

YEAR 2017

ANNUAL REPORT

OF THE

NAME Fairmont Water Utility

LOCATION Fairmont, Montana

PRIVATE WATER UTILITY

TO THE

PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING Dec 31, 2017



# TABLE OF CONTENTS

SCHEDULE	PAGE
Identification	2
Income Statement	3
Balance Sheet	4
Contributions in Aid of Construction	5
Accumulated Depreciation & Amortization of Utility Plant	5
Capital Stock	6
Retained Earnings	6
Proprietary Capital	6
Long Term Debt	6
Water Utility Plant Accounts	7
Analysis of Accumulated Depreciation by Primary Account	8
Payments For Services Rendered By Other Than Employees	9
Water Operation and Maintenance Expense	9
Water Customers	10
Operating Statistics	10



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

Date Utility Organized May 9, 2000

Location where books are located Same address as above.

<b>Name</b>	LMW Holding, US Ltd.	100%	Principal Business Address	Same as above.	Salary Charged	Utility
<b>Percent Ownership in Utility</b>						



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

	Current Year	Previous Year
	2017	2016
<b>GROSS REVENUE</b>		
Metered		
Residential	\$9,007	\$8,744
Commercial	91,589	66,133
Unmetered		
Residential	0	0
Commercial	0	0
<b>TOTAL GROSS REVENUE</b>	\$100,596	\$74,877
<b>OPERATING EXPENSES</b>		
Operation and Maintenance Expense	\$110,065	\$104,931
Depreciation Expense	29,698	30,325
Taxes Other Than Income	292	217
Income Taxes	50	50
<b>TOTAL OPERATING EXPENSE</b>	\$140,104	\$135,524
<b>TOTAL OPERATING INCOME OR LOSS</b>	(\$39,508)	(\$60,647)
Other Income		
Non-utility Income	0	0
Other Deductions		
Non-utility expense	0	0
Interest	0	0
<b>NET INCOME (LOSS)</b>	(\$39,508)	(\$60,647)



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

	2017	2016
<b>Current assets</b>		
Cash	\$847,830	\$1,858,885
Accounts receivable	615,062	187,977
Accounts receivable - water/sewer division	754	950
Inventories	294,006	264,578
Prepaid expenses	155,943	453,709
<b>Total Current Assets</b>	\$1,913,595	\$2,766,099
<b>Property &amp; equipment</b>		
Land & land improvements	\$847,551	\$454,712
Buildings & improvements	8,996,228	8,134,945
Furniture & equipment	4,781,308	5,383,388
Water supply and distribution equipment	1,478,820	1,281,891
Sewer equipment	0	0
Construction in progress	0	0
Subtotal	\$16,103,907	\$15,254,936
Less: accumulated depreciation	7,311,147	6,739,808
<b>Net property and equipment</b>	\$8,792,760	\$8,515,128
Other Assets-Loan Fees	\$0	\$12,729
<b>Intangible asset</b>		
Rate Case - unamortized portion Water	0	0
Rate Case - unamortized portion Sewer	0	0
<b>Total intangible asset</b>	\$0	\$0
<b>Long-term investment</b>	\$0	\$0
<b>Total assets</b>	\$10,706,355	\$11,293,956
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$78,307	\$180,818
Accounts payable - water division	40	40
Current portion of deferred income taxes	38,945	74,320
Accrued expenses	1,310,261	1,282,762
Total Current Liabilities	\$1,427,553	\$1,537,940
<b>Long-Term Liabilities</b>		
Deferred income taxes	\$652,512	\$453,655
Long term debt	\$391,530	\$1,679,825
Total long-term liabilities	\$1,044,042	\$2,133,480
<b>Stockholders equity</b>		
Common stock	\$250,000	\$250,000
Retained earnings - general	8,255,498	7,610,132
Retained earnings - water division	(393,876)	(354,368)
Retained earnings - sewer division	123,138	116,772
Total Stockholders equity	\$8,234,760	\$7,622,536
<b>Total liabilities and stockholders equity</b>	\$10,706,355	\$11,293,956



Account 108	Current Year	Previous Year
Balance First of Year	\$456,370	\$426,045
Credits During Year	29,698	30,325
Accruals Charged to Depreciation Acct.	0	0
Salvage	0	0
Other Credits (specify)	0	0
Total Credits	\$29,698	\$30,325
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	\$486,068	\$456,370

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

Indicate  
Cash or  
Property

		Total during year

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

N/A

N/A

N/A

State

N/A

N/A

Total Accumulated Deferred Income Taxes

N/A

N/A



## Capital Stock

Common 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	
Preferred Stock			

## Retained Earnings - Water Division

Unappropriated	Balance first of year	None	(354,368)
	Changes during year (Specify):		
	Net Income		(39,508)
	Balance end of year		(\$393,876)
Appropriated			

## Proprietary Capital

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

## Long Term Debt

Description of obligation	Interest Rate / Pymts	Balance Sheet Date	
	N/A	None	
	Capital Lease		4,063
	Notes Payable	6.08%/119	387,467
	Total	None	391,530



# 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	1,018,133	0	0	1,018,133
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	130,919	0	0	130,919
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	Transpation 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
	<b>Total Water Plant</b>	<b>\$1,281,891</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,281,891</b>



# 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	40	0%	Straight Line	\$206,424	0	\$25,082	\$231,506
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	19,654	0	0	19,654
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	105,128	0	4,616	109,744
320	Water Treatment Equipment	10	0%	Straight Line	3,761	0	0	3,761
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	108,664	0	0	108,664
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	760	0	0	760
348	Other Tangible Plant		0%		0	0	0	0
	<b>Total Water Plant</b>				\$444,392	\$0	\$29,698	\$474,089



**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
Midco Diving & Marine	1,899	Water Tower Inspection
MT DEQ	172	Community Connection Fee
Full Armor	1000	Water System Weed Control
Total	\$3,071	



## 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 560,000  
Number of Standpipes 0 Capacity in Gallons 0  
Method of Purification Gas Chlorination.

## SERVICES AND METERS

Services  
1/2 in. 0  
3/4 in. 75  
1 in. 0  
1 1/2 in. 0  
2 in. 0  
3 in. 2  
4 in. 2  
6 in. 7

Meters  
0 71  
0 0  
0 0  
2 2  
2 1  
6 6

## NUMBER AND CLASSIFICATION OF CONSUMERS

-Beginning of Year- -End of Year-

Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase or Decrease
Residential	32	0	32	32	0	32	0.00
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	35	0	35	35	0	35	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.



# WATER OPERATION AND MAINTENANCE EXPENSE

Account Name	Amount
Salaries and Wages - Employees	\$29,875
Salaries and Wages - Officer	3,173
Employee Pension	
Purchased Water	
Purchased Power	
Fuel For Power Production	45,915
Chemicals	
Equipment Repair	255
Materials and Supplies	6,178
Outside Services	1,501
Rents	3,071
Rate Case Expense	1,350
Legal	
Transportation Expense	
Education	763
Water Quality Testing	1,538
Insurance Expense	16,445
Regulatory Commission Expense	
Bad Debt Expense	0
Miscellaneous Expense	0
Total	\$110,065



We the undersigned, on our oath do severally say that the foregoing return the  
Fairmont Water Utility, 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 of  
the financial transactions of said utility during the period for which the return  
is made.



\_\_\_\_\_

Subscribed and sworn to me this 30<sup>th</sup> day of April 2018

Vicky Tocher

Vicky Tocher

