YEAR 2006

2007 MAY -1 A 10:08

PUBLIC SERVICE COMMISSION

ANNUAL REPORT

OF THE

NAME Fairmont Hot Springs Resort-Sewer

LOCATION Fairmont, Montana

PRIVATE WATER UTILITY

TO THE

PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING 12-31-2006

FORM NO. 402-A(12/88)

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REPORT OF

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

For the Year Ended December 31, 2006

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:	Ed Henrich, General Manager	1500 Fairmont Road, Fairmont, MT 59711	XXXXXXXXXXXXXX
Person who prepared this report:	Steve Luebeck, CPA Controller	1500 Fairmont Road, Fairmont, MT 59711	XXXXXXXXXXXXXX
Officers and Managers:			
Carol Seable	President	Same as above.	N/A
Ed Henrich	Secretary/Treasurer	Same as above.	$3,000.00
Steve Luebeck	Controller	Same as above.	3,548.61
Vern Cook	Maintenance Director	Same as above.	9,932.16

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
Sewer Division - Income Statement
For The Year Ended December 31, 2005

	Current Year	Previous Year
	2006	2005
GROSS REVENUE		
Metered		
Residential	$0	$0
Commercial	0	0
Unmetered		
Residential	8,636	3,773
Commercial	18,030	18,030
TOTAL GROSS REVENUE	$26,666	$21,803
OPERATING EXPENSES		
Operation and Maintenance Expense	$16,168	$0
Depreciation Expense	0	0
Taxes Other Than Income	3,740	3,676
Income Taxes	0	0
TOTAL OPERATING EXPENSE	$19,908	$3,676
TOTAL OPERATING INCOME OR LOSS	$6,758	$18,127
Other Income		
Non-utility Income	0	0
Other Deductions		
Non-utility expense	0	0
Interest	0	0
NET INCOME (LOSS)	$6,758	$18,127

Wilder Resorts, Inc.
DBA FAIRMONT HOT SPRINGS RESORT
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2005 & 2006

	2006	2005
Current assets		
Cash	$1,700,465	$1,251,494
Accounts receivable	182,498	158,059
Accounts receivable - water/sewer division	(393)	
Inventories	199,315	187,645
Prepaid expenses	135,047	109,942
Total Current Assets	$2,216,932	$1,707,140
Property & equipment		
Land & land improvements	$339,247	$339,247
Buildings & improvements	4,293,641	4,253,876
Furniture & equipment	4,104,781	3,623,101
Water supply and distribution equipment	225,935	217,538
Sewer equipment	0	0
Construction in progress	0	0
Subtotal	$8,963,604	$8,433,762
Less: accumulated depreciation	4,602,661	(4,313,632)
Net property and equipment	$4,360,943	$4,120,130
Intangible asset		
Rate Case - unamortized portion Water	3,464	8,661
Rate Case - unamortized portion Sewer	2,766	6,086
Total intangible asset	$6,230	$14,747
Long-term Investment	$25,000	$0
Total assets	$6,609,105	$5,842,017
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilites		
Accounts payable	$589,738	$215,883
Accounts payable - water division	0	3,100
Accrued expenses	414,306	421,791
Total Current Liabilities	$1,004,044	$640,774
Long-Term Liabilities		
Deferred income taxes	$109,826	$127,343
Total long-term liabilities	$109,826	$127,343
Stockholders equity		
Common stock	$250,000	$250,000
Retained earnings - general	5,206,436	4,767,373
Retained earnings - water division	280	24,767
Retained earning - sewer division	38,519	31,760
Total Stockholders equity	$5,495,235	$5,073,900
Total liabilities and stockholders equity	$6,609,105	$5,842,017

Accumulated Depreciation and Amortization of Sewer Utility Plant

Account 108	Current Year	Previous Year
Balance First of Year	$0	$0
Credits During Year	0	0
Accruals Charged to Depreciation Acct.	0	0
Salvage	0	0
Other Credits (specify)	0	0
Total Credits	$0	$0
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	$0	$0

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 - Sewer Division

	Appropriated	Unappropriated
Balance first of year	None	$31,760
Changes during year (Specify):		
Net Income 2006		6,758
Balance end of year		$38,519

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

Sewer 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	0	0	0	0
305	Collecting and Impounding Reserviors	0	0	0	0
306	Lake, River and other Intakes	0	0	0	0
307	Wells and springs	0	0	0	0
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	0	0	0	0
320	Water Treatment Equipment	0	0	0	0
330	Distribution Reserviors 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	0	0	0	0
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 Euipment	0	0	0	0
348	Other Tangible Plant	0	0	0	0
		0			
	Total Water Plant	$0	$0	$0	$0

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - SEWER

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		0%		$0	$0	$0	$0
305	Collecting and Impounding Reserviors		0%		0	0	0	0
306	Lake, River and other Intakes		0%		0	0	0	0
307	Wells and springs		0%		0	0	0	0
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		0%		0	0	0	0
320	Water Treatment Equipment		0%		0	0	0	0
330	Distribution Reserviors 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		0%		0	0	0	0
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 Euipment		0%		0	0	0	0
348	Other Tangible Plant		0%		0	0	0	0
	Total Water Plant				$0	$0	$0	$0

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
Hunter Brothers Construction	$4,100	Flushing of sewer mains.
Total	$4,100	

0

SEWER OPERATION AND MAINTENANCE EXPENSE

Account Name	Amount
Salaries and Wages - Employees	$3,404
Salaries and Wages - Officer	1,200
Employee Pension	0
Purchased Water	0
Purchased Power	1,364
Fuel For Power Production	0
Chemicals	0
Equipment Repair	0
Materials and Supplies	250
Contractual Services	0
Outside Services	4,100
Rents	810
Rate Case Expense	3,320
Legal	0
Transportation Expense	0
Education	0
Water Quality Testing	0
Insurance Expense	1,640
Regulatory Commission Expense	80
Bad Debt Expense	0
Miscellaneouse Expense	0
Total	$16,168

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.
0	72	0	0	0	2	2	7

Meters

0	69	0	0	2	2	1	6

NUMBER AND CLASSIFICATION OF CONSUMERS

	-Beginning of Year-			-End of Year-			
Classification	**Metered**	**Unmetered**	**Total**	**Metered**	**Unmetered**	**Total**	**Increase or Decrease**
Residential	0	26	26	0	26	26	0.00
Commercial	0	4	4	0	4	4	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	0	30	30	0	30	30	0.00

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.

STATE OF MONTANA)
County of Silverbow)

We, the undersigned, on our oath do severally say that the foregoing return the Fairmont Sewer 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.

Steve Luebeck, Controller

Subscribed and sworn to before me this 27th day of April, 19 2007.

Vicky Tocher