



3014 (02-02-05)

**ANNUAL REPORT**

OF

Name: VILLAGE OF SUSSEX WATER PUBLIC UTILITY

---

Principal Office: N64 W23760 MAIN STREET  
SUSSEX, WI 53089

---

For the Year Ended: DECEMBER 31, 2007

---

WATER, ELECTRIC, OR JOINT UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 266-3766

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*



## TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
<b>FINANCIAL SECTION</b>	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Distribution of Total Payroll	F-05
Full-Time Employees (FTE)	F-05
Balance Sheet	F-06
Net Utility Plant	F-07
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.1)	F-08
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.2)	F-09
Net Nonutility Property (Accts. 121 & 122)	F-10
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-11
Materials and Supplies	F-12
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-13
Capital Paid in by Municipality (Acct. 200)	F-14
Bonds (Acct. 221)	F-15
Notes Payable & Miscellaneous Long-Term Debt	F-16
Taxes Accrued (Acct. 236)	F-17
Interest Accrued (Acct. 237)	F-18
Balance Sheet End-of-Year Account Balances	F-19
Return on Rate Base Computation	F-20
Important Changes During the Year	F-21
Regulatory Liability - Pre-2003 Historical Accumulated Depreciation on Contributed Utility	F-22
Financial Section Footnotes	F-23
<b>WATER OPERATING SECTION</b>	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Property Tax Equivalent (Water)	W-07
Property Tax Equivalent (Water)	W-07
Water Utility Plant in Service --Plant Financed by Utility or Municipality--	W-08
Water Utility Plant in Service --Plant Financed by Contributions--	W-10
Source of Supply, Pumping and Purchased Water Statistics	W-12
Sources of Water Supply - Ground Waters	W-13
Sources of Water Supply - Surface Waters	W-14
Pumping & Power Equipment	W-15
Reservoirs, Standpipes & Water Treatment	W-16
Water Mains	W-17
Water Services	W-18
Meters	W-19
Hydrants and Distribution System Valves	W-20

---

## TABLE OF CONTENTS

Schedule Name	Page
<b>WATER OPERATING SECTION</b>	
Water Operating Section Footnotes	W-21

---

**IDENTIFICATION AND OWNERSHIP**

**Exact Utility Name:** VILLAGE OF SUSSEX WATER PUBLIC UTILITY

**Utility Address:** N64 W23760 MAIN STREET  
SUSSEX, WI 53089

**When was utility organized?** 9/24/1976

**Report any change in name:**

**Effective Date:**

**Utility Web Site:**

**Utility employee in charge of correspondence concerning this report:**

**Name:** NANCY WHALEN

**Title:** VILLAGE FINANCE DIRECTOR

**Office Address:**

N64 W23760 MAIN STREET  
SUSSEX, WI 53089

**Telephone:** (262) 246 - 5225

**Fax Number:** (262) 246 - 5222

**E-mail Address:** nwhalen@wi.rr.com

**Individual or firm, if other than utility employee, preparing this report:**

**Name:**

**Title:**

**Office Address:**

**Telephone:**

**Fax Number:**

**E-mail Address:**

**President, chairman, or head of utility commission/board or committee:**

**Name:** PAUL FLEISCHMANN

**Title:**

**Office Address:**

N62W23996 HICKORY DRIVE  
SUSSEX, WI 53089

**Telephone:** (262) 246 - 3727

**Fax Number:**

**E-mail Address:**

**Are records of utility audited by individuals or firms, other than utility employee?** YES

### IDENTIFICATION AND OWNERSHIP

---

**Individual or firm, if other than utility employee, auditing utility records:**

---

**Name:** DONALD VILIONE

**Title:** PARTNER

**Office Address:** VIRCHOW, KRAUSE & CO., LLP  
115 SOUTH 84TH STREET, SUITE 400  
MILWAUKEE, WI 53214

**Telephone:** (414) 777 - 5500 EXT

**Fax Number:** (414) 777 - 5555

**E-mail Address:** dvilione@virchowkrause.com

**Date of most recent audit report:** 5/18/2007

**Period covered by most recent audit:** 2006

---

**Names and titles of utility management including manager or superintendent:**

---

**Name:** MR RALPH RUTKOWSKI

**Title:** WATER UTILITY LEAD WORKER

**Office Address:**  
N64 W23760 MAIN STREET  
SUSSEX, WI 53089

**Telephone:** (262) 246 - 5200

**Fax Number:** (262) 246 - 5222

**E-mail Address:** wellhouse5@sbcglobal.net

---

**Name of utility commission/committee:** Water Commission

---

**Names of members of utility commission/committee:**

- MR NORMAN DAY
- MR GERALD EGLE
- MR PAUL FLEISCHMANN
- MRS PATRICIA PLUDE
- MR PETER STOEVEKEN

---

**Is sewer service rendered by the utility?** NO

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? NO

**Date of Ordinance:**                     

**Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

---

**Provide the following information regarding the provider(s) of contract services:**

---

---

## IDENTIFICATION AND OWNERSHIP

---

**Firm Name:**

**Contact Person:**

**Title:**

**Telephone:** ( ) -

**Fax Number:** ( ) -

**E-mail Address:**

---

**Contract/Agreement beginning-ending dates:**

**Provide a brief description of the nature of Contract Operations being provided:**

**INCOME STATEMENT**

Particulars (a)	This Year (b)	Last Year (c)	
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	1,432,851	1,420,758	1
<b>Operating Expenses:</b>			
Operation and Maintenance Expense (401-402)	645,336	645,868	2
Depreciation Expense (403)	186,621	232,951	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	307,360	300,281	5
<b>Total Operating Expenses</b>	<b>1,139,317</b>	<b>1,179,100</b>	
<b>Net Operating Income</b>	<b>293,534</b>	<b>241,658</b>	
Income from Utility Plant Leased to Others (412-413)	0	0	6
<b>Utility Operating Income</b>	<b>293,534</b>	<b>241,658</b>	
<b>OTHER INCOME</b>			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	192,260	209,591	10
Miscellaneous Nonoperating Income (421)	550,006	322,149	11
<b>Total Other Income</b>	<b>742,266</b>	<b>531,740</b>	
<b>Total Income</b>	<b>1,035,800</b>	<b>773,398</b>	
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
Miscellaneous Amortization (425)	(78,248)	(78,248)	12
Other Income Deductions (426)	290,312	200,282	13
<b>Total Miscellaneous Income Deductions</b>	<b>212,064</b>	<b>122,034</b>	
<b>Income Before Interest Charges</b>	<b>823,736</b>	<b>651,364</b>	
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	357,734	333,779	14
Amortization of Debt Discount and Expense (428)	32,587	31,456	15
Amortization of Premium on Debt--Cr. (429)	0	0	16
Interest on Debt to Municipality (430)	0	0	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0	0	19
<b>Total Interest Charges</b>	<b>390,321</b>	<b>365,235</b>	
<b>Net Income</b>	<b>433,415</b>	<b>286,129</b>	
<b>EARNED SURPLUS</b>			
Unappropriated Earned Surplus (Beginning of Year) (216)	11,661,968	11,397,024	20
Balance Transferred from Income (433)	433,415	286,129	21
Miscellaneous Credits to Surplus (434)	0	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	23
Appropriations of Surplus--Debit (436)	64,166	21,185	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
<b>Total Unappropriated Earned Surplus End of Year (216)</b>	<b>12,031,217</b>	<b>11,661,968</b>	

### INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.  
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
<b>UTILITY OPERATING INCOME</b>				
<b>Operating Revenues (400):</b>				
Derived	1,432,851		1,432,851	1
<b>Total (Acct. 400):</b>	<b>1,432,851</b>	<b>0</b>	<b>1,432,851</b>	
<b>Operation and Maintenance Expense (401-402):</b>				
Derived	645,336		645,336	2
<b>Total (Acct. 401-402):</b>	<b>645,336</b>	<b>0</b>	<b>645,336</b>	
<b>Depreciation Expense (403):</b>				
Derived	186,621		186,621	3
<b>Total (Acct. 403):</b>	<b>186,621</b>	<b>0</b>	<b>186,621</b>	
<b>Amortization Expense (404-407):</b>				
Derived	0		0	4
<b>Total (Acct. 404-407):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Taxes (408):</b>				
Derived	307,360		307,360	5
<b>Total (Acct. 408):</b>	<b>307,360</b>	<b>0</b>	<b>307,360</b>	
<b>Revenues from Utility Plant Leased to Others (412):</b>				
NONE	0		0	6
<b>Total (Acct. 412):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Expenses of Utility Plant Leased to Others (413):</b>				
NONE	0		0	7
<b>Total (Acct. 413):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL UTILITY OPERATING INCOME:</b>	<b>293,534</b>	<b>0</b>	<b>293,534</b>	
<b>OTHER INCOME</b>				
<b>Income from Merchandising, Jobbing and Contract Work (415-416):</b>				
Derived	0		0	8
<b>Total (Acct. 415-416):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Income from Nonutility Operations (417):</b>				
NONE	0		0	9
<b>Total (Acct. 417):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Nonoperating Rental Income (418):</b>				
NONE	0		0	10
<b>Total (Acct. 418):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Interest and Dividend Income (419):</b>				
INTEREST ON INVESTMENTS	192,163	0	192,163	11

### INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.  
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
<b>OTHER INCOME</b>			
<b>Interest and Dividend Income (419):</b>			
INTEREST ON ASSESSMENTS	97	0	97 12
<b>Total (Acct. 419):</b>	<b>192,260</b>	<b>0</b>	<b>192,260</b>
<b>Miscellaneous Nonoperating Income (421):</b>			
Contributed Plant - Water	[REDACTED]	435,721	435,721 13
COLLECTION OF RESERVE CAPACITY ASSESSMENTS	0	43,452	43,452 14
TRANSFER FROM VILLAGE TAX INCREMENT DISTRICT	54,333	0	54,333 15
FOCUS ON ENERGY GRANT RECEIVED FOR CONSTRUC	0	16,500	16,500 16
<b>Total (Acct. 421):</b>	<b>54,333</b>	<b>495,673</b>	<b>550,006</b>
<b>TOTAL OTHER INCOME:</b>	<b>246,593</b>	<b>495,673</b>	<b>742,266</b>
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
<b>Miscellaneous Amortization (425):</b>			
Regulatory Liability (253) Amortization	(78,248)	[REDACTED]	(78,248) 17
NONE	0	0	0 18
<b>Total (Acct. 425):</b>	<b>(78,248)</b>	<b>0</b>	<b>(78,248)</b>
<b>Other Income Deductions (426):</b>			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	290,312	290,312 19
NONE	0	0	0 20
<b>Total (Acct. 426):</b>	<b>0</b>	<b>290,312</b>	<b>290,312</b>
<b>TOTAL MISCELLANEOUS INCOME DEDUCTIONS:</b>	<b>(78,248)</b>	<b>290,312</b>	<b>212,064</b>
<b>INTEREST CHARGES</b>			
<b>Interest on Long-Term Debt (427):</b>			
Derived	357,734	[REDACTED]	357,734 21
<b>Total (Acct. 427):</b>	<b>357,734</b>	<b>0</b>	<b>357,734</b>
<b>Amortization of Debt Discount and Expense (428):</b>			
AMORTIZATION OF DEBT DISCOUNT	32,587	[REDACTED]	32,587 22
<b>Total (Acct. 428):</b>	<b>32,587</b>	<b>0</b>	<b>32,587</b>
<b>Amortization of Premium on Debt--Cr. (429):</b>			
NONE	0	[REDACTED]	0 23
<b>Total (Acct. 429):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Interest on Debt to Municipality (430):</b>			
Derived	0	[REDACTED]	0 24
<b>Total (Acct. 430):</b>	<b>0</b>	<b>0</b>	<b>0</b>

### INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.  
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
<b>INTEREST CHARGES</b>			
<b>Other Interest Expense (431):</b>			
Derived	0		0 25
<b>Total (Acct. 431):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Interest Charged to Construction--Cr. (432):</b>			
NONE	0		0 26
<b>Total (Acct. 432):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL INTEREST CHARGES:</b>	<b>390,321</b>	<b>0</b>	<b>390,321</b>
<b>NET INCOME:</b>	<b>228,054</b>	<b>205,361</b>	<b>433,415</b>
<b>EARNED SURPLUS</b>			
<b>Unappropriated Earned Surplus (Beginning of Year) (216):</b>			
Derived	787,220	10,874,748	11,661,968 27
<b>Total (Acct. 216):</b>	<b>787,220</b>	<b>10,874,748</b>	<b>11,661,968</b>
<b>Balance Transferred from Income (433):</b>			
Derived	228,054	205,361	433,415 28
<b>Total (Acct. 433):</b>	<b>228,054</b>	<b>205,361</b>	<b>433,415</b>
<b>Miscellaneous Credits to Surplus (434):</b>			
NONE	0	0	0 29
<b>Total (Acct. 434):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Miscellaneous Debits to Surplus--Debit (435):</b>			
NONE	0	0	0 30
<b>Total (Acct. 435)--Debit:</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Appropriations of Surplus--Debit (436):</b>			
Detail appropriations to (from) account 215	64,166		64,166 31
<b>Total (Acct. 436)--Debit:</b>	<b>64,166</b>	<b>0</b>	<b>64,166</b>
<b>Appropriations of Income to Municipal Funds--Debit (439):</b>			
NONE	0	0	0 32
<b>Total (Acct. 439)--Debit:</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):</b>	<b>951,108</b>	<b>11,080,109</b>	<b>12,031,217</b>

**INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)	0				0	1
<b>Costs &amp; Expenses of Merchandising, Jobbing and Contract Work (416):</b>						
Cost of merchandise sold					0	2
Payroll	0				0	3
Materials	0				0	4
Taxes	0				0	5
<b>Other (list by major classes):</b>						
NONE	0				0	6
<b>Total costs and expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net income (or loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT**

- |   |
|---|
| <p>1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.</p> <p>2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).</p> |
|---|

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	1,432,851	0	0	0	1,432,851	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
<b>Other Increases or (Decreases) to Operating Revenues - Specify:</b> NONE					0	6
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>1,432,851</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,432,851</b>	

### DISTRIBUTION OF TOTAL PAYROLL

1. Amounts charged to Utility Financed and to Contributed Plant accounts should be combined and reported in plant or accumulated depreciation accounts.
2. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
3. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
4. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	206,322		206,322	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses	1,043		1,043	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts	1,498		1,498	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
<b>Total Payroll</b>	<b>208,863</b>	<b>0</b>	<b>208,863</b>	

### FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	5.2	1
Electric		2
Gas		3
Sewer		4

**BALANCE SHEET**

<b>Assets and Other Debits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>UTILITY PLANT</b>			
Utility Plant (100)	25,181,055	23,425,447	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	4,743,092	4,251,866	2
<b>Net Utility Plant</b>	<b>20,437,963</b>	<b>19,173,581</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
<b>Net Nonutility Property</b>	<b>0</b>	<b>0</b>	
Investment in Municipality (123)	837,151	947,381	5
Other Investments (124)	524,503	186,785	6
Special Funds (125)	2,696,976	3,858,887	7
<b>Total Other Property and Investments</b>	<b>4,058,630</b>	<b>4,993,053</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash and Working Funds (131)	264,034	13,813	8
Temporary Cash Investments (132)	665,996	951,584	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	276,022	253,794	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	1,400	14
Materials and Supplies (150)	2,135	2,060	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
<b>Total Current and Accrued Assets</b>	<b>1,208,187</b>	<b>1,222,651</b>	
<b>DEFERRED DEBITS</b>			
Unamortized Debt Discount and Expense (181)	225,304	257,891	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
<b>Total Deferred Debits</b>	<b>225,304</b>	<b>257,891</b>	
<b>Total Assets and Other Debits</b>	<b>25,930,084</b>	<b>25,647,176</b>	

### BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>PROPRIETARY CAPITAL</b>			
Capital Paid in by Municipality (200)	2,813,028	2,813,028	21
Appropriated Earned Surplus (215)	630,435	566,269	22
Unappropriated Earned Surplus (216)	12,031,217	11,661,968	23
<b>Total Proprietary Capital</b>	<b>15,474,680</b>	<b>15,041,265</b>	
<b>LONG-TERM DEBT</b>			
Bonds (221)	8,510,000	8,875,000	24
Advances from Municipality (223)	0	0	25
Other Long-Term Debt (224)	0	0	26
<b>Total Long-Term Debt</b>	<b>8,510,000</b>	<b>8,875,000</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable (231)	0	0	27
Accounts Payable (232)	99,187	181,592	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)		0	30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	30,980	32,252	32
Other Current and Accrued Liabilities (238)		0	33
<b>Total Current and Accrued Liabilities</b>	<b>130,167</b>	<b>213,844</b>	
<b>DEFERRED CREDITS</b>			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)		0	35
Other Deferred Credits (253)	1,815,237	1,517,067	36
<b>Total Deferred Credits</b>	<b>1,815,237</b>	<b>1,517,067</b>	
<b>OPERATING RESERVES</b>			
Property Insurance Reserve (261)		0	37
Injuries and Damages Reserve (262)		0	38
Pensions and Benefits Reserve (263)		0	39
Miscellaneous Operating Reserves (265)		0	40
<b>Total Operating Reserves</b>	<b>0</b>	<b>0</b>	
<b>Total Liabilities and Other Credits</b>	<b>25,930,084</b>	<b>25,647,176</b>	

**NET UTILITY PLANT**

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
<b>First of Year:</b>					
Total Utility Plant - First of Year	23,425,447	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
<b>Plant Accounts:</b>					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (101.1)	8,182,635	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	16,998,201	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant in Process of Reclassification (103)					5
Utility Plant Leased to Others (104)					6
Property Held for Future Use (105)					7
Completed Construction not Classified (106)					8
Construction Work in Progress (107)	219				9
Utility Plant Acquisition Adjustments (108)					10
Other Utility Plant Adjustments (109)					11
<b>Total Utility Plant</b>	<b>25,181,055</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Accumulated Provision for Depreciation and Amortization:</b>					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	2,101,317	0	0	0	12
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	2,641,775	0	0	0	13
<b>Total Accumulated Provision</b>	<b>4,743,092</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Utility Plant</b>	<b>20,437,963</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**ACCUMULATED PROVISION FOR DEPRECIATION AND  
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT  
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY  
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.  
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
<b>Balance first of year (110.1)</b>	1,927,390				<b>1,927,390</b>	<b>1</b>
<b>Credits During Year</b>						<b>2</b>
<b>Accruals:</b>						<b>3</b>
Charged depreciation expense (403)	186,621				<b>186,621</b>	<b>4</b>
Depreciation expense on meters						<b>5</b>
charged to sewer (see Note 3)	12,266				<b>12,266</b>	<b>6</b>
Accruals charged other						<b>7</b>
accounts (specify):						<b>8</b>
					<b>0</b>	<b>9</b>
Salvage					<b>0</b>	<b>10</b>
Other credits (specify):						<b>11</b>
					<b>0</b>	<b>12</b>
					<b>0</b>	<b>13</b>
					<b>0</b>	<b>14</b>
					<b>0</b>	<b>15</b>
<b>Total credits</b>	<b>198,887</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>198,887</b>	<b>16</b>
<b>Debits during year</b>						<b>17</b>
Book cost of plant retired	1,797				<b>1,797</b>	<b>18</b>
Cost of removal					<b>0</b>	<b>19</b>
Other debits (specify):						<b>20</b>
Trans to depr on CIAC assets-note	23,163				<b>23,163</b>	<b>21</b>
					<b>0</b>	<b>22</b>
					<b>0</b>	<b>23</b>
					<b>0</b>	<b>24</b>
<b>Total debits</b>	<b>24,960</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24,960</b>	<b>25</b>
<b>Balance end of year (110.1)</b>	<b>2,101,317</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,101,317</b>	<b>26</b>
<b>Composite Depreciation Rate?</b>	No					<b>27</b>
If yes, what is the rate?						<b>28</b>

### ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.  
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
<b>Balance first of year (110.1)</b>	2,324,476				<b>2,324,476</b>	<b>1</b>
<b>Credits During Year</b>						<b>2</b>
<b>Accruals:</b>						<b>3</b>
Charged depreciation expense (426)	290,312				<b>290,312</b>	<b>4</b>
Depreciation expense on meters						<b>5</b>
charged to sewer (see Note 3)	4,609				<b>4,609</b>	<b>6</b>
Accruals charged other						<b>7</b>
accounts (specify):						<b>8</b>
					<b>0</b>	<b>9</b>
Salvage					<b>0</b>	<b>10</b>
Other credits (specify):						<b>11</b>
Trans to depr on CIAC assets-note	23,163				<b>23,163</b>	<b>12</b>
					<b>0</b>	<b>13</b>
					<b>0</b>	<b>14</b>
					<b>0</b>	<b>15</b>
<b>Total credits</b>	<b>318,084</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>318,084</b>	<b>16</b>
<b>Debits during year</b>						<b>17</b>
Book cost of plant retired	785				<b>785</b>	<b>18</b>
Cost of removal					<b>0</b>	<b>19</b>
Other debits (specify):						<b>20</b>
					<b>0</b>	<b>21</b>
					<b>0</b>	<b>22</b>
					<b>0</b>	<b>23</b>
					<b>0</b>	<b>24</b>
<b>Total debits</b>	<b>785</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>785</b>	<b>25</b>
<b>Balance end of year (110.1)</b>	<b>2,641,775</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,641,775</b>	<b>26</b>
<b>Composite Depreciation Rate?</b>	No					<b>27</b>
If yes, what is the rate?						<b>28</b>

**NET NONUTILITY PROPERTY (ACCTS. 121 & 122)**

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0	0		0	1
<b>Other (specify):</b>					
NONE	0	0		0	2
<b>Total Nonutility Property (121)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Less accum. prov. depr. & amort. (122)	0	0		0	3
<b>Net Nonutility Property</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)**

Particulars (a)	Amount (b)	
Balance first of year	0	1
<b>Additions:</b>		
Provision for uncollectibles during year	0	2
Collection of accounts previously written off: Utility Customers	0	3
Collection of accounts previously written off: Others	0	4
<b>Total Additions</b>	<b>0</b>	
<b>Deductions:</b>		
Accounts written off during the year: Utility Customers	0	5
Accounts written off during the year: Others	0	6
<b>Total accounts written off</b>	<b>0</b>	
<b>Balance end of year</b>	<b>0</b>	

### MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
<b>Electric Utility</b>						
Fuel for generation					0	0 1
Other					0	0 2
<b>Total Electric Utility</b>					<b>0</b>	<b>0</b>

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	2,135	2,060 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
<b>Total Materials and Supplies</b>	<b>2,135</b>	<b>2,060</b>

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT  
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<b>Unamortized debt discount &amp; expense (181)</b>				
4/1/02 MORTGAGE REVENUE BONDS	5,460	428	38,369	1
5/1/03 G O PROMISSORY NOTES	813	428	2,131	2
6/1/04 MORTGAGE REVENUE BONDS	7,846	428	40,045	3
6/1/06 MORTGAGE REVENUE BONDS	1,430	428	12,576	4
8/1/05 MORTGAGE REVENUE BONDS	775	428	4,648	5
ISSUANCE COSTS ASSOCIATED WITH 2004 MORTGAGE REVENUE BONDS	4,353	428	33,394	6
ISSUANCE COSTS ASSOCIATED WITH 2005 MORTGAGE REVENUE BONDS	1,894	428	11,357	7
ISSUANCE COSTS ASSOCIATED WITH 2006 MORTGAGE REVENUE BONDS	3,347	428	29,433	8
LOSS ON REFUNDING 1996 MRB'S WITH 2004 MRB'S	6,669	428	53,351	9
<b>Total</b>			<b>225,304</b>	
<b>Unamortized premium on debt (251)</b>				
NONE				10
<b>Total</b>			<b>0</b>	

**CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	2,813,028	1
<b>Changes during year (explain):</b>		
NONE		2
<b>Balance end of year</b>	<u><u>2,813,028</u></u>	

**BONDS (ACCT. 221)**

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
2002 MORTGAGE REVENUE BONDS	04/01/2002	06/01/2020	4.39%	1,875,000	<b>1</b>
G.O. Promissory Notes	05/01/2003	04/01/2013	2.90%	300,000	<b>2</b>
2004 MORTGAGE REVENUE BONDS	06/01/2004	06/01/2024	4.15%	3,285,000	<b>3</b>
2005 MORTGAGE REVENUE BONDS	08/01/2005	06/01/2018	3.75%	950,000	<b>4</b>
2006 MORTGAGE REVENUE BONDS	06/01/2006	06/01/2024	4.19%	2,100,000	<b>5</b>
<b>Total Bonds (Account 221):</b>				<b>8,510,000</b>	

### NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

- 1. Report each class of debt included in Accounts 223, 224 and 231.
- 2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
- 3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

<b>Account and Description of Obligation (a and b)</b>	<b>Date of Issue (c)</b>	<b>Final Maturity Date (d)</b>	<b>Interest Rate (e)</b>	<b>Principal Amount End of Year (f)</b>
--	------------------------------	------------------------------------	------------------------------	---

NONE

**TAXES ACCRUED (ACCT. 236)**

Particulars (a)	Amount (b)	
Balance first of year	0	1
<b>Accruals:</b>		
Charged water department expense	307,360	2
Charged electric department expense		3
Charged sewer department expense	3,762	4
<b>Other (explain):</b>		
NONE		5
<b>Total Accruals and other credits</b>	<b>311,122</b>	
<b>Taxes paid during year:</b>		
County, state and local taxes	294,172	6
Social Security taxes	15,443	7
PSC Remainder Assessment	1,507	8
<b>Other (explain):</b>		
NONE		9
<b>Total payments and other debits</b>	<b>311,122</b>	
<b>Balance end of year</b>	<b>0</b>	

### INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.  
 2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
<b>Bonds (221)</b>					
2004 MORTGAGE REVENUE BONDS	11,539	134,084	134,711	10,912	1
1996 Mortgage Revenue Bonds	0			0	2
2003 G O PROMISSORY NOTES	2,705	9,883	10,195	2,393	3
2005 MORTGAGE REVENUE BONDS	2,969	35,630	35,630	2,969	4
2006 MORTGAGE REVENUE BONDS	7,331	87,975	87,975	7,331	5
2002 MORTGAGE REVENUE BONDS	7,708	90,162	90,495	7,375	6
<b>Subtotal</b>	<b>32,252</b>	<b>357,734</b>	<b>359,006</b>	<b>30,980</b>	
<b>Advances from Municipality (223)</b>					
NONE	0			0	7
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Other Long-Term Debt (224)</b>					
NONE	0			0	8
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Notes Payable (231)</b>					
NONE	0			0	9
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total</b>	<b>32,252</b>	<b>357,734</b>	<b>359,006</b>	<b>30,980</b>	

### BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
<b>Investment in Municipality (123):</b>		
ADVANCE TO VILLAGE OF SUSSEX TIF #5	837,151	1
<b>Total (Acct. 123):</b>	<b>837,151</b>	
<b>Other Investments (124):</b>		
SPECIAL ASSESSMENTS RECEIVABLE	524,503	2
<b>Total (Acct. 124):</b>	<b>524,503</b>	
<b>Special Funds (125):</b>		
SPECIAL REDEMPTION - MRB	276,504	3
RESERVE - MRB	825,931	4
DEPRECIATION FUND	382,519	5
CONSTRUCTION FUND	1,078,009	6
RESERVE CAPACITY ASSESSMENT FUND	134,013	7
<b>Total (Acct. 125):</b>	<b>2,696,976</b>	
<b>Notes Receivable (141):</b>		
NONE		8
<b>Total (Acct. 141):</b>	<b>0</b>	
<b>Customer Accounts Receivable (142):</b>		
Water	273,696	9
Electric		10
Sewer (Regulated)		11
<b>Other (specify):</b>		
HYDRANT PAINTING	1,700	12
AMOUNT DUE FROM BANKRUPTCY COURT	472	13
UNMETERED WATER USAGE	60	14
REPLACEMENT METER DAMAGED BY REALTOR	64	15
METER REINSTALLATION FEE	30	16
<b>Total (Acct. 142):</b>	<b>276,022</b>	
<b>Other Accounts Receivable (143):</b>		
Sewer (Non-regulated)		17
Merchandising, jobbing and contract work		18
<b>Other (specify):</b>		
NONE		19
<b>Total (Acct. 143):</b>	<b>0</b>	
<b>Receivables from Municipality (145):</b>		
NONE		20
<b>Total (Acct. 145):</b>	<b>0</b>	

**BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
---

Particulars (a)	Balance End of Year (b)	
<b>Prepayments (165):</b>		
NONE		21
<b>Total (Acct. 165):</b>	<b>0</b>	
<b>Extraordinary Property Losses (182):</b>		
NONE		22
<b>Total (Acct. 182):</b>	<b>0</b>	
<b>Other Deferred Debits (183):</b>		
NONE		23
<b>Total (Acct. 183):</b>	<b>0</b>	
<b>Payables to Municipality (233):</b>		
NONE		24
<b>Total (Acct. 233):</b>	<b>0</b>	
<b>Other Deferred Credits (253):</b>		
Regulatory Liability	1,251,969	25
DEFERRED SPECIAL ASSESSMENTS	524,503	26
2008 RENT FROM CELL PHONE COMPANIES	38,765	27
<b>Total (Acct. 253):</b>	<b>1,815,237</b>	

**RETURN ON RATE BASE COMPUTATION**

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
<b>Add Average:</b>						
Utility Plant in Service (101.1)	8,975,697	0	0	0	8,975,697	1
Materials and Supplies	2,097	0	0	0	2,097	2
<b>Other (specify):</b>						
NONE					0	3
<b>Less Average:</b>						
Reserve for Depreciation (110.1)	2,014,353	0	0	0	2,014,353	4
Customer Advances for Construction					0	5
Regulatory Liability	1,291,093	0	0	0	1,291,093	6
NONE					0	7
<b>Average Net Rate Base</b>	<b>5,672,348</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,672,348</b>	
Net Operating Income	293,534	0	0	0	293,534	8
<b>Net Operating Income as a percent of</b>						
<b>Average Net Rate Base</b>	<b>5.17%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>5.17%</b>	

## IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

**REGULATORY LIABILITY - PRE-2003 HISTORICAL  
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY  
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year	1,330,217	0	0	0	1,330,217	1
<b>Add credits during year:</b>						
NONE					0	2
<b>Deduct charges:</b>						
Miscellaneous Amortization (425)	78,248	0	0	0	78,248	3
<b>Other (specify):</b>						
NONE					0	4
<b>Balance End of Year</b>	<b>1,251,969</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,251,969</b>	

---

## FINANCIAL SECTION FOOTNOTES

---

### Accumulated Provision for Depreciation and Amortization of Utility Plant on Utility Plant Financed by Ut

#### General footnotes

As noted on the schedule of plant financed by the utility, there was a transfer made during the rate increase application process (Docket #5835-WR-103) of the cost of some assets. During discussions with Kathy Butzlaff of the PSC staff, it was decided that we would not transfer accumulated depreciation. However, some asset categories were fully depreciated so the portion of the asset transferred to CIAC also had a corresponding transfer of accumulated depreciation.

---

**WATER OPERATING REVENUES & EXPENSES**

Particulars (a)	This Year (b)	Last Year (c)	
<b>Operating Revenues</b>			
<b>Sales of Water</b>			
Sales of Water (460-467)	1,380,306	1,384,931	1
<b>Total Sales of Water</b>	<b>1,380,306</b>	<b>1,384,931</b>	
<b>Other Operating Revenues</b>			
Forfeited Discounts (470)	6,352	5,943	2
Miscellaneous Service Revenues (471)	480	600	3
Rents from Water Property (472)	37,721	21,228	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	7,992	8,056	6
<b>Total Other Operating Revenues</b>	<b>52,545</b>	<b>35,827</b>	
<b>Total Operating Revenues</b>	<b>1,432,851</b>	<b>1,420,758</b>	
<b>Operation and Maintenance Expenses</b>			
Source of Supply Expenses (600-605)	0	0	7
Pumping Expenses (620-625)	216,666	221,797	8
Water Treatment Expenses (630-635)	30,884	30,899	9
Transmission and Distribution Expenses (640-655)	67,608	80,549	10
Customer Accounts Expenses (901-904)	36,995	37,290	11
Sales Expenses (910)	0	0	12
Administrative and General Expenses (920-935)	293,183	275,333	13
<b>Total Operation and Maintenance Expenses</b>	<b>645,336</b>	<b>645,868</b>	
<b>Other Operating Expenses</b>			
Depreciation Expense (403)	186,621	232,951	14
Amortization Expense (404-407)		0	15
Taxes (408)	307,360	300,281	16
<b>Total Other Operating Expenses</b>	<b>493,981</b>	<b>533,232</b>	
<b>Total Operating Expenses</b>	<b>1,139,317</b>	<b>1,179,100</b>	
<b>NET OPERATING INCOME</b>	<b>293,534</b>	<b>241,658</b>	

## WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
<b>Operating Revenues</b>				
<b>Sales of Water</b>				
Unmetered Sales to General Customers (460)				
Residential	14	168	583	1
Commercial	15	477	1,037	2
Industrial				3
<b>Total Unmetered Sales to General Customers (460)</b>	<b>29</b>	<b>645</b>	<b>1,620</b>	
Metered Sales to General Customers (461)				
Residential	2,915	196,848	701,461	4
Commercial	189	60,628	159,026	5
Industrial	63	43,738	105,502	6
<b>Total Metered Sales to General Customers (461)</b>	<b>3,167</b>	<b>301,214</b>	<b>965,989</b>	
Private Fire Protection Service (462)	146		64,867	7
Public Fire Protection Service (463)	1		333,339	8
Other Sales to Public Authorities (464)	22	4,021	14,491	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
<b>Total Sales of Water</b>	<b>3,365</b>	<b>305,880</b>	<b>1,380,306</b>	

**SALES FOR RESALE (ACCT. 466)**

Use a separate line for each delivery point.

<b>Customer Name (a)</b>	<b>Point of Delivery (b)</b>	<b>Thousands of Gallons Sold (c)</b>	<b>Revenues (d)</b>
------------------------------	----------------------------------	--	-------------------------

NONE

### OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
<b>Public Fire Protection Service (463):</b>		
Amount billed (usually per rate schedule F-1 or Fd-1)	333,339	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
<b>Other (specify):</b> NONE		4
<b>Total Public Fire Protection Service (463)</b>	<b>333,339</b>	
<b>Forfeited Discounts (470):</b>		
Customer late payment charges	6,352	5
<b>Other (specify):</b> NONE		6
<b>Total Forfeited Discounts (470)</b>	<b>6,352</b>	
<b>Miscellaneous Service Revenues (471):</b>		
HYDRANT HOOK UPS	420	7
METER REINSTALLATION	60	8
<b>Total Miscellaneous Service Revenues (471)</b>	<b>480</b>	
<b>Rents from Water Property (472):</b>		
RENT FOR PLACEMENT OF CELL PHONE COMPANY ANTENNAS	37,721	9
<b>Total Rents from Water Property (472)</b>	<b>37,721</b>	
<b>Interdepartmental Rents (473):</b>		
NONE		10
<b>Total Interdepartmental Rents (473)</b>	<b>0</b>	
<b>Other Water Revenues (474):</b>		
Return on net investment in meters charged to sewer department	7,992	11
<b>Other (specify):</b> NONE		12
<b>Total Other Water Revenues (474)</b>	<b>7,992</b>	

## WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
<b>SOURCE OF SUPPLY EXPENSES</b>			
Operation Labor (600)	0	0	1
Purchased Water (601)	0	0	2
Operation Supplies and Expenses (602)	0	0	3
Maintenance of Water Source Plant (605)	0	0	4
<b>Total Source of Supply Expenses</b>	<b>0</b>	<b>0</b>	
<b>PUMPING EXPENSES</b>			
Operation Labor (620)	41,198	39,902	5
Fuel for Power Production (621)	0	0	6
Fuel or Power Purchased for Pumping (622)	141,311	136,669	7
Operation Supplies and Expenses (623)	5,361	4,954	8
Maintenance of Pumping Plant (625)	28,796	40,272	9
<b>Total Pumping Expenses</b>	<b>216,666</b>	<b>221,797</b>	
<b>WATER TREATMENT EXPENSES</b>			
Operation Labor (630)	548	730	10
Chemicals (631)	26,346	27,706	11
Operation Supplies and Expenses (632)	3,587	2,087	12
Maintenance of Water Treatment Plant (635)	403	376	13
<b>Total Water Treatment Expenses</b>	<b>30,884</b>	<b>30,899</b>	
<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>			
Operation Labor (640)	18,617	28,589	14
Operation Supplies and Expenses (641)	4,464	5,010	15
Maintenance of Distribution Reservoirs and Standpipes (650)	5,253	6,915	16
Maintenance of Mains (651)	8,469	10,218	17
Maintenance of Services (652)	4,671	10,890	18
Maintenance of Meters (653)	1,912	1,304	19
Maintenance of Hydrants (654)	12,270	14,469	20
Maintenance of Other Plant (655)	11,952	3,154	21
<b>Total Transmission and Distribution Expenses</b>	<b>67,608</b>	<b>80,549</b>	

## WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
<b>CUSTOMER ACCOUNTS EXPENSES</b>			
Meter Reading Labor (901)	1,043	1,315	<b>22</b>
Accounting and Collecting Labor (902)	33,633	32,786	<b>23</b>
Supplies and Expenses (903)	2,319	3,189	<b>24</b>
Uncollectible Accounts (904)	0	0	<b>25</b>
<b>Total Customer Accounts Expenses</b>	<b>36,995</b>	<b>37,290</b>	
<b>SALES EXPENSES</b>			
Sales Expenses (910)	0	0	<b>26</b>
<b>Total Sales Expenses</b>	<b>0</b>	<b>0</b>	
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>			
Administrative and General Salaries (920)	76,454	72,443	<b>27</b>
Office Supplies and Expenses (921)	37,202	36,546	<b>28</b>
Administrative Expenses Transferred--Credit (922)	0	0	<b>29</b>
Outside Services Employed (923)	31,029	40,133	<b>30</b>
Property Insurance (924)	16,972	13,922	<b>31</b>
Injuries and Damages (925)	0	0	<b>32</b>
Employee Pensions and Benefits (926)	88,427	80,149	<b>33</b>
Regulatory Commission Expenses (928)	4,370	0	<b>34</b>
Miscellaneous General Expenses (930)	17,859	18,530	<b>35</b>
Transportation Expenses (933)	11,622	8,440	<b>36</b>
Maintenance of General Plant (935)	9,248	5,170	<b>37</b>
<b>Total Administrative and General Expenses</b>	<b>293,183</b>	<b>275,333</b>	
<b>Total Operation and Maintenance Expenses</b>	<b>645,336</b>	<b>645,868</b>	

**TAXES (ACCT. 408 - WATER)**

When allocation of taxes is made between departments, explain method used.

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		294,172	286,919	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department	ONE HALF OF TAX CALCULATED ON METERS ONLY	3,659	3,668	2
<b>Net property tax equivalent</b>		<b>290,513</b>	<b>283,251</b>	
Social Security		15,340	15,788	3
PSC Remainder Assessment		1,507	1,242	4
Other (specify): NONE			0	5
<b>Total tax expense</b>		<b>307,360</b>	<b>300,281</b>	

### PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Waukesha	Waukesha			1
<b>SUMMARY OF TAX RATES</b>							<b>2</b>
State tax rate	mills		0.200517	0.200517			3
County tax rate	mills		2.098771	2.098771			4
Local tax rate	mills		4.754970	4.754970			5
School tax rate	mills		12.085902	10.060024			6
Voc. school tax rate	mills		1.286126	1.286126			7
Other tax rate - Local	mills		0.000000	0.000000			8
Other tax rate - Non-Local	mills		0.000000	0.000000			9
<b>Total tax rate</b>	mills		<b>20.426286</b>	<b>18.400408</b>			<b>10</b>
Less: state credit	mills		1.598092	1.598092			11
<b>Net tax rate</b>	mills		<b>18.828194</b>	<b>16.802316</b>			<b>12</b>
<b>PROPERTY TAX EQUIVALENT CALCULATION</b>							<b>13</b>
<b>Local Tax Rate</b>	mills		<b>4.754970</b>	<b>4.754970</b>			<b>14</b>
<b>Combined School Tax Rate</b>	mills		<b>13.372028</b>	<b>11.346150</b>			<b>15</b>
<b>Other Tax Rate - Local</b>	mills		<b>0.000000</b>	<b>0.000000</b>			<b>16</b>
<b>Total Local &amp; School Tax</b>	mills		<b>18.126998</b>	<b>16.101120</b>			<b>17</b>
<b>Total Tax Rate</b>	mills		<b>20.426286</b>	<b>18.400408</b>			<b>18</b>
<b>Ratio of Local and School Tax to Total</b>	dec.		<b>0.887435</b>	<b>0.875041</b>			<b>19</b>
<b>Total tax net of state credit</b>	mills		<b>18.828194</b>	<b>16.802316</b>			<b>20</b>
<b>Net Local and School Tax Rate</b>	mills		<b>16.708795</b>	<b>14.702723</b>			<b>21</b>
Utility Plant, Jan. 1	\$	<b>23,425,447</b>	744,888	22,680,559			22
Materials & Supplies	\$	<b>2,060</b>	0	2,060			23
<b>Subtotal</b>	\$	<b>23,427,507</b>	<b>744,888</b>	<b>22,682,619</b>			<b>24</b>
Less: Plant Outside Limits	\$	<b>93,751</b>	93,751	0			25
<b>Taxable Assets</b>	\$	<b>23,333,756</b>	<b>651,137</b>	<b>22,682,619</b>			<b>26</b>
Assessment Ratio	dec.		0.854218	0.854218			27
<b>Assessed Value</b>	\$	<b>19,932,114</b>	<b>556,213</b>	<b>19,375,901</b>			<b>28</b>
<b>Net Local &amp; School Rate</b>	mills		<b>16.708795</b>	<b>14.702723</b>			<b>29</b>
<b>Tax Equiv. Computed for Current Year</b>	\$	<b>294,172</b>	<b>9,294</b>	<b>284,879</b>			<b>30</b>
Tax Equivalent per 1994 PSC Report	\$	185,171					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
<b>Tax equiv. for current year (see note 6)</b>	\$	<b>294,172</b>					<b>34</b>

## WATER UTILITY PLANT IN SERVICE --Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>INTANGIBLE PLANT</b>			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	530,697	281,682	8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
<b>Total Source of Supply Plant</b>	<b>530,697</b>	<b>281,682</b>	
<b>PUMPING PLANT</b>			
Land and Land Rights (320)	115,252		12
Structures and Improvements (321)	1,216,459	432,868	13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	670,154	174,396	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
<b>Total Pumping Plant</b>	<b>2,001,865</b>	<b>607,264</b>	
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	13,940	12,335	23
<b>Total Water Treatment Plant</b>	<b>13,940</b>	<b>12,335</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**  
**--Plant Financed by Utility or Municipality--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
<b>INTANGIBLE PLANT</b>				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)		(161,332)	651,047	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>(161,332)</b>	<b>651,047</b>	
<b>PUMPING PLANT</b>				
Land and Land Rights (320)		(35,037)	80,215	12
Structures and Improvements (321)		(369,804)	1,279,523	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)		(184,457)	660,093	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
<b>Total Pumping Plant</b>	<b>0</b>	<b>(589,298)</b>	<b>2,019,831</b>	
<b>WATER TREATMENT PLANT</b>				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)		(3,523)	22,752	23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>(3,523)</b>	<b>22,752</b>	

## WATER UTILITY PLANT IN SERVICE --Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)	61,558		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	1,192,285		26
Transmission and Distribution Mains (343)	3,541,314	317,728	27
Fire Mains (344)	0		28
Services (345)	1,018,209	17,151	29
Meters (346)	554,542	15,930	30
Hydrants (348)	494,890	16,488	31
Other Transmission and Distribution Plant (349)	2,645		32
<b>Total Transmission and Distribution Plant</b>	<b>6,865,443</b>	<b>367,297</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	56,939		34
Office Furniture and Equipment (391)	15,659	2,216	35
Computer Equipment (391.1)	57,404	1,449	36
Transportation Equipment (392)	91,500		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	23,607	1,695	39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	17,273	482	42
SCADA Equipment (397.1)	75,526	46,285	43
Miscellaneous Equipment (398)	18,906		44
Other Tangible Property (399)	0		45
<b>Total General Plant</b>	<b>356,814</b>	<b>52,127</b>	
<b>Total utility plant in service directly assignable</b>	<b>9,768,759</b>	<b>1,320,705</b>	
Common Utility Plant Allocated to Water Department	0		46
<b>Total utility plant in service</b>	<b>9,768,759</b>	<b>1,320,705</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**  
**--Plant Financed by Utility or Municipality--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)		(18,714)	42,844 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)		(362,454)	829,831 26
Transmission and Distribution Mains (343)		(1,061,821)	2,797,221 27
Fire Mains (344)			0 28
Services (345)		(308,824)	726,536 29
Meters (346)	92	(156,711)	413,669 30
Hydrants (348)		(140,297)	371,081 31
Other Transmission and Distribution Plant (349)		(804)	1,841 32
<b>Total Transmission and Distribution Plant</b>	<b>92</b>	<b>(2,049,625)</b>	<b>5,183,023</b>
<b>GENERAL PLANT</b>			
Land and Land Rights (389)			0 33
Structures and Improvements (390)		(17,309)	39,630 34
Office Furniture and Equipment (391)	170	(4,290)	13,415 35
Computer Equipment (391.1)	1,535	(17,255)	40,063 36
Transportation Equipment (392)		(21,732)	69,768 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)		(6,857)	18,445 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)		(5,104)	12,651 42
SCADA Equipment (397.1)		(22,960)	98,851 43
Miscellaneous Equipment (398)		(5,747)	13,159 44
Other Tangible Property (399)			0 45
<b>Total General Plant</b>	<b>1,705</b>	<b>(101,254)</b>	<b>305,982</b>
<b>Total utility plant in service directly assignable</b>	<b>1,797</b>	<b>(2,905,032)</b>	<b>8,182,635</b>
Common Utility Plant Allocated to Water Department			0 46
<b>Total utility plant in service</b>	<b>1,797</b>	<b>(2,905,032)</b>	<b>8,182,635</b>

**WATER UTILITY PLANT IN SERVICE  
--Plant Financed by Contributions--**

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>INTANGIBLE PLANT</b>			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	88,105	225,853	8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
<b>Total Source of Supply Plant</b>	<b>88,105</b>	<b>225,853</b>	
<b>PUMPING PLANT</b>			
Land and Land Rights (320)	72,500		12
Structures and Improvements (321)	18,883	343,239	13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	22,772	156,332	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
<b>Total Pumping Plant</b>	<b>114,155</b>	<b>499,571</b>	
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0	9,891	23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>9,891</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**  
**--Plant Financed by Contributions--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
<b>INTANGIBLE PLANT</b>				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)		161,332	475,290	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>161,332</b>	<b>475,290</b>	
<b>PUMPING PLANT</b>				
Land and Land Rights (320)		35,037	107,537	12
Structures and Improvements (321)		369,804	731,926	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)		184,457	363,561	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
<b>Total Pumping Plant</b>	<b>0</b>	<b>589,298</b>	<b>1,203,024</b>	
<b>WATER TREATMENT PLANT</b>				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)		3,523	13,414	23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>3,523</b>	<b>13,414</b>	

**WATER UTILITY PLANT IN SERVICE  
--Plant Financed by Contributions--**

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)	22,500		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	155,618		26
Transmission and Distribution Mains (343)	9,524,097	553,831	27
Fire Mains (344)	0		28
Services (345)	1,700,742	80,593	29
Meters (346)	10,904		30
Hydrants (348)	1,022,295	59,575	31
Other Transmission and Distribution Plant (349)	0		32
<b>Total Transmission and Distribution Plant</b>	<b>12,436,156</b>	<b>693,999</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	0		35
Computer Equipment (391.1)	0		36
Transportation Equipment (392)	0		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0	26,224	43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
<b>Total General Plant</b>	<b>0</b>	<b>26,224</b>	
<b>Total utility plant in service directly assignable</b>	<b>12,638,416</b>	<b>1,455,538</b>	
Common Utility Plant Allocated to Water Department	0		46
<b>Total utility plant in service</b>	<b>12,638,416</b>	<b>1,455,538</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**  
**--Plant Financed by Contributions--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)		18,714	41,214 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)		362,454	518,072 26
Transmission and Distribution Mains (343)		1,061,821	11,139,749 27
Fire Mains (344)			0 28
Services (345)		308,824	2,090,159 29
Meters (346)	41	156,711	167,574 30
Hydrants (348)		140,297	1,222,167 31
Other Transmission and Distribution Plant (349)		804	804 32
<b>Total Transmission and Distribution Plant</b>	<b>41</b>	<b>2,049,625</b>	<b>15,179,739</b>
<b>GENERAL PLANT</b>			
Land and Land Rights (389)			0 33
Structures and Improvements (390)		17,309	17,309 34
Office Furniture and Equipment (391)	74	4,290	4,216 35
Computer Equipment (391.1)	670	17,255	16,585 36
Transportation Equipment (392)		21,732	21,732 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)		6,857	6,857 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)		5,104	5,104 42
SCADA Equipment (397.1)		22,960	49,184 43
Miscellaneous Equipment (398)		5,747	5,747 44
Other Tangible Property (399)			0 45
<b>Total General Plant</b>	<b>744</b>	<b>101,254</b>	<b>126,734</b>
<b>Total utility plant in service directly assignable</b>	<b>785</b>	<b>2,905,032</b>	<b>16,998,201</b>
Common Utility Plant Allocated to Water Department			0 46
<b>Total utility plant in service</b>	<b>785</b>	<b>2,905,032</b>	<b>16,998,201</b>

## SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

<b>Sources of Water Supply</b>					
<b>Month</b>	<b>Purchased Water Gallons (000's)</b>	<b>Surface Water Gallons (000's)</b>	<b>Ground Water Gallons (000's)</b>	<b>Total Gallons All Methods (000's)</b>	
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
January			25,832	<b>25,832</b>	1
February			24,037	<b>24,037</b>	2
March			25,526	<b>25,526</b>	3
April			25,937	<b>25,937</b>	4
May			29,579	<b>29,579</b>	5
June			36,370	<b>36,370</b>	6
July			39,385	<b>39,385</b>	7
August			29,607	<b>29,607</b>	8
September			27,898	<b>27,898</b>	9
October			34,655	<b>34,655</b>	10
November			29,292	<b>29,292</b>	11
December			24,976	<b>24,976</b>	12
<b>Total annual pumpage</b>	<b>0</b>	<b>0</b>	<b>353,094</b>	<b>353,094</b>	
Less: Water sold				305,880	13
Volume pumped but not sold				<b>47,214</b>	14
Volume sold as a percent of volume pumped				<b>87%</b>	15
Volume used for water production, water quality and system maintenance				4,179	16
Volume related to equipment/system malfunction				1,400	17
Non-utility volume NOT included in water sales				1,153	18
Total volume not sold but accounted for				<b>6,732</b>	19
Volume pumped but unaccounted for				<b>40,482</b>	20
Percent of water lost				<b>11%</b>	21
If more than 25%, indicate causes:					22
If more than 25%, state what action has been taken to reduce water loss:					23
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				2,549	24
Date of maximum: 7/8/2007					25
Cause of maximum:					26
Weekend day during summer - washing cars, watering					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				503	27
Date of minimum: 4/6/2007					28
Total KWH used for pumping for the year				1,500,183	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31

**SOURCES OF WATER SUPPLY - GROUND WATERS**

<b>Location (a)</b>	<b>Identification Number (b)</b>	<b>Depth in feet (c)</b>	<b>Well Diameter in inches (d)</b>	<b>Yield Per Day in gallons (e)</b>	<b>Currently In Service? (f)</b>	
SUSSEX HEIGHTS	Well #1	1,295	12	0	No	<b>1</b>
SUSSEX ESTATES	Well #2	1,298	12	274,533	Yes	<b>2</b>
SPRING GREEN	Well #3	1,248	12	122,018	Yes	<b>3</b>
HICKORY WOODS	Well #4	1,230	18	401,068	Yes	<b>4</b>
CORPORATE CENTER	Well #5	1,245	18	541,085	Yes	<b>5</b>
PLAINVIEW ROAD	Well #6	140	10	102,455	Yes	<b>6</b>
PLAINVIEW ROAD	Well #7	1,265	16	88,424	Yes	<b>7</b>

## SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

### PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	BOOSTER #3 FIRE PUMP	BOOSTER PUMP #1	BOOSTER PUMP #2	1
Location	W234 N6775 SALEM DRIVE	W234N6775 SALEM DRIVE	W234N6775 SALEM DRIVE	2
Purpose	S	B	B	3
Destination	D	D	D	4
Pump Manufacturer	AURORA	AURORA	AURORA	5
Year Installed	1983	1983	1983	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	1,500	342	346	8
Pump Motor or Standby Engine Mfr	LINCOLN	U S ELECTRIC	U S ELECTRIC	9 10
Year Installed	1981	1988	1988	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	40	15	15	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	CC BOOSTER PUMP #1	CC BOOSTER PUMP #2	WELL #1	14
Location	48N5589 EXECUTIVE DRIVE	48N5589 EXECUTIVE DRIVE	N69W23759 DONNA DRIVE	15
Purpose	B	B	P	16
Destination	D	D	D	17
Pump Manufacturer	LAYNE	LAYNE	WORTHINGTON	18
Year Installed	1997	1997	1973	19
Type	OTHER	OTHER	OTHER	20
Actual Capacity (gpm)	870	870	436	21
Pump Motor or Standby Engine Mfr	U S MOTOR	U S MOTOR	WESHTINGHOUSE	22 23
Year Installed	1997	1997	1972	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	50	50	100	26

### PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	WELL #2	WELL #3	WELL #4	1
Location	W241N6586 FIR STREET	W233N6048 LILAC DRIVE	N239N6046 MAPLE AVENUE	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	GOULD	FAIRBANKS-MORSE	GOULD	5
Year Installed	2001	1970	1989	6
Type	OTHER	OTHER	OTHER	7
Actual Capacity (gpm)	660	328	894	8
Pump Motor or Standby Engine Mfr	U S MOTOR	NEUMAN	U S MOTOR	9 10
Year Installed	2001	1996	2005	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	100	100	250	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	WELL #5	WELL #6	WELL #7	14
Location	W248N5589 EXECUTIVE DR	9W24251 PLAINVIEW RODA	N79W24251 PLAINVIEW RD	15
Purpose	P	P	P	16
Destination	R	D	D	17
Pump Manufacturer	BYRON JACKSON	GRUNDFUS	GOULD	18
Year Installed	2006	2007	2007	19
Type	SUBMERSIBLE	SUBMERSIBLE	OTHER	20
Actual Capacity (gpm)	850	250	250	21
Pump Motor or Standby Engine Mfr	BYRON JACKSON	CENTRI PRO	U S MOTOR	22 23
Year Installed	2006	2007	2007	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	200	30	300	26

## RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification number or name	#1	#2	#3	1
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>				<b>2</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)	S	ET	ET	3
Year constructed	1977	1988	1996	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	50	109	110	6
Total capacity in gallons (actual)	1,000,000	250,000	500,000	7
<b>WATER TREATMENT PLANT</b>				<b>8</b>
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID	LIQUID	LIQUID	9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE	WELLHOUSE	10
Filters, type (gravity, pressure, other, none)	NONE	NONE	NONE	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.9000	0.9000	0.9000	12
Is a corrosion control chemical used (yes, no)?	Y	Y	Y	13
Is water fluoridated (yes, no)?	N	N	N	14

## RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	1
Identification number or name	RESERVOIR AT WELL #5	WELL #6	WELL #7	1
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>				<b>2</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R			3
Year constructed	1997			4
Primary material (earthen, steel, concrete, other)	CONCRETE			5
Elevation difference in feet (See Headnote 3.)	0			6
Total capacity in gallons (actual)	250,000			7
<b>WATER TREATMENT PLANT</b>				<b>8</b>
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID	LIQUID	LIQUID	9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE	WELLHOUSE	10
Filters, type (gravity, pressure, other, none)	NONE	NONE	NONE	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.9000	0.9000	0.9000	12
Is a corrosion control chemical used (yes, no)?	Y	Y	Y	13
Is water fluoridated (yes, no)?	N	N	N	14

## RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	WELLHOUSE #4		1
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>			<b>2</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)			3
Year constructed			4
Primary material (earthen, steel, concrete, other)			5
Elevation difference in feet (See Headnote 3.)			6
Total capacity in gallons (actual)			7
<b>WATER TREATMENT PLANT</b>			<b>8</b>
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.9000		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	N		14

### WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If the assessments are deferred, explain.

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	6.000	29,421	0	0	0	29,421	1
M	D	8.000	134,641	2,740	0	0	137,381	2
M	D	10.000	1,580	0	0	0	1,580	3
M	D	12.000	118,137	7,343	0	0	125,480	4
<b>Total Within Municipality</b>			<b>283,779</b>	<b>10,083</b>	<b>0</b>	<b>0</b>	<b>293,862</b>	
M	D	8.000	2,353	0	0	0	2,353	5
M	D	12.000	6,122	0	0	0	6,122	6
<b>Total Outside of Municipality</b>			<b>8,475</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,475</b>	
<b>Total Utility</b>			<b>292,254</b>	<b>10,083</b>	<b>0</b>	<b>0</b>	<b>302,337</b>	

### WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
  - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	179	0	0	0	179		1
M	1.000	2,250	0	0	(18)	2,232	40	2
M	1.250	374	48	0	18	440	134	3
M	1.500	96	0	0	0	96	38	4
M	2.000	22	0	0	0	22	2	5
M	3.000	3	0	0	0	3		6
M	4.000	6	0	0	0	6		7
M	6.000	14	0	0	0	14	1	8
M	8.000	48	0	0	0	48	3	9
<b>Total Utility</b>		<b>2,992</b>	<b>48</b>	<b>0</b>	<b>0</b>	<b>3,040</b>	<b>218</b>	

### METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

#### Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	3,004	100	3	15	3,116	52	1
1.000	74	8	0	(1)	81	6	2
1.500	62	1	0	0	63	0	3
2.000	35	0	0	0	35	6	4
3.000	7	0	0	0	7	4	5
4.000	4	0	0	0	4	0	6
<b>Total:</b>	<b>3,186</b>	<b>109</b>	<b>3</b>	<b>14</b>	<b>3,306</b>	<b>68</b>	

#### Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	2,927	71	22	11	0	85	3,116	1
1.000	3	44	23	2	0	9	81	2
1.500	0	49	9	2	1	2	63	3
2.000	0	26	5	4	0	0	35	4
3.000	0	1	1	5	0	0	7	5
4.000	0	0	4	0	0	0	4	6
<b>Total:</b>	<b>2,930</b>	<b>191</b>	<b>64</b>	<b>24</b>	<b>1</b>	<b>96</b>	<b>3,306</b>	

### HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
  - a. Fire hydrants normally have a lead size of 6 inches or greater.
  - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
<b>Fire Hydrants</b>						
Outside of Municipality	4				4	1
Within Municipality	675	18			693	2
<b>Total Fire Hydrants</b>	<b>679</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>697</b>	
<b>Flushing Hydrants</b>						
	3				3	3
<b>Total Flushing Hydrants</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	

**NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.**

Number of hydrants operated during year:	697
Number of distribution system valves end of year:	1,509
Number of distribution valves operated during year:	603

---

## WATER OPERATING SECTION FOOTNOTES

---

### Other Operating Revenues (Water) (Page W-04)

Please explain amounts in Account 474 in excess of \$5,000, including like items grouped. Please provide, for example, a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Average investment in meters is \$399,606. Using a rate of return of 4%, this generates a rate of return on meters of \$15,984.25. Of this amount, 50% is charged to the sewer utility.

---

### Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 25%, but not less \$5,000, please explain.

**Account #625 Maintenance of Pumping Plant**

During 2006, we spent about \$27,000 for well pump repairs that did not get capitalized (the other \$53,000 was capitalized per correspondence with the PSC). During 2007, we had about \$10,000 more in payroll costs included in this account over the 2006 amount. This was for time spent painting at the pumphouses.

**Account #640 Operation Labor**

During 2006, we had about \$10,000 more in labor than in 2007. The majority of this came during March and April as a result of time spent on the last large group of meter change outs (converting to radio read meters).

**Account #652 Maintenance of Services**

During 2006, we spent about \$6,800 to investigate and repair two leaks. During 2007, repairs were minimal (less than \$1,000).

**Account #655 Maintenance of Other Plant**

2007 included about \$7,000 more in payroll than in 2006. This was for time spent painting at the booster stations.

**Account #923 Outside Services Employed**

In 2006, we spent about \$10,000 more for our consulting engineer than in 2007. A good portion of this was for reviewing our SCADA system.

**Account #926 Employee Pensions and Benefits**

As a result of the settling of our union contract, there was a change to the policy for the payout of accumulated sick pay upon retirement. This resulted in an additional \$12,000 being recorded as an expense in 2007.

---

### Property Tax Equivalent (Water) (Page W-07)

**General footnotes**

The utility has plant in two different school districts. Both are in Waukesha County.

---

---

## WATER OPERATING SECTION FOOTNOTES

---

### Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

**If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$50,000, please explain. If applicable, provide construction authorization.**

During 2007, the utility completed construction of wells #6 and #7. The wells included a pumphouse facility as well as conveyance main to connect it to the existing system. Based upon discussions with Kathy Butzlaff of the PSC during the rate increase application process (Docket #5835-WR-103), a portion of the cost of the new construction will be recovered by Reserve Capacity Assessments. Therefore, although the utility paid for the construction a portion of it is recorded as financed by contributions.

**If Adjustments for any account are nonzero, please explain.**

As part of the 2007 application to increase water rates (Docket #5835-WR-103) it was determined that a portion of assets previously classified as utility financed were paid for through the past collection of Reserve Capacity Assessments or will be recovered through future collections. The percentage transferred (30.4%) was based on the existing peak day demand of 2.124 MGD versus the existing system capacity of 3.053 MGD (as of 12/31/05 when the Reserve Capacity Assessment study was completed).

---

### Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

**If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$50,000, please explain.**

During 2007, the utility completed construction of wells #6 and #7. The wells included a pumphouse facility as well as conveyance main to connect it to the existing system. Based upon discussions with Kathy Butzlaff of the PSC during the rate increase application process (Docket #5835-WR-103), a portion of the cost of the new construction will be recovered by Reserve Capacity Assessments. Therefore, although the utility paid for the construction a portion of it is recorded as financed by contributions.

**If Adjustments for any account are nonzero, please explain.**

As part of the 2007 application to increase water rates (Docket #5835-WR-103) it was determined that a portion of assets previously classified as utility financed were paid for through the past collection of Reserve Capacity Assessments or will be recovered through future collections. The percentage transferred (30.4%) was based on the existing peak day demand of 2.124 MGD versus the existing system capacity of 3.053 MGD (as of 12/31/05 when the Reserve Capacity Assessment study was completed).

---

### Water Mains (Page W-17)

**If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.**

During 2007, there were developer financed additions for 2,740 feet of eight inch main and 3,065 feet of twelve inch main.

In addition, there was 4,277.50 feet of twelve inch main financed by the utility through a borrowing. About 85% of the total has been assessed to the property owners. The assessments are deferred until the property is either developed in the case of property already in the village or until the property is annexed in the case of property still in the adjoining town.

---

---

## WATER OPERATING SECTION FOOTNOTES

---

### Water Services (Page W-18)

**Explain all reported Adjustments.**

In 2006, we showed a new subdivision being added with one inch services. During 2007, we received the actual information and found that they were 1 1/4 inch.

**If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.**

Thirty-nine of the services were developer financed. The other nine services were installed by the utility and financed with a borrowing. The costs were assessed to the property owners but are deferred until certain conditions are met (development of the property or being annexed into the village).

---

### Meters (Page W-19)

**Explain all reported adjustments.**

Adjustment to inventory.

**Explain program for replacing or testing meters 1" or smaller.**

During 2007, the utility finished its conversion of the small meters to those that can be read remotely. All small meters have been converted over the last several years except for one apartment complex that is not being converted.

**Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.**

Yes

---

### Hydrants and Distribution System Valves (Page W-20)

**General footnotes**

During 2007, we did not operate 50% of the valves. The additional half time position was added during the year so we were closer to 50% than in the prior year. During February of 2008 we purchased a valve turner which should improve the situation for 2008.

---