

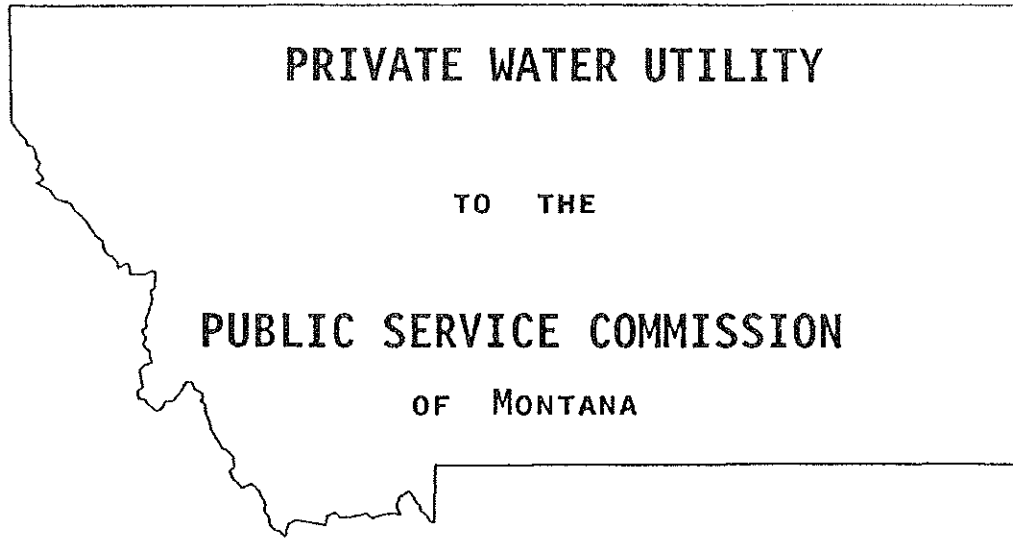
YEAR 2018

ANNUAL REPORT

of the

NAME Fairmont Water Utility

LOCATION Fairmont, Montana



FOR THE YEAR ENDING December 31, 2018

Table of Contents

SCHEDULE	PAGE
Identification	2
Income Statement	3
Balance Sheet	4
Contributions in Aid of Construction	5
Accumulated Depreciation and 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 Deprecation by Primary Account	8
Payments For Services Rendered by Other Than Employees	9
Water Operation and Maintenance Expense	10
Water Customers	11
Operating Statistics	11

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

For the Year Ended December 31, 2018
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:	Steve Luebeck, General Manager	1500 Fairmont Road, Fairmont, MT 59711	XXXXXXXXXXXXXXXXXX
Officers and Managers:			
Carol Seable	President	Same as above.	0
Steve Luebeck	General Manager	Same as above.	3,649
Vern Cook	Maintenance Director	Same as above.	27,067
Jennifer Cashell	Controller	Same as above.	942

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
	2018	2017
GROSS REVENUE		
Metered		
Residential	\$8,134	\$9,007
Commercial	139,483	91,589
Unmetered		
Residential	0	0
Commercial	0	0
TOTAL GROSS REVENUE	\$147,617	\$100,596
OPERATING EXPENSES		
Operation and Maintenance Expense	\$113,429	\$110,065
Depreciation Expense	29,572	29,698
Taxes Other Than Income	428	292
Income Taxes	50	50
TOTAL OPERATING EXPENSE	\$143,479	\$140,105
TOTAL OPERATING INCOME OR LOSS	\$4,138	(\$39,509)
Other Income		
Non-utility Income		0
Other Deductions		
Non-utility expense		0
Interest		0
NET INCOME (LOSS)	\$4,138	(\$39,509)

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

	2018	2017
Current assets		
Cash	\$810,433	\$847,830
Accounts receivable	263,305	615,062
Accounts receivable - water/sewer division	2,152	754
Inventories	283,140	294,006
Prepaid expenses	176,686	155,943
Total Current Assets	\$1,535,716	\$1,913,595
Property & equipment		
Land & land improvements	\$885,843	\$847,551
Buildings & improvements	9,134,821	8,996,228
Furniture & equipment	6,857,609	4,978,237
Water supply and distribution equipment	1,281,891	1,281,891
Sewer equipment	0	0
Construction in progress	0	0
Subtotal	\$18,160,164	\$16,103,907
Less: accumulated depreciation	7,899,843	7,311,147
Net property and equipment	\$10,260,321	\$8,792,760
Other Assets		
Rate Case - unamortized portion Water	0	0
Rate Case - unamortized portion Sewer	0	0
Deferred Tax	213,672	
Total other asset	\$213,672	\$0
Long-term Investment	\$0	\$0
Total assets	\$12,009,709	\$10,706,355
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities		
Accounts payable	\$277,920	\$78,307
Accounts payable - water division	0	40
Current portion of deferred income taxes	0	38,945
Current portion of capital lease	6,304	0
Current portion of longterm debt	252,677	0
Accrued expenses	1,242,403	1,310,261
Total Current Liabilities	\$1,779,304	\$1,427,553
Long-Term Liabilities		
Deferred income taxes	\$1,163,675	\$652,512
Capital lease payable	\$7,659	
Long term debt	\$141,859	\$391,530
Total long-term liabilities	\$1,313,193	\$1,044,042
Stockholders equity		
Common stock	\$250,000	\$250,000
Retained earnings - general	8,932,610	8,222,356
Retained earnings - water division	(389,738)	(354,368)
Retained earning - sewer division	124,340	116,772
Total Stockholders equity	\$8,917,212	\$8,234,760
Total liabilities and stockholders equity	\$12,009,709	\$10,706,355

Accumulated Depreciation and Amortization of Water Utility Plant

Account 108	Current Year	Previous Year
Balance First of Year	\$486,068	\$456,370
Credits During Year	29,572	29,698
Accruals Charged to Depreciation Acct.	0	0
Salvage	0	0
Other Credits (specify)	0	0
Total Credits	\$29,572	\$29,698
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	\$515,640	\$486,068

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	(393,876)
Changes during year (Specify):		
Net Income		4,138
Balance end of year		(\$389,738)

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
Capital Lease	5.75%/30	13,963
Notes Payable	6.08%/16	394,536
Total	None	408,499

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	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	\$1,281,891	\$0	\$0	\$1,281,891

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	\$231,506	0	\$25,082	\$256,588
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	109,744	0	4,490	114,234
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
	Total Water Plant				\$474,090	\$0	\$29,572	\$503,661

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
Montana Department of Environmental Quality	\$172	Community Connection Fee
Total	\$172	

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.	3/4 in.	1 in.	1 1/2 in.	2 in.	3 in.	4 in.	6 in.	8 in.
	<u>0</u>	<u>78</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>7</u>	<u>1</u>
Meters	<u>0</u>	<u>74</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>6</u>	<u>1</u>

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	33	0	33	1.00
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	36	0	36	1.00

* 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	\$36,922
Salaries and Wages - Officer	1,450
Employee Pension	0
Purchased Water	0
Purchased Power	46,277
Fuel For Power Production	0
Chemicals	255
Equipment Repair	2,768
Materials and Supplies	3,511
Outside Services	172
Rents	1,350
Rate Case Expense	0
Legal	0
Transportation Expense	0
Education	1,181
Water Quality Testing	3,098
Insurance Expense	16,445
Regulatory Commission Expense	
Bad Debt Expense	
Miscellaneous Expense	
Total	\$113,429

Affidavit

STATE OF MONTANA)

County of Silver Bow)

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

[Signature]
(Signature)

[Signature]
(Signature)

Subscribed and sworn before me this 29th day of April, 20 19

