55,909	47,214
Total Stockholders equity	\$6,251,033	\$6,025,677
Total liabilities and stockholders equity	\$6,977,974	\$6,731,642

Accumulated Depreciation and Amortization of Water Utility Plant

Account 108	Current Year	Previous Year
Balance First of Year	\$184,294	\$162,719
Credits During Year	21,592	21,574
Accruals Charged to Depreciation Acct.	0	0
Salvage	0	0
Other Credits (specify)	0	0
Total Credits	\$21,592	\$21,574
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	\$205,886	\$184,294

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 or Property	Indicate Cash or Property
Total during year		

Accumulated Deferred Income Taxes

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	(8,561)
Changes during year (Specify):		
Net Income 2008		(25,286)
Balance end of year		(\$33,846)

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	19,653	0	0	19,653
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	82,040	0	0	82,040
320	Water Treatment Equipment	3,761	0	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 *	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	760	0	0	760
348	Other Tangible Plant	0	0	0	0
	Total Water Plant	\$229,733	\$0	\$0	\$229,733

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	\$12,222	0	\$127	\$12,349
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	13,110	0	1,428	14,538
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	62,690	0	4,024	66,714
320	Water Treatment Equipment	10	0%	Straight Line	2,267	0	452	2,719
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	81,375	0	15,498	96,873
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	Transpation 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	652	0	63	715
348	Other Tangible Plant		0%		0	0	0	0
	Total Water Plant				\$150,741	\$0	\$21,592	\$193,908

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>75</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>7</u>

Meters

<u>0</u>	<u>71</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>6</u>
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NUMBER AND CLASSIFICATION OF CONSUMERS

-Beginning of Year-

-End of Year-

Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase or Decrease
Residential	28	0	28	30	0	30	2.00
Commercial	3	0	3	3	0	3	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	31	0	31	33	0	33	2.00

* 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
Total	\$0	

WATER OPERATION AND MAINTENANCE EXPENSE

Account Name	Amount
Salaries and Wages - Employees	\$15,153
Salaries and Wages - Officer	3,164
Employee Pension	0
Purchased Water	0
Purchased Power	37,789
Fuel For Power Production	0
Chemicals	256
Equipment Repair	1,290
Materials and Supplies	4,594
Outside Services	3,441
Rents	1,350
Rate Case Expense	0
Legal	0
Transportation Expense	0
Education	1,029
Water Quality Testing	703
Insurance Expense	16,445
Regulatory Commission Expense	0
Bad Debt Expense	0
Miscellaneous Expense	0
Total	\$85,214

Water

Total Rate Case Exp.	\$15,591
3 year Amort	\$5,197
Total	15,591
2004 exp.	(1,733)
Subtotal	13,858
2005 Exp	(5,197)
Sutotal	8,661
2006 Exp	(5,197)
Sutotal	3,464
2007 Exp	(3,464)
Balance	<u><u>0</u></u>

Sewer

Total Rate Case Exp.	\$9,960
3 year Amort	\$3,320
Total	9,960
2004 exp.	(554)
Subtotal	9,406
2005 Exp	(3,320)
Sutotal	6,086
2006 Exp	(3,320)
Sutotal	2,766
2007 Exp	(2,766)
Balance	<u><u>0</u></u>

4 mos in 2004