YEAR 2005

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COMMISSION

# ANNUAL REPORT

OF THE

NAME FIRELIGHT MEADOWS, LLC, D/B/A FIRELIGHT MEADOWS WATER SERVICE

LOCATION BIG SKY, MONTANA

## PRIVATE WATER UTILITY

TO THE

## PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING DECEMBER 31, 2005

FORM NO. 402-A(12/88)

## 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

FIRELIGHT MEADOWS, LLC D/B/A FIRELIGHT MEADOWS WATER SERVICE
(Exact Name of Utility)

PO BOX 160278, BIG SKY, MT 59716-0278
(Address) (City, State, Zip Code)

For Year Ended DECEMBER 31, 2006

Date Utility First Organized JUNE 18, 2002

Telephone Number (406) 995-4181

Location where books and records are located 222 South Broadway #2 Bozeman, MT 59714

| Contracts: | | | |
|---|---|---|---|
| Name | Title | Principal Business Address | Salary |
| PAUL S. PARISER Person to send correspondence: | PRESIDENT | 1600 DEXTER AVE. N. STE. B2 SEATTLE, WA 98109 | XXXXXXX |
| BENJAMIN S. PARISER Person who prepared this report: | BOOKKEEPING CONSULTANT | 1600 DEXTER AVE. N. STE. B2 SEATTLE, WA 98109 | XXXXXXX |
| DICK HOVDE Officers & Managers: | OPERATIONS MANAGER | PO BOX 160278 BIG SKY, MT 59716-0278 | $30,000 |
| | | | $ |
| | | | $ |
| | | | $ |
| | | | $ |
| | | | |

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 | Precent Ownership in Utility | Principal Business Address | Salary Charged Utility |
|---|---|---|---|
| PAUL S. PARISER | 57% | 1600 DEXTER AVE. N. STE. B2 SEATTLE, WA 98109 | $ 0 |
| SUE REID | 10% | PO BOX 160278 BIG SKY, MT 59716-0278 | $ 0 |
| HEIBER, INC | 6% | PO BOX 160278 BIG SKY, MT 59716-0278 | $ 0 |
| | | | |

# INCOME STATEMENT

| Account Name | Current Year | Previous Year |
|---|---|---|
| **GROSS REVENUE:** | | |
| **Metered** | | |
| Residential | N/A | N/A |
| Commercial | | |
| Industrial | | |
| Other | | |
| **Unmetered** | | |
| Residential | 63,112 | 55,720 |
| Commerical | 774 | 744 |
| Industrial | | |
| Fire Protection | | |
| Bulk Sales | | |
| Sale of Materials | | |
| Other | | |
| **TOTAL GROSS REVENUE** | 63,886 | 56,464 |
| **Operation and Maintenance Expense** | 47,143 | 45,625 |
| **Depreciation Expense** | 19,425 | 18,488 |
| **Taxes Other Than Income** | 601 | 450 |
| **Income Taxes** | | |
| **Deferred Federal Income Taxes** | | |
| **Deferred State Income Taxes** | | |
| **TOTAL OPERATING EXPENSE** | <67,169> | 64,563 |
| **NET OPERATING INCOME (LOSS)** | <3,313> | <8,099> |
| **Other Income:** | | |
| Non-Utility Income | | |
| | | |
| | | |
| **Other Deductions:** | | |
| Non-Utility Expenses | | |
| Interest Expense | | |
| | | |
| | | |
| **NET INCOME (LOSS)** | <3,313> | <8,099> |
| | | |

# COMPARATIVE BALANCE SHEET

| ACCONT NAME | CURRENT YEAR | PREVIOUS YEAR |
|---|---|---|
| **Assets:** | | |
| Utility Plant In Service | 627,764 | 548,538 |
| Accumulated Depreciation and Amortization | < 74,8897 | < 55,464 > |
| **Net Utility Plant** | | |
| Cash | 23,325 | 24,606 |
| Customer Account Receivable | 2,534 | 2,465 |
| Other Assets (Specify) | | |
| | | |
| | | |
| | | |
| | | |
| **Total Assets** | 578,734 | 520,145 |
| | | |
| **Liabilities an Capital:** | | |
| Common Stock Issued | | |
| Preferred Stock Issued | | |
| Other Paid In Capital | | |
| Retained Earnings | | |
| Proprietary Capital | | |
| **Total Capital** | | |
| Long Term Debt | | |
| Accounts Payable | | |
| Notes Payable | | |
| Customer Deposits | | |
| Accrued Taxes | | |
| Other Liabilities (Specify) | | |
| | | |
| | | |
| | | |
| | | |
| Advances for Construction | 0 | 0 |
| Contributions In Aid Of Construction | 0 | 0 |
| **Total Liabilities and Capital** | 578,734 | 520,145 |
| | | |
| | | |

## Accumulated Depreciation and Amortization of Utility Plant

| Account 108 | Current Year | Previous Year |
|---|---|---|
| Balance First of Year | 75,538 | 36,976 |
| Credits During Year | 19,425 | 18,488 |
| Accruals Charged to Depreciation Account | | |
| Salvage | 20,074 | 20,074 |
| Other Credits (Specify) | | |
| | | |
| | | |
| | | |
| Total Credits | 115,037 | 75,538 |
| Debits During Year: | | |
| Book Cost of Plant Retired | | |
| Cost of Removal | | |
| Other Debits (Specify) | | |
| | | |
| | | |
| | | |
| Balance End of Year | 115,037 | 75,538 |

## 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" | Amount |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| Total During Year | | 0 |
| | | |

## ACCUMULATED DEFERRED INCOME TAXES

| Description | Total |
|---|---|
| Accumulated Deferred Income Taxes: | |
| Federal | 0 |
| State | 0 |
| Total Accumulated Deferred Income Taxes | 0 |
| | |

## CAPITAL STOCK

| | Common Stock | Preferred Stock |
|---|---|---|
| Par or stated value per share | N/A | N/A |
| Shares authorized | | |
| Shares issued and outstanding | | |
| Total par value of stock issued | | |
| Dividends declared per share for year | | |
| | | |

## RETAINED EARNINGS

| | Appropriated | Unappropriated |
|---|---|---|
| Balance first of year | | 582,047 |
| Changes during year (Specify): | | <3,313> |
| | | |
| | | |
| | | |
| | | |
| Balance end of year | | 578,734 |
| | | |

## PROPRIETARY CAPITAL

| | Proprietor or Partner | Partner |
|---|---|---|
| Balance first of year | | |
| Changes during year (specify): | | |
| | | |
| | | |
| | | |
| | | |
| Balance end of year | N/A | |
| | | |

## LONG TERM DEBT

| Description of Obligation | Interest | | Principal Per Balance Sheet Date |
|---|---|---|---|
| | Rate | Pymts | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total | | | N/A |
| | | | |

# WATER UTILITY PLANT ACCOUNTS

| Acct No. | Account Name | Previous Year | Additions | Retirements | Current Year |
|---|---|---|---|---|---|
| 301 | Organization | 30,102 | 0 | 0 | 30,682 |
| 302 | Franchises | 0 | | | 0 |
| 303 | Land & Land Rights | 0 | | | 10,035 |
| 304 | Structures and Improvements | 320,275 | | | 381,148 |
| 305 | Collecting and Impounding Reservoirs | 0 | | | 0 |
| 306 | Lake River and Other Intakes | 0 | | | 0 |
| 307 | Wells and Springs | 22,524 | | | 22,524 |
| 308 | Infiltration Galleries and Tunnels | 0 | | | 0 |
| 309 | Supply Mains | 15,811 | | | 23,499 |
| 310 | Power Generation Equipment | 0 | | | 0 |
| 311 | Pumping Equipment | 0 | | | 0 |
| 320 | Water Treatment Equipment | 0 | | | 0 |
| 330 | Distribution Reservoirs and Standpipes | 98,973 | | | 98,973 |
| 331 | Tranmission and Distribution Mains | 0 | | | 0 |
| 333 | Services | 25,920 | | | 25,920 |
| 334 | Meters and Meter Installations | 0 | | | 0 |
| 335 | Hydrants | 16,833 | | | 16,833 |
| 339 | Other Plant and Miscellaneous Eqipment | 0 | | | 0 |
| 340 | Office Furniture and Equipment | 8,560 | | | 8,560 |
| 341 | Transportation Equipment | 0 | | | 0 |
| 342 | Stores Equipment | 0 | | | 0 |
| 343 | Tools, Shop & Garage Equipment | 4,499 | | | 4,499 |
| 344 | Laboratory Equipment | 0 | | | 0 |
| 345 | Power Operated Equipment | 0 | | | 0 |
| 346 | Communication Equipment | 0 | | | 0 |
| 347 | Miscellaneous Equipment | 5,041 | | | 5,041 |
| 348 | Other Tangible Plant | 0 | | | 0 |
| | **Total Water Plant** | 548,538 | 0 | 0 | 627,764 |

# 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 | 30 | 5 % | 3 % | 32,028 | | 11,435 | 43,463 |
| 305 | Collecting & Impounding Reservoirs | | % | % | | | | |
| 306 | Lake River & Other Intakes | | % | % | | | | |
| 307 | Wells and Springs | 30 | 1 % | 3 % | 2,253 | | 751 | 3,004 |
| 308 | Infiltrations Galleries & Tunnels | | % | % | | | | |
| 309 | Supply Mains | 30 | 1 % | 3 % | 1,581 | | 705 | 2,286 |
| 310 | Power Generating Equip. | | % | % | | | | |
| 311 | Pumping Equipment | | % | % | | | | |
| 320 | Water Treatment Equip. | | % | % | | | | |
| 330 | Distribution Reservoirs & Standpipes | 30 | 1 % | 3 % | 9,897 | | 3,299 | 13,196 |
| 331 | Trans. & Dist. Mains | | % | % | | | | |
| 333 | Services | 30 | 1 % | 3 % | 2,592 | | 864 | 3,456 |
| 334 | Meter & Meter Installation | | % | % | | | | |
| 335 | Hydrants | 30 | 1 % | 3 % | 1,683 | | 561 | 2,244 |
| 339 | Other Plant & Misc. Equip. | | % | % | | | | |
| 340 | Office Furniture and Equipment | 10 | 1 % | 1 % | 2,568 | | 856 | 3,424 |
| 341 | Transportation Equip. | | % | % | | | | |
| 342 | Stores Equipment | | % | % | | | | |
| 343 | Tools, Shop & Garage Equipment | 10 | 1 % | 1 % | 1,350 | | 450 | 1,800 |
| 344 | Laboratory Equipment | | % | % | | | | |
| 345 | Power Operated Equipment | | % | % | | | | |
| 346 | Communication Equipment | | % | % | | | | |
| 347 | Miscellaneous Equipment | 10 | 1 % | 1 % | 1,512 | | 504 | 2,016 |
| 348 | Other Tangible Plant | | % | % | | | | |
| | **Totals** | | | | 55,464 | | 19,425 | 74,889 |

## SOURCES OF WATER SUPPLY

Surface Water: River_____ Lake_____ Stream_____ Impounding Res._____
Ground Water: Springs No._____ Shallow Wells No._____ Deep Wells No. _____

## 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 |
|---|---|---|---|---|---|---|---|
| 8" | 5,670' | 0 | 5,670' | 0 | 0 | 0 | 5,670' |
| 2 1/2" | 280' | 0 | 280' | 0 | 0 | 0 | 280' |
| 1 1/4" | 2,500' | 0 | 2,500' | 0 | 0 | 0 | 2,500' |
| 2" | 866' | 0 | 866' | 0 | 0 | 0 | 866' |
| Total | 9,316' | 0 | 9,316' | 0 | 0 | 0 | 9,316' |

## RESERVOIRS, STANDPIPES AND PURIFICATION SYSTEM

Number of Reservoirs 1 Capacity in Gallons 347,000
Number of Standpipes 0 Capacity in Gallons 0
Method of Purification NONE. WATER IS SAMPLED & TESTED MONTHLY & IS ABSENT OF BACTERIA & DOES NOT REQUIRE PURIFICATION

## SERVICES AND METERS

| | 1/2 in. | 5/8 in. | 1 in. | 1 1/2 in. | 2 in. | 3 in. | 4 in. | 6 in. | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Services | | | | 50 | 4 | | | | | |
| Meters | | | | 1 | | | | | | |

## NUMBER AND CLASSIFICATION OF CONSUMERS

| Classification | -Beginning of Year- Metered | Unmetered | Total | -Close of Year- Metered | Unmetered | Total | Increase or Decrease |
|---|---|---|---|---|---|---|---|
| Residential | | 162 | 162 | | 204 | 204 | +42 |
| Commercial | | 1 | 1 | | 1 | 1 | 0 |
| Industrial | | | | | | | |
| Fire Hydrants | | 10 | 10 | | 10 | 10 | 0 |
| Governmental | | | | | | | |
| All Other | | | | | | | |
| Total | | 173 | 173 | | 215 | 215 | |

## TOTAL PUMPING STATION STATISTICS

Total Amount of Water Obtained by all methods during the Year 5,710,102 gals.
Maximum Water obtained all methods during any one day 18,500 gals.
Minimum Amount of Water obtained all methods during one day 0 gals.
Total Amount of Water passed through customers meters during year _____ gals.
Range of ordinary pressure on mains 50 lbs. to 75 lbs.
Range of fire pressure in mains 25 lbs. to 150 lbs.

(BR)

STATE OF ~~MONTANA~~ Washington )
County of King )

We, the undersigned, on our oath do severally say that the foregoing return the FIRELIGHT MEADOWS, 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.

BENJAMIN S. PARISEN

Subscribed and sworn to before me this 28th day of April, ~~19~~ 2006.

Ben Roden, Notary Public

Notary Public
State of Washington
BENJAMIN G RODEN
My Appointment Expires Feb 11, 2009