YEAR <u>2004</u>

ANNUAL REPORT

OF THE

NAME Treeline Springs, L.L.C.

LOCATION Moonlight Basin in Big Sky, Montana

PRIVATE WATER UTILITY

Slwer

TO THE

PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING Dec. 31, 2004

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

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	

REPORT OF

Treeline Springs, L.L.C.
(Exact Name of Utility)

POBW 1369		MT 59720
(Address)	For Year Ended	Oc. 31, 2004

Date Utility First Organized Jan. 1, 1999

Telephone Number 406-682-6666

Location where books and records are located <u>117 E. Main</u>, Ennis, mT 59729

Contracts:			
Name	Title	Principal Business Address	Salary
Person to send correspondence:	Joe Vujovich, Vice Pres.		XXXXXXX
Person who prepared this report:	Jayme Shouse Accounting	P.O.Box 1369 117E.Main Ennis, MT 59729	xxxxxxx
Officers & Managers:			\$
			\$
			\$
			\$
			\$

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
			Othity
Moonlight Basin Ranch, L.P.	100%	P.O.BEX 1369 Ennis, MT 59729	\$ 18,539
		,	\$
			\$

INCOME STATEMENT

Account Name	Current Year	Previous Year
GROSS REVENUE:		
Metered		
Residential		
Commercial		
Industrial		
Other Unmetered		
	141 722	10
Residential Commerical	44,322	19,615
Industrial		
Fire Protection		
Bulk Sales		
Sale of Materials Other Acid Agrical	12, lolo le	
Other prior period depreciation adj. TOTAL GROSS REVENUE		10 -
TOTAL GROSS REVENUE	Ste,988	19615
Operation and Maintenance		
Operation and Maintenance Expense	21 (77)	711 981
	56,575	24,986 2.037
Depreciation Expense	4,293	2,037
Taxes Other Than Income		,
Income Taxes		
Deferred Federal Income Taxes		
Deferred State Income Taxes		
TOTAL OPERATING EXPENSE	40.866	27,023
NET OPERATING INCOME (LOSS)	40,866 16,122	(7,408)
Other Income:		
Non-Utility Income		

Other Deductions:		
Non-Utility Expenses		
Interest Expense		
NET INCOME (LOSS)	16,122	(7,408)

COMPARATIVE BALANCE SHEET

ACCONT NAME	CURRENT YEAR	PREVIOUS YEAR
Assets:		
Utility Plant In Service	117,760	106,000
Accumulated Depreciation and Amortization	(30,192)	106,000 (38,566)
Net Utility Plant		
Cash	2,268	(1,578)
Other Assets (Specify)	2,630	(1,578)
	OI SI i	
Total Assets	91,866	67,366
Liabilities an Capital: Common Stock Issued Preferred Stock Issued Other Paid In Capital		
Retained Earnings Proprietary Capital	89,743	46820
Total Capital		
Long Term Debt Accounts Payable	2,123	5410
Notes Payable		
Customer Deposits		
Accrued Taxes Other Liabilities (Specify)		
Advances for Construction Contributions In Aid Of Construction		
Total Liabilities and Capital	91,86Ce	67,36le

Accumulated Depreciation and Amortization of Utility Plant

Current Year	Previous Year
(38,564)	(36,529)
-	
(42,857)	(38,566)
12,665	
(30,192)	(38566)
	(38,564) (4,293) (42,857)

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
NIA		
Total During Year		

ACCUMULATED DEFERRED INCOME TAXES

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

CAPITAL STOCK

	Common Stock	Preferred Stock
Par or stated value per share	VIA	
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 Changes during year (Specify):		
Balance end of year		

PROPRIETARY CAPITAL

Balance first of year (10 unded up from 2003)	Proprietor or Partner (a) 8 3	Partner
Changes during year (specify): Cash Contribution - MBRLP Contributed Capital - Net-Income 12/31/04	6,800 16,122	
Balance end of year	89,743	

LONG TERM DEBT

	Inte	rest	Principal Per Balance
Description of Obligation	Rate	Pymts	Sheet Date
Total			



Acct No.	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures and Improvements	20,000			20,000
305	Collecting and Impounding Reservoirs	,			,
306	Lake River and Other Intakes				
307	Wells and Springs	0	11,700		11,760
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment				
320	Pumping Equipment Water Treatment Equipment	16,000			16,000
330	Distribution Reservoirs and Standpipes				,
331	Tranmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations				
335	Hydrants				
339	Other Plant and Miscellaneous Egipment	70,000			70,000
340	Office Furniture and Equipment				,
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop & Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	Sewer Total Water Plant	106,000	11,740		117,760

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT

		348	347	346	345	344	343	342	341	340	339	335	334	333	331	330	320	311	310	309	308	307	306	305	304	ACCT.
	Totals	Other Tangible Plant	Miscellaneous Equipment	Communication Equipment	Power Operated Equipment	Laboratory Equipment	Tools, Shop & Garage Equipment	Stores Equipment	Transportation Equip.	Office Furniture and Equipment	Other Plant & Misc. Equip.	Hydrants	Meter & Meter Installation	Services	Trans. & Dist. Mains	Distribution Reservoirs & Standpipes	Water Treatment Equip. Studen	Pumping Equipment	Power Generating Equip.	Supply Mains	Infiltrations Galleries & Tunnels	Wells and Springs	Lake River & Other Intakes	Collecting & Impounding Reservoirs	Structures & Improvements	ACCOUNT
											8						15					ώ O			35	AVERAGE SERVICE LIFE IN YEARS
		%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	AVERAGE SALVAGE IN PERCENT
		%	%	%	%	%	%	%	%	%	,0333%	%	%	%	%	%	.0667%	%	%	%	%	.633.3%	%	%	.0333%	DEPR. RATE APPLIED
(actual)	38,52,4							and the control of th			35,600						5797		And the second s			\			7,167	ACCUMULATED DEPRECIATION BALANCE PREVIOUS YEAR
	12,665 4,293										8,360						1,18							,	2,405	DEBITS
	4,293										2533						601					かた			730	CREDITS
	30,192	And the second s			PARTY AND THE PA						19773						8647					429			5,49L	ACCUMULATED DEPRECIATION BALANCE END OF YEAR

ACCOUNT NAME	AMOUNT
Salaries and Wages - Employees	
Salaries and Wages - Officers, Directors and Majority Stockholders	
Employee Pensions and Benefits	
Purchased Water Stury	6,187
Purchased Power	
Fuel For Power Production	
Chemicals	
Materials and Supplies	11,058
Contractual Services	18,537
Rents	
Transportation Expense	
Insurance Expense	2744
Regulatory Commission Expense	
Bad Debt Expense	
Miscellaneous Expense	345
Total	36,573

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, individual or organization of any kind whatever, amounting to \$500. or more. Utilities having revenue in excess of \$100,000 should report amounts of \$5,000 or more.

Name of Recipient	Amount	Description of Service
A 100-4		
*		

Jewy

		0.0	NIDAE	OF WATER	CHODIV		
Surface Wa		_ Lake St	ream	Impounding Res		Sewe	1
Ground Wa				Deep Wells No. ON & DISTRIE			***************************************
Size	First of	Laid During		Ahandoned	Taken Up		(

Size Inches	First of Year	Laid During Year	Total	Abandoned During Yr.	Taken Up During Yr.	Total	Close of Year
8" 70"	7400 7,100 1,100	0 3580 0	7,400	0 0	0	7,400 10,680 11,00	7,400 10,680 1,100
Total	15(100)	3580	19.180	\sim		19,180	19.180

RESERVOIRS, STANDPIPES AND PURIFICATION SYSTEM

Number of Reservoirs Capacity in Gallons Capacity in Gallons Method of Purification	_
SERVICES AND METERS	
Services 1/2 in. 5/8 in. 1 in. 1 1/2 in. 2 in. 3 in. 4 in. 6 in.	
Meters	

NUMBER AND CLASSIFICATION OF CONSUMERS

-Beginning of Year-

-Close of Year-

Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase or Decrease
Residential	0	139	139	0	143	143	+4
Commercial	0		/				0
Industrial	6	0	0	0	\Diamond	\circ	0
Fire Hydrants	0	26	26	0	34	34	+8
Governmental	0	0	0	0	0		0_
All Other	8	0	O	0	0		0
Total							
	0	166	Tlele	0	178	178	ナル

TOTAL PUMPING STATION STATISTICS M/α

Total Amount of Water Obtained by all methods during the Year	gals.
Maximum Water obtained all methods during any one day	gals.
Minimum Amount of Water obtained all methods during one day	gals.
Total Amount of Water passed through customers meters during year	gals.
Range of ordinary pressure on mainslbs. tolbs.	
Range of fire pressure in mainslbs. tolbs.	

STATE OF MONTANA)
County of Madison
We, the undersigned, on our oath do severally say that the foregoing return the
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.
Tayme Shouse, Accounting
Subscribed and sworn to before me this 6th day of May, 19, 2005.
Carol D. Cantford
CAROL D. CRAWFORD Notarial Seal State of Montana
Notary Public for the State of Montana Residing at ENNS NT My Commission Expires Jan. 27, 2007