



3013 (02-05-09)

ANNUAL REPORT

OF

Name: CITY OF SHAWANO WATER & SEWER UTILITY

Principal Office: 127 S SAWYER
SHAWANO, WI 54166

For the Year Ended: DECEMBER 31, 2009

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.

GENERAL RULES FOR REPORTING

1. Prepare the report in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin.
2. Numeric items shall contain digits (0-9). A minus sign "-" shall be entered in the software program to indicate negative values. Parentheses shall not be used for numeric items. The program will convert the minus sign to parentheses for hard copy annual report purposes. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
3. The annual report should be complete in itself in all particulars. Reference to reports of former years should not be made to take the place of required entries except as otherwise specifically authorized.
4. Whenever schedules call for data from the previous year, the data reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different data is being reported for the current year. Where available, use an adjustment column.
5. All dollar amounts will be reported in whole dollars.
6. Wherever information is required to be shown as text, the information shall be shown in the space provided using other than account titles. In each case, the information shall be properly identified. Footnote capability is included in the annual report software program and shall be utilized where necessary to further explain particulars of a schedule.

SIGNATURE PAGE

I NANCY SCHAUER of
(Person responsible for accounts)

CITY OF SHAWANO WATER & SEWER UTILITY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts) 03/31/2010
(Date)

FINANCIAL MANAGER OF SHAWANO MUNICIPAL UTILITIES
(Title)

TABLE OF CONTENTS

| Schedule Name | Page |
|--|------|
| General Rules for Reporting | i |
| Signature Page | ii |
| Table of Contents | iii |
| Identification and Ownership | iv |
| FINANCIAL SECTION | |
| Income Statement | F-01 |
| Details of Income Statement Accounts | 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-06 |
| Balance Sheet | F-07 |
| Net Utility Plant | F-08 |
| Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 111.1) | F-09 |
| Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 111.2) | F-10 |
| Net Nonutility Property (Accts. 121 & 122) | F-11 |
| Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144) | F-12 |
| Materials and Supplies | F-13 |
| Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251) | F-14 |
| Capital Paid in by Municipality (Acct. 200) | F-15 |
| Bonds (Accts. 221 and 222) | F-17 |
| Notes Payable & Miscellaneous Long-Term Debt | F-18 |
| Taxes Accrued (Acct. 236) | F-19 |
| Interest Accrued (Acct. 237) | F-20 |
| Detail of Other Balance Sheet Accounts | F-22 |
| Return on Rate Base Computation | F-23 |
| Regulatory Liability - Pre-2003 Historical Accumulated Depreciation on Contributed Utility Plant (253) | F-25 |
| Important Changes During the Year | F-26 |
| Financial Section Footnotes | N/A |
| WATER OPERATING SECTION | |
| 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 |
| Water Utility Plant in Service --Plant Financed by Utility or Municipality-- | W-08 |
| Water Utility Plant in Service --Plant Financed by Contributions-- | W-09 |
| Accumulated Provision for Depreciation - Water --Plant Financed by Utility or Municipality-- | W-10 |
| Accumulated Provision for Depreciation - Water --Plant Financed by Contributions-- | W-12 |
| Sources of Water Supply - Statistics | W-13 |
| Water Loss and Other Statistics | W-14 |
| Sources of Water Supply - Ground Waters | W-15 |
| Sources of Water Supply - Surface Waters | W-16 |
| Pumping & Power Equipment | W-17 |
| Reservoirs, Standpipes & Water Treatment | W-18 |
| Water Mains | W-19 |

TABLE OF CONTENTS

| Schedule Name | Page |
|--|-------------|
| WATER OPERATING SECTION | |
| Water Services | W-20 |
| Meters | W-21 |
| Hydrants and Distribution System Valves | W-22 |
| Water Operating Section Footnotes | N/A |
| SEWER OPERATING SECTION | |
| Sewer Operating Revenues & Expenses | S-01 |
| Sewage Operating Revenues | S-02 |
| High Strength Contributors | S-03 |
| Other Operating Revenues (Sewer) | S-04 |
| Sewer Operation & Maintenance Expenses | S-05 |
| Taxes (Acct. 408 - Sewer) | S-06 |
| Sewer Utility Plant in Service --Plant Financed by Utility or Municipality-- | S-07 |
| Sewer Utility Plant in Service --Plant Financed by Contributions-- | S-08 |
| Sewer Services | S-09 |
| Sewer Mains | S-10 |

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: CITY OF SHAWANO WATER & SEWER UTILITY

Utility Address: 127 S SAWYER
SHAWANO, WI 54166

When was utility organized? 7/23/2008

Report any change in name:

Effective Date:

Utility Web Site: www.shawanowi.govoffice2.com

Utility employee in charge of correspondence concerning this report:

Name: RICK STAUTZ

Title: DIRECTOR OF PUBLIC WORKS

Office Address:

2905 E RICHMOND ST
SHAWANO, WI 54166

Telephone: (715) 526 - 3512

Fax Number: (715) 526 - 3519

Email Address: rstautz@shawanonet.net

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

Name: NANCY SCHAUER

Title: FINANCIAL MANAGER

Office Address: SHAWANO MUNICIPAL UTILITIES

122 N SAWYER ST
P.O. BOX 436
SHAWANO, WI 54166

Telephone: (715) 526 - 7725

Fax Number: (715) 524 - 3708

Email Address: nschauer@shawanonet.net

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

Name: FRED PONSCHOK

Title: CHAIRPERSON

Office Address:

1136 S LINCOLN ST
SHAWANO, WI 54166

Telephone: (715) 526 - 3564

Fax Number:

Email Address:

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

YES

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

Name: KAREN KERBER

Title: AUDITOR

Office Address: KERBER, ROSE & ASSOCIATES S.C.

115 E 5TH ST
SHAWANO, WI 54166

Telephone: (715) 526 - 9400

Fax Number: (715) 524 - 2599

Email Address: karen.kerber@kerberrose.com

IDENTIFICATION AND OWNERSHIP

Date of most recent audit report: 2/19/2010

Period covered by most recent audit: 2009

Names and titles of utility management including manager or superintendent:

Name: RICK STAUTZ

Title: DIRECTOR OF PUBLIC WORKS

Office Address:

2905 E RICHMOND ST
SHAWANO, WI 54166

Telephone: (715) 526 - 3512

Fax Number: (715) 526 - 3519

Email Address: rstautz@shawanonet.net

Name of utility commission/committee: FIELD COMMITTEE

Names of members of utility commission/committee:

- MR MARK BRAUN, CITIZEN
- MR ROBERT KURKIEWICZ, ALDERPERSON
- MR FRED PONSCHOK, CHAIRPERSON
- MR BRIAN RETZLAFF, ALDERPERSON
- MR RON STUBER, CITIZEN

Is sewer service rendered by the utility? YES

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? YES

Date of Ordinance: 1/1/1975

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:

Firm Name: WOLF TREATMENT PLANT
N4802 DOUGLAS WINTER RD
P.O. BOX 452
SHAWANO, WI 54166-0452

Contact Person: MR GERALD L WEISNIGHT

Title: ADMINISRATOR

Telephone: (715) 524 - 2176

Fax Number: (715) 524 - 5242

Email Address: shawls@frontiernet.net

Contract/Agreement beginning-ending dates: 1/1/1975 1/1/2011

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

SHAWANO MUNICIPAL UTILITIES/CITY OF SHAWANO HAS CONTRACTED WITH THE WOLF TREATMENT PLANT TO TREAT THE SEWAGE FROM THE CITY OF SHAWANO RESIDENTS AND BUSINESSES.

INCOME STATEMENT

| Particulars (a) | This Year (b) | Last Year (c) | |
|--|-------------------|-------------------|----|
| UTILITY OPERATING INCOME | | | |
| Operating Revenues (400) | 3,165,021 | 3,124,704 | 1 |
| Operating Expenses: | | | |
| Operation and Maintenance Expense (401-402) | 1,810,189 | 1,769,820 | 2 |
| Depreciation Expense (403) | 474,470 | 461,632 | 3 |
| Amortization Expense (404-407) | 29,166 | 29,166 | 4 |
| Taxes (408) | 230,629 | 213,744 | 5 |
| Total Operating Expenses | 2,544,454 | 2,474,362 | |
| Net Operating Income | 620,567 | 650,342 | |
| Income from Utility Plant Leased to Others (412-413) | 0 | 0 | 6 |
| Utility Operating Income | 620,567 | 650,342 | |
| OTHER INCOME | | | |
| Income from Merchandising, Jobbing and Contract Work (415-416) | 11,442 | 3,440 | 7 |
| Income from Nonutility Operations (417) | 0 | 1,200 | 8 |
| Nonoperating Rental Income (418) | 0 | 0 | 9 |
| Interest and Dividend Income (419) | 0 | 0 | 10 |
| Miscellaneous Nonoperating Income (421) | 75 | 950 | 11 |
| Total Other Income | 11,517 | 5,590 | |
| Total Income | 632,084 | 655,932 | |
| MISCELLANEOUS INCOME DEDUCTIONS | | | |
| Miscellaneous Amortization (425) | (19,246) | (19,246) | 12 |
| Other Income Deductions (426) | 44,394 | 44,394 | 13 |
| Total Miscellaneous Income Deductions | 25,148 | 25,148 | |
| Income Before Interest Charges | 606,936 | 630,784 | |
| INTEREST CHARGES | | | |
| Interest on Long-Term Debt (427) | 99,393 | 103,725 | 14 |
| Amortization of Debt Discount and Expense (428) | 3,318 | 3,482 | 15 |
| Amortization of Premium on Debt--Cr. (429) | 0 | 0 | 16 |
| Interest on Debt to Municipality (430) | 0 | 0 | 17 |
| Other Interest Expense (431) | 24,789 | 1,579 | 18 |
| Interest Charged to Construction--Cr. (432) | 0 | 0 | 19 |
| Total Interest Charges | 127,500 | 108,786 | |
| Net Income | 479,436 | 521,998 | |
| EARNED SURPLUS | | | |
| Unappropriated Earned Surplus (Beginning of Year) (216) | 10,953,080 | 10,880,344 | 20 |
| Balance Transferred from Income (433) | 479,436 | 521,998 | 21 |
| Miscellaneous Credits to Surplus (434) | 84,553 | 0 | 22 |
| Miscellaneous Debits to Surplus--Debit (435) | 0 | 585,619 | 23 |
| Appropriations of Surplus--Debit (436) | 0 | 0 | 24 |
| Appropriations of Income to Municipal Funds--Debit (439) | 0 | 0 | 25 |
| Total Unappropriated Earned Surplus End of Year (216) | 11,517,069 | 10,816,723 | |

INCOME STATEMENT

Income Statement (Page F-01)

General footnotes

The totals were validated with 2008 year end totals for this report.

DETAILS OF INCOME STATEMENT ACCOUNTS

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) | |
|--|----------------------------|---------------------------------|---------------------------|----|
| UTILITY OPERATING INCOME | | | | |
| Operating Revenues (400): | | | | |
| Derived | 3,165,021 | 0 | 3,165,021 | 1 |
| Total (Acct. 400): | 3,165,021 | 0 | 3,165,021 | |
| Operation and Maintenance Expense (401-402): | | | | |
| Derived | 1,810,189 | 0 | 1,810,189 | 2 |
| Total (Acct. 401-402): | 1,810,189 | 0 | 1,810,189 | |
| Depreciation Expense (403): | | | | |
| Derived | 474,470 | 0 | 474,470 | 3 |
| Total (Acct. 403): | 474,470 | 0 | 474,470 | |
| Amortization Expense (404-407): | | | | |
| Derived | 29,166 | 0 | 29,166 | 4 |
| Total (Acct. 404-407): | 29,166 | 0 | 29,166 | |
| Taxes (408): | | | | |
| Derived | 230,629 | 0 | 230,629 | 5 |
| Total (Acct. 408): | 230,629 | 0 | 230,629 | |
| Revenues from Utility Plant Leased to Others (412): | | | | |
| NONE | | | 0 | 6 |
| Total (Acct. 412): | 0 | 0 | 0 | |
| Expenses of Utility Plant Leased to Others (413): | | | | |
| NONE | | | 0 | 7 |
| Total (Acct. 413): | 0 | 0 | 0 | |
| TOTAL UTILITY OPERATING INCOME: | 620,567 | 0 | 620,567 | |
| OTHER INCOME | | | | |
| Income from Merchandising, Jobbing and Contract Work (415-416): | | | | |
| Derived | 11,442 | 0 | 11,442 | 8 |
| Total (Acct. 415-416): | 11,442 | 0 | 11,442 | |
| Income from Nonutility Operations (417): | | | | |
| NONE | 0 | | 0 | 9 |
| Total (Acct. 417): | 0 | 0 | 0 | |
| Nonoperating Rental Income (418): | | | | |
| NONE | | | 0 | 10 |
| Total (Acct. 418): | 0 | 0 | 0 | |
| Interest and Dividend Income (419): | | | | |
| NONE | | | 0 | 11 |
| Total (Acct. 419): | 0 | 0 | 0 | |
| Miscellaneous Nonoperating Income (421): | | | | |
| WELL PERMITS | 75 | 0 | 75 | 12 |
| Total (Acct. 421): | 75 | 0 | 75 | |
| TOTAL OTHER INCOME: | 11,517 | 0 | 11,517 | |

DETAILS OF INCOME STATEMENT ACCOUNTS

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) | |
|---|----------------------------|---------------------------------|---------------------------|----|
| MISCELLANEOUS INCOME DEDUCTIONS | | | | |
| Miscellaneous Amortization (425): | | | | |
| Regulatory Liability (253) Amortization | (19,246) | 0 | (19,246) | 13 |
| NONE | | | 0 | 14 |
| Total (Acct. 425): | (19,246) | 0 | (19,246) | |
| Other Income Deductions (426): | | | | |
| DEPRECIATION EXPENSE ON CONTR PLANT-WATER | 0 | 28,779 | 28,779 | 15 |
| DEPRECIATION EXPENSE ON CONTR PLANT-SEWER | | 15,615 | 15,615 | 16 |
| Total (Acct. 426): | 0 | 44,394 | 44,394 | |
| TOTAL MISCELLANEOUS INCOME DEDUCTIONS: | (19,246) | 44,394 | 25,148 | |
| INTEREST CHARGES | | | | |
| Interest on Long-Term Debt (427): | | | | |
| Derived | 99,393 | 0 | 99,393 | 17 |
| Total (Acct. 427): | 99,393 | 0 | 99,393 | |
| Amortization of Debt Discount and Expense (428): | | | | |
| AMORTIZATION OF DEBT DISCOUNT | 3,318 | | 3,318 | 18 |
| Total (Acct. 428): | 3,318 | 0 | 3,318 | |
| Amortization of Premium on Debt--Cr. (429): | | | | |
| NONE | | | 0 | 19 |
| Total (Acct. 429): | 0 | 0 | 0 | |
| Interest on Debt to Municipality (430): | | | | |
| Derived | 0 | 0 | 0 | 20 |
| Total (Acct. 430): | 0 | 0 | 0 | |
| Other Interest Expense (431): | | | | |
| Derived | 24,789 | 0 | 24,789 | 21 |
| Total (Acct. 431): | 24,789 | 0 | 24,789 | |
| Interest Charged to Construction--Cr. (432): | | | | |
| NONE | | | 0 | 22 |
| Total (Acct. 432): | 0 | 0 | 0 | |
| TOTAL INTEREST CHARGES: | 127,500 | 0 | 127,500 | |
| NET INCOME: | 523,830 | (44,394) | 479,436 | |
| EARNED SURPLUS | | | | |
| Unappropriated Earned Surplus (Beginning of Year) (216): | | | | |
| Derived | 8,213,498 | 2,739,582 | 10,953,080 | 23 |
| Total (Acct. 216): | 8,213,498 | 2,739,582 | 10,953,080 | |
| Balance Transferred from Income (433): | | | | |
| Derived | 523,830 | (44,394) | 479,436 | 24 |
| Total (Acct. 433): | 523,830 | (44,394) | 479,436 | |
| Miscellaneous Credits to Surplus (434): | | | | |
| MISC CREDITS TO SURPLUS(LAND SALE-SCHOOL) | 84,553 | 0 | 84,553 | 25 |
| Total (Acct. 434): | 84,553 | 0 | 84,553 | |

DETAILS OF INCOME STATEMENT ACCOUNTS

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) | |
|--|----------------------------|---------------------------------|---------------------------|----|
| EARNED SURPLUS | | | | |
| Miscellaneous Debits to Surplus--Debit (435): | | | | |
| NONE | | | 0 | 26 |
| Total (Acct. 435)--Debit: | 0 | 0 | 0 | |
| Appropriations of Surplus--Debit (436): | | | | |
| Detail appropriations to (from) account 215 | | | 0 | 27 |
| Total (Acct. 436)--Debit: | 0 | 0 | 0 | |
| Appropriations of Income to Municipal Funds--Debit (439): | | | | |
| NONE | | | 0 | 28 |
| Total (Acct. 439)--Debit: | 0 | 0 | 0 | |
| UNAPPROPRIATED EARNED SURPLUS (END OF YEAR): | 8,821,881 | 2,695,188 | 11,517,069 | |

DETAILS OF INCOME STATEMENT ACCOUNTS

Details of Income Statement Accounts (Page F-02)

If amount of Miscellaneous Credits to Surplus (Acct 434) exceeds \$10,000, please explain fully.

The water utility purchased land in early 2000 to protect the wells that supply the customers.
A piece of this land was sold to the Shawano School District. These monies are the monies
earned over and above what was paid for the land earlier.

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

| Particulars (a) | Water (b) | Electric (c) | Sewer (d) | Gas (e) | Total (f) | |
|--|--------------|-----------------|--------------|------------|---------------|---|
| Revenues (account 415) | 13,136 | | 8,515 | | 21,651 | 1 |
| Costs and Expenses of Merchandising, Jobbing and Contract Work (416): | | | | | | |
| Cost of merchandise sold | | | | | 0 | 2 |
| Payroll | 3,215 | | 2,339 | | 5,554 | 3 |
| Materials | 42 | | 3,705 | | 3,747 | 4 |
| Taxes | | | | | 0 | 5 |
| Other (list by major classes): | | | | | | |
| TRANSPORTATION EXPENSES | 87 | | 821 | | 908 | 6 |
| Total costs and expenses | 3,344 | 0 | 6,865 | 0 | 10,209 | |
| Net income (or loss) | 9,792 | 0 | 1,650 | 0 | 11,442 | |

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

| Description (a) | Water Utility (b) | Electric Utility (c) | Sewer Utility (Regulated Only) (d) | Gas Utility (e) | Total (f) | |
|--|-------------------------|----------------------------|---|-----------------------|------------------|----------|
| Total operating revenues | 1,467,188 | 0 | 1,697,833 | 0 | 3,165,021 | 1 |
| Less: interdepartmental sales | 2,028 | | 737 | 0 | 2,765 | 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.) | 43,805 | | | | 43,805 | 4 |
| Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained | 109 | | 205 | | 314 | 5 |
| Other Increases or (Decreases) | | | | | | |
| to Operating Revenues - Specify: | | | | | | |
| NONE | | | | | 0 | 6 |
| Revenues subject to Wisconsin Remainder Assessment | 1,421,246 | 0 | 1,696,891 | 0 | 3,118,137 | |

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 | 193,622 | 52,120 | 245,742 | 1 |
| Electric operating expenses | 0 | 0 | 0 | 2 |
| Gas operating expenses | 0 | 0 | 0 | 3 |
| Heating operating expenses | 0 | 0 | 0 | 4 |
| Sewer operating expenses | 116,548 | 31,373 | 147,921 | 5 |
| Merchandising and jobbing | 3,387 | 912 | 4,299 | 6 |
| Other nonutility expenses | 0 | 0 | 0 | 7 |
| Water utility plant accounts | 23,811 | 6,410 | 30,221 | 8 |
| Electric utility plant accounts | 0 | 0 | 0 | 9 |
| Gas utility plant accounts | 0 | 0 | 0 | 10 |
| Heating utility plant accounts | 0 | 0 | 0 | 11 |
| Sewer utility plant accounts | 28,764 | 7,742 | 36,506 | 12 |
| Accum. prov. for depreciation of water plant | 0 | 0 | 0 | 13 |
| Accum. prov. for depreciation of electric plant | 0 | 0 | 0 | 14 |
| Accum. prov. for depreciation of gas plant | 0 | 0 | 0 | 15 |
| Accum. prov. for depreciation of heating plant | 0 | 0 | 0 | 16 |
| Accum. prov. for depreciation of sewer plant | 0 | 0 | 0 | 17 |
| Clearing accounts | 98,557 | (98,557) | 0 | 18 |
| All other accounts | 0 | 0 | 0 | 19 |
| Total Payroll | 464,689 | 0 | 464,689 | |

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 | 2.0 | 1 |
| Electric | | 2 |
| Gas | | 3 |
| Sewer | 2.0 | 4 |

BALANCE SHEET

| Assets and Other Debits (a) | Balance End of Year (b) | Balance First of Year (c) | |
|--|--|--|----|
| UTILITY PLANT | | | |
| Utility Plant (101) | 21,423,125 | 19,140,867 | 1 |
| Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (111) | 4,665,913 | 4,228,010 | 2 |
| Utility Plant Acquisition Adjustments (117-118) | | | 3 |
| Other Utility Plant Adjustments (119) | | | 4 |
| Total Net Utility Plant | 16,757,212 | 14,912,857 | |
| OTHER PROPERTY AND INVESTMENTS | | | |
| Nonutility Property (121) | 0 | 0 | 5 |
| Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122) | 0 | 0 | 6 |
| Net Nonutility Property | 0 | 0 | |
| Investment in Municipality (123) | 0 | 0 | 7 |
| Other Investments (124) | 0 | 61,490 | 8 |
| Sinking Funds (125) | 294,939 | 435,647 | 9 |
| Depreciation Fund (126) | 0 | | 10 |
| Other Special Funds (128) | 0 | | 11 |
| Total Other Property and Investments | 294,939 | 497,137 | |
| CURRENT AND ACCRUED ASSETS | | | |
| Cash (131) | | | 12 |
| Special Deposits (134) | 0 | | 13 |
| Working Funds (135) | | | 14 |
| Temporary Cash Investments (136) | 848,419 | 421,152 | 15 |
| Notes Receivable (141) | 0 | 0 | 16 |
| Customer Accounts Receivable (142) | 304,015 | 327,390 | 17 |
| Other Accounts Receivable (143) | 633 | 1,408 | 18 |
| Accumulated Provision for Uncollectible Accounts- -Cr. (144) | 0 | 0 | 19 |
| Receivables from Municipality (145) | 582,669 | 390,103 | 20 |
| Plant Materials and Operating Supplies (154) | 17,962 | 20,664 | 21 |
| Merchandise (155) | 0 | 0 | 22 |
| Other Materials and Supplies (156) | 0 | 0 | 23 |
| Stores Expense (163) | 0 | 0 | 24 |
| Prepayments (165) | 0 | 0 | 25 |
| Interest and Dividends Receivable (171) | | | 26 |
| Accrued Utility Revenues (173) | | | 27 |
| Miscellaneous Current and Accrued Assets (174) | | | 28 |
| Total Current and Accrued Assets | 1,753,698 | 1,160,717 | |
| DEFERRED DEBITS | | | |
| Unamortized Debt Discount and Expense (181) | 21,696 | 25,014 | 29 |
| Extraordinary Property Losses (182) | 58,332 | 87,497 | 30 |
| Preliminary Survey and Investigation Charges (183) | 0 | 0 | 31 |
| Clearing Accounts (184) | 0 | | 32 |
| Temporary Facilities (185) | 0 | | 33 |
| Miscellaneous Deferred Debits (186) | 31,786 | 75,726 | 34 |
| Total Deferred Debits | 111,814 | 188,237 | |
| Total Assets and Other Debits | 18,917,663 | 16,758,948 | |

BALANCE SHEET

| Liabilities and Other Credits (a) | Balance End of Year (b) | Balance First of Year (c) | |
|---|-------------------------------|---------------------------------|----|
| PROPRIETARY CAPITAL | | | |
| Capital Paid in by Municipality (200) | 2,896,428 | 2,878,109 | 35 |
| Appropriated Earned Surplus (215) | | | 36 |
| Unappropriated Earned Surplus (216) | 11,517,069 | 10,816,723 | 37 |
| Total Proprietary Capital | 14,413,497 | 13,694,832 | |
| LONG-TERM DEBT | | | |
| Bonds (221) | 1,975,421 | 2,093,029 | 38 |
| Advances from Municipality (223) | 0 | | 39 |
| Other Long-Term Debt (224) | 0 | | 40 |
| Total Long-Term Debt | 1,975,421 | 2,093,029 | |
| CURRENT AND ACCRUED LIABILITIES | | | |
| Notes Payable (231) | 1,718,077 | 307,495 | 41 |
| Accounts Payable (232) | 296,482 | 167,908 | 42 |
| Payables to Municipality (233) | 0 | | 43 |
| Customer Deposits (235) | 0 | | 44 |
| Taxes Accrued (236) | 202,094 | 188,266 | 45 |
| Interest Accrued (237) | 42,644 | 18,726 | 46 |
| Tax Collections Payable (241) | | | 47 |
| Miscellaneous Current and Accrued Liabilities (242) | | | 48 |
| Total Current and Accrued Liabilities | 2,259,297 | 682,395 | |
| DEFERRED CREDITS | | | |
| Unamortized Premium on Debt (251) | 0 | | 49 |
| Customer Advances for Construction (252) | | | 50 |
| Other Deferred Credits (253) | 269,448 | 288,692 | 51 |
| Total Deferred Credits | 269,448 | 288,692 | |
| OPERATING RESERVES | | | |
| Property Insurance Reserve (261) | | | 52 |
| Injuries and Damages Reserve (262) | | | 53 |
| Pensions and Benefits Reserve (263) | | | 54 |
| Miscellaneous Operating Reserves (265) | | | 55 |
| Total Operating Reserves | 0 | 0 | |
| Total Liabilities and Other Credits | 18,917,663 | 16,758,948 | |

BALANCE SHEET

Balance Sheet (Page F-07)

General footnotes

The totals were validated with 2008 year end totals for this report.

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) | |
|--|---|------------------|------------|-----------------|----|
| First of Year: | | | | | |
| Total Utility Plant - First of Year | 9,565,199 | 5,347,658 | | | 1 |
| | <i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i> | | | | |
| Plant Accounts: | | | | | |
| Utility Plant in Service - Financed by Utility Operations or by the Municipality (101.1) | 11,106,656 | 7,372,896 | 0 | 0 | 2 |
| Utility Plant in Service - Contributed Plant (101.2) | 1,728,522 | 964,117 | 0 | 0 | 3 |
| Utility Plant Purchased or Sold (102) | | | | | 4 |
| Utility Plant Leased to Others (104) | | | | | 5 |
| Property Held for Future Use (105) | | | | | 6 |
| Completed Construction not Classified (106) | | | | | 7 |
| Construction Work in Progress (107) | 250,934 | 0 | | | 8 |
| Total Utility Plant | 13,086,112 | 8,337,013 | 0 | 0 | |
| Accumulated Provision for Depreciation and Amortization: | | | | | |
| Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (111.1) | 2,392,582 | 1,591,175 | 0 | 0 | 9 |
| Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (111.2) | 431,033 | 251,123 | 0 | 0 | 10 |
| Accumulated Provision for Depreciation of Utility Plant Leased to Others (112) | | | | | 11 |
| Accumulated Provision for Depreciation of Property Held for Future Use (113) | | | | | 12 |
| Accumulated Provision for Amortization of Utility Plant in Service (114) | | | | | 13 |
| Accumulated Provision for Amortization of Utility Plant Leased to Others (115) | | | | | 14 |
| Accumulated Provision for Amortization of Property Held for Future Use (116) | | | | | 15 |
| Total Accumulated Provision | 2,823,615 | 1,842,298 | 0 | 0 | |
| Other Utility Plant Accounts: | | | | | |
| Utility Plant Acquisition Adjustments (117) | | | | | 16 |
| Accumulated Provision for Amortization of Utility Plant Acquisition Adjustments (118) | | | | | 17 |
| Other Utility Plant Adjustments (119) | | | | | 18 |
| Total Other Utility Plant Accounts | 0 | 0 | 0 | 0 | |
| Net Utility Plant | 10,262,497 | 6,494,715 | 0 | 0 | |

ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT ON UTILITY PLANT FINANCED BY UTILITY OPERATION OR BY THE MUNICIPALITY (ACCT. 111.1)

Depreciation Accruals (Credits) during the year (111.1):

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) | Sewer (c) | (d) | (e) | Total (f) | |
|--------------------------------------|------------------|------------------|----------|----------|------------------|-----------|
| Balance first of year (111.1) | 2,106,835 | 1,483,414 | | | 3,590,249 | 1 |
| Credits During Year | | | | | | 2 |
| Accruals: | | | | | | 3 |
| Charged depreciation expense (403) | 285,398 | 189,072 | | | 474,470 | 4 |
| Depreciation expense on meters | | | | | | 5 |
| charged to sewer (see Note 3) | 30,682 | (30,682) | | | 0 | 6 |
| Accruals charged other | | | | | | 7 |
| accounts (specify): | | | | | | 8 |
| cleared to transportation | 0 | 7,129 | | | 7,129 | 9 |
| Salvage | 149 | 198 | | | 347 | 10 |
| Other credits (specify): | | | | | | 11 |
| | | | | | 0 | 12 |
| | | | | | 0 | 13 |
| | | | | | 0 | 14 |
| | | | | | 0 | 15 |
| Total credits | 316,229 | 165,717 | 0 | 0 | 481,946 | 16 |
| Debits during year | | | | | | 17 |
| Book cost of plant retired | 18,297 | 42,412 | | | 60,709 | 18 |
| Cost of removal | 12,185 | 15,544 | | | 27,729 | 19 |
| Other debits (specify): | | | | | | 20 |
| | | | | | 0 | 21 |
| | | | | | 0 | 22 |
| | | | | | 0 | 23 |
| | | | | | 0 | 24 |
| Total debits | 30,482 | 57,956 | 0 | 0 | 88,438 | 25 |
| Balance end of year (111.1) | 2,392,582 | 1,591,175 | 0 | 0 | 3,983,757 | 26 |
| Footnotes | | | | | | 27 |

ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 111.2)

Depreciation Accruals (Credits) during the year (111.2):

1. Report the amounts charged in the operating sections to Other Income Deductions (426).
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) | Sewer (c) | (d) | (e) | Total (f) | |
|---------------------------------------|----------------|----------------|----------|----------|----------------|----|
| Balance first of year (111.2) | 402,255 | 235,508 | | | 637,763 | 1 |
| Credits During Year | | | | | | 2 |
| Accruals: | | | | | | 3 |
| Charged Other Income Deductions (426) | 28,778 | 15,615 | | | 44,393 | 4 |
| Depreciation expense on meters | | | | | | 5 |
| charged to sewer (see Note 3) | | | | | 0 | 6 |
| Accruals charged other | | | | | | 7 |
| accounts (specify): | | | | | | 8 |
| | | | | | 0 | 9 |
| Salvage | 0 | | | | 0 | 10 |
| Other credits (specify): | | | | | | 11 |
| | | | | | 0 | 12 |
| | | | | | 0 | 13 |
| | | | | | 0 | 14 |
| | | | | | 0 | 15 |
| Total credits | 28,778 | 15,615 | 0 | 0 | 44,393 | 16 |
| Debits during year | | | | | | 17 |
| Book cost of plant retired | 0 | 0 | | | 0 | 18 |
| Cost of removal | 0 | | | | 0 | 19 |
| Other debits (specify): | | | | | | 20 |
| | | | | | 0 | 21 |
| | | | | | 0 | 22 |
| | | | | | 0 | 23 |
| | | | | | 0 | 24 |
| Total debits | 0 | 0 | 0 | 0 | 0 | 25 |
| Balance end of year (111.2) | 431,033 | 251,123 | 0 | 0 | 682,156 | 26 |
| Footnotes | | | | | | 27 |

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 | 1 |
| Other (specify): | | | | | |
| THIS FORM IS NON APPLICABLE | | | | 0 | 2 |
| Total Nonutility Property (121) | 0 | 0 | 0 | 0 | |
| Less accum. prov. depr. & amort. (122) | | | | 0 | 3 |
| Net Nonutility Property | 0 | 0 | 0 | 0 | |

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

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

MATERIALS AND SUPPLIES

| Account (a) | Generation (b) | Transmission (c) | Distribution (d) | Other (e) | Total End of Year (f) | Amount Prior Year (g) |
|-------------------------------|-------------------|---------------------|---------------------|--------------|-----------------------------|-----------------------------|
| Electric Utility | | | | | | |
| Fuel (151) | | | | | 0 | 1 |
| Fuel stock expenses (152) | | | | | 0 | 2 |
| Plant mat. & oper. sup. (154) | | | | | 0 | 3 |
| Total Electric Utility | | | | | 0 | 0 |

| Account | Total End of Year | Amount Prior Year |
|-------------------------------------|----------------------|----------------------|
| Electric utility total | 0 | 0 |
| Water utility (154) | 17,493 | 20,195 |
| Sewer utility (154) | 469 | 469 |
| Heating utility (154) | | |
| Gas utility (154) | | |
| Merchandise (155) | | |
| Other materials & supplies (156) | | |
| Stores expense (163) | | |
| Total Materials and Supplies | 17,962 | 20,664 |

**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) | | |
| Unamortized debt discount & expense (181) | | | | |
| 2002 BOND FEES | 25,014 | 3318 | 21,696 | 1 |
| Total | | | 21,696 | |
| Unamortized premium on debt (251) | | | | |
| NONE | | | | 2 |
| Total | | | 0 | |

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 | 2,878,109 | 1 |
| Changes during year (explain): | | |
| MONIES FROM WESCOTT SANITARY DISTRICT ANNEXATION | 18,319 | 2 |
| Balance end of year | 2,896,428 | |

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Capital Paid in by Municipality (Acct. 200) (Page F-15)

General footnotes

In July 2008, the City of Shawano successfully annexed the Wescott Sanitary District. During the remainder of 2008 and 2009, the Wescott Sanitary District had Certificates of Deposit that came due. When these monies came due the City of Shawano received the monies and entered this amount in to account 200.

In April of 2009, the PSCW staff questioned the contributed plant entries from 2004. An error was found in the original entry and corrected in the 2008 report. The PSCW 2008 annual report was resubmitted in June 2009.

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) | |
|-----------------------------------|----------------------|----------------------------|----------------------|-------------------------------------|---|
| 1999 REVENUE BOND ISSUE | 08/25/1999 | 05/01/2019 | 2.63% | 126,821 | 1 |
| 2002 REVENUE BOND ISSUE | 04/01/2002 | 05/01/2021 | 5.05% | 1,848,600 | 2 |
| Total Bonds (Account 221): | | | | 1,975,421 | |

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

- | |
|--|
| <ol style="list-style-type: none"> 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. |
|--|

| Account and Description of Obligation (a and b) | Date of Issue (c) | Final Maturity Date (d) | Interest Rate (e) | Principal Amount End of Year (f) | |
|--|----------------------|----------------------------|----------------------|-------------------------------------|---|
| Advances from Municipality (223) | | | | | |
| NONE | 00/00/0000 | 00/00/0000 | 0.00% | | 1 |
| Total for Account 223 | | | | 0 | |
| Other Long-Term Debt (224) | | | | | |
| NONE | 00/00/0000 | 00/00/0000 | 0.00% | | 2 |
| Total for Account 224 | | | | 0 | |
| Notes Payable (231) | | | | | |
| ADVANCE FOR CWFL | 12/22/2009 | 03/31/2010 | 2.99% | 1,718,077 | 3 |
| Total for Account 231 | | | | 1,718,077 | |

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

Notes Payable & Miscellaneous Long-Term Debt (Page F-18)

General footnotes

In December of 2007, Shawano Municipal Utilities/City of Shawano applied for a Clean Water Fund Loan (CWFL) from the Department of Natural Resources for the Center St Lift Replacement Project that was completed in 2008. The loan was approved. Subsequently, the City of Shawano annexed the Wescott Sanitary District. The City made a commitment to the Wescott property owners that the infrastructure improvements would take place in 2009 and they did. All these improvements were subsequently borrowed as a line of credit from a local financial institution until the Department of Natural Resources finalizes the paperwork for the actual bond issue. This issue should take place in 2010.

TAXES ACCRUED (ACCT. 236)

| Particulars (a) | Amount (b) | |
|---|----------------|---|
| Balance first of year | 188,266 | 1 |
| Accruals: | | |
| Charged water department expense | 209,750 | 2 |
| Charged electric department expense | 0 | 3 |
| Charged sewer department expense | 20,879 | 4 |
| Other (explain): | | |
| cleared to transportation | 1,167 | 5 |
| Total Accruals and other credits | 231,796 | |
| Taxes paid during year: | | |
| County, state and local taxes | 188,266 | 6 |
| Social Security taxes | 26,949 | 7 |
| PSC Remainder Assessment | 2,753 | 8 |
| Other (explain): | | |
| none | 0 | 9 |
| Total payments and other debits | 217,968 | |
| Balance end of year | 202,094 | |

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
 2. Report Customer Deposits under Account 235.

| 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) | |
|---|---|--|-------------------------------------|---|---|
| Bonds (221) | | | | | |
| 1999 REVENUE BOND | 606 | 3,445 | 3,493 | 558 | 1 |
| 2002 REVENUE BOND | 16,540 | 95,948 | 96,771 | 15,717 | 2 |
| Subtotal | 17,146 | 99,393 | 100,264 | 16,275 | |
| Advances from Municipality (223) | | | | | |
| NONE | | | | 0 | 3 |
| Subtotal | 0 | 0 | 0 | 0 | |
| Other Long-Term Debt (224) | | | | | |
| NONE | | | | 0 | 4 |
| Subtotal | 0 | 0 | 0 | 0 | |
| Notes Payable (231) | | | | | |
| CWFL BORROWING | 1,580 | 24,789 | 0 | 26,369 | 5 |
| Subtotal | 1,580 | 24,789 | 0 | 26,369 | |
| Total | 18,726 | 124,182 | 100,264 | 42,644 | |

DETAIL OF OTHER BALANCE SHEET ACCOUNTS

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) | |
|---|-------------------------------|----|
| Investment in Municipality (123): | | |
| NONE | | 1 |
| Total (Acct. 123): | 0 | |
| Other Investments (124): | | |
| NONE | | 2 |
| Total (Acct. 124): | 0 | |
| Sinking Funds (125): | | |
| 2002 BOND RESERVE | 294,939 | 3 |
| Total (Acct. 125): | 294,939 | |
| Depreciation Fund (126): | | |
| NONE | | 4 |
| Total (Acct. 126): | 0 | |
| Other Special Funds (128): | | |
| NONE | | 5 |
| Total (Acct. 128): | 0 | |
| Special Deposits (134): | | |
| NONE | | 6 |
| Total (Acct. 134): | 0 | |
| Notes Receivable (141): | | |
| NONE | | 7 |
| Total (Acct. 141): | 0 | |
| Customer Accounts Receivable (142): | | |
| Water | 141,248 | 8 |
| Electric | | 9 |
| Sewer (Regulated) | 162,767 | 10 |
| Other (specify): | | |
| NONE | | 11 |
| Total (Acct. 142): | 304,015 | |
| Other Accounts Receivable (143): | | |
| Sewer (Non-regulated) | | 12 |
| Merchandising, jobbing and contract work | 633 | 13 |
| Other (specify): | | |
| NONE | | 14 |
| Total (Acct. 143): | 633 | |
| Receivables from Municipality (145): | | |
| TAX ROLL RECEIPTS | 21,442 | 15 |
| DALTON LAND PURCHASE | 300,663 | 16 |
| SERVICE LATERAL INSTALL FOR GRETZINGER | 10,347 | 17 |
| WESCOTT ANNEXATION CWIP | 249,884 | 18 |
| MERCHANDISING, JOBBING & CONTRACT WORK | 333 | 19 |
| Total (Acct. 145): | 582,669 | |

DETAIL OF OTHER BALANCE SHEET ACCOUNTS

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) | |
|--|-------------------------------|----|
| Prepayments (165): | | |
| NONE | | 20 |
| Total (Acct. 165): | 0 | |
| Extraordinary Property Losses (182): | | |
| UNAMORTIZED LOSS ON WATER METERS | 58,332 | 21 |
| Total (Acct. 182): | 58,332 | |
| Preliminary Survey and Investigation Charges (183): | | |
| NONE | | 22 |
| Total (Acct. 183): | 0 | |
| Clearing Accounts (184): | | |
| NONE | | 23 |
| Total (Acct. 184): | 0 | |
| Temporary Facilities (185): | | |
| NONE | | 24 |
| Total (Acct. 185): | 0 | |
| Miscellaneous Deferred Debits (186): | | |
| UNAMORTIZED BALANCE OF WI RETIREMENT MONIES | 31,786 | 25 |
| Total (Acct. 186): | 31,786 | |
| Payables to Municipality (233): | | |
| NONE | | 26 |
| Total (Acct. 233): | 0 | |
| Other Deferred Credits (253): | | |
| Regulatory Liability | 269,448 | 27 |
| NONE | | 28 |
| Total (Acct. 253): | 269,448 | |

DETAIL OF OTHER BALANCE SHEET ACCOUNTS

Detail of Other Balance Sheet Accounts (Page F-22)

Extraordinary Property Losses (Acct 182): amortization requires PSC authorization. Provide date of authorization.

On November 13, 2007 a letter was sent from the PSCW with regards to the water rate application filing: 5350-WR-104. In this letter the water meters that were replaced were to be amortized over 5 years beginning with 2007. The original amount was \$145,829 less three years amortization of \$29,166 for each year leaving a balance of \$58,331 and two years left on the amortization schedule.

Miscellaneous Deferred Debits (Acct 186): amortization requires PSC authorization. Provide date of authorization.

The PSC authorized the write off of the WI Retirement monies that were paid in 2003. The date of the PSC authorization was February 25, 2003 and gave SMU 10 years to write off the original amount. As of December 31, 2009, three years remain on this authorization.

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$10,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

In acct 145 is the purchase of lands to protect the well field by the water utility. Since land cannot be 'owned' by the utility; it is in the City of Shawano's name. When parts of this land are sold the monies should be reimbursed to the water utility.

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) | |
|---|------------------|-----------------|------------------|------------|-------------------|----------|
| Add Average: | | | | | | |
| Utility Plant in Service (101.1) | 10,721,270 | 0 | 6,735,235 | 0 | 17,456,505 | 1 |
| Materials and Supplies | 18,844 | 0 | 469 | 0 | 19,313 | 2 |
| Other (specify): | | | | | | |
| NONE | | | | | 0 | 3 |
| Less Average: | | | | | | |
| Reserve for Depreciation (111.1) | 2,249,708 | 0 | 1,537,294 | 0 | 3,787,002 | 4 |
| Customer Advances for Construction | | | | | 0 | 5 |
| Regulatory Liability | 173,255 | 0 | 105,815 | 0 | 279,070 | 6 |
| NONE | | | | | 0 | 7 |
| Average Net Rate Base | 8,317,151 | 0 | 5,092,595 | 0 | 13,409,746 | |
| Net Operating Income | 340,210 | 0 | 280,357 | 0 | 620,567 | 8 |
| Net Operating Income as a percent of | | | | | | |
| Average Net Rate Base | 4.09% | N/A | 5.51% | N/A | 4.63% | |

**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 | 179,230 | | 109,464 | | 288,694 | 1 |
| Add credits during year: | | | | | | |
| NONE | | | | | 0 | 2 |
| Deduct charges: | | | | | | |
| Miscellaneous Amortization (425) | 11,949 | | 7,297 | | 19,246 | 3 |
| Other (specify): | | | | | | |
| NONE | | | | | 0 | 4 |
| Balance End of Year | 167,281 | 0 | 102,167 | 0 | 269,448 | |

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

The City of Shawano annexed the Wescott Sanitary District in 2008. The plant assets were added in 2008 to the corresponding plant accounts on the books as a debit and a subsequent credit was booked to Capital paid in by Municipality account.

2. Leaseholder changes.

There were no leaseholder changes.

3. Extensions of service.

The extensions of service would be handled through acct 421. If there were extensions of service the amount would then be taken out of the corresponding plant in service accounts and books to the corresponding contributed plant accounts at year end. In 2009 there were no extensions.

4. Estimated changes in revenues due to rate changes.

There was a formal water rate case filed in 2007 and it was approved. These rates became effective for service rendered on or after December 27, 2007. The revenues from these authorize rates allow a 6.5% rate of return.

The sewer utility had an approved rate case in 2008. The sewer rates were effective for service rendered on or after July 28, 2008. The revenues from these authorized rates allow a 6.5% rate of return.

5. Obligations incurred or assumed, excluding commercial paper.

The City of Shawano has issued numerous general obligation short-term notes. The notes charge a 3% interest rate and a balloon payment is due in 2010. These monies will ultimately be borrowed from the Dept of Natural Resources as a Clean Water Fund Loan.

6. Formal proceedings with the Public Service Commission.

There were no formal proceedings with the Public Service Commission in 2009.

7. Any additional matters.

As of July 23, 2008, the water and sewer utilities have been taken over by the City of Shawano-Department of Public Works (DPW). The auditors and Shawano Municipal Utilities have broken out the balance sheet accounts as of the end of 2008. This accounting break down allows for the creation of two sets of books. This report is for the City of Shawano (DPW) activities for the water and sewer utilities in 2009. SMU's utility number is 5350 and the City of Shawano (DPW) number is 5365. This became effective January 1, 2009. This annual report is the first annual report reported under the split.

WATER OPERATING REVENUES & EXPENSES

| Particulars (a) | This Year (b) | Last Year (c) | |
|--|------------------|------------------|----|
| Operating Revenues | | | |
| Sales of Water | | | |
| Sales of Water (460-467) | 1,409,867 | 1,457,584 | 1 |
| Total Sales of Water | 1,409,867 | 1,457,584 | |
| Other Operating Revenues | | | |
| Forfeited Discounts (470) | 7,234 | 6,892 | 2 |
| Rents from Water Property (472) | 6,282 | 6,526 | 3 |
| Interdepartmental Rents (473) | 0 | 0 | 4 |
| Other Water Revenues (474) | 43,805 | 43,926 | 5 |
| Total Other Operating Revenues | 57,321 | 57,344 | |
| Total Operating Revenues | 1,467,188 | 1,514,928 | |
| Operation and Maintenance Expenses | | | |
| Source of Supply Expense (600-617) | 15,056 | 16,571 | 6 |
| Pumping Expenses (620-633) | 124,993 | 124,449 | 7 |
| Water Treatment Expenses (640-652) | 20,727 | 20,241 | 8 |
| Transmission and Distribution Expenses (660-678) | 133,242 | 149,493 | 9 |
| Customer Accounts Expenses (901-906) | 57,298 | 55,748 | 10 |
| Sales Expenses (910) | 0 | 0 | 11 |
| Administrative and General Expenses (920-932) | 251,348 | 231,037 | 12 |
| Total Operation and Maintenance Expenses | 602,664 | 597,539 | |
| Other Operating Expenses | | | |
| Depreciation Expense (403) | 285,398 | 278,147 | 13 |
| Amortization Expense (404-407) | 29,166 | 29,166 | 14 |
| Taxes (408) | 209,750 | 194,505 | 15 |
| Total Other Operating Expenses | 524,314 | 501,818 | |
| Total Operating Expenses | 1,126,978 | 1,099,357 | |
| NET OPERATING INCOME | 340,210 | 415,571 | |

WATER OPERATING REVENUES & EXPENSES

Water Operating Revenues & Expenses (Page W-01)

General footnotes

The totals were validated with 2008 year end totals for this report.

If there are amounts reported under Amortization Expense (404-407) that apply to a/c 405-407, provide the date of the Commission's approval and a general description of the amortization. If this is for a/c 404, enter 'Acct 404 - N/A.'

On November 13, 2007 a letter was sent from the PSC regarding SMU's water rate application filing: 5350-WR-104. In the letter SMU was instructed in the following manner: the water meters that were replaced were to be amortized over 5 years beginning in 2007. The original amount was \$145,829 less the \$26,166 annual amortization for the last three years, leaving a balance of \$58,332. There are two years left on the amortization schedule.

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 (Account 461).
5. Other accounts: see application Help files for details.

| Particulars (a) | Average No. Customers (b) | Thousands of Gallons of Water Sold (c) | Amounts (d) | |
|---|---------------------------------|--|------------------|----|
| Operating Revenues | | | | |
| Sales of Water | | | | |
| Unmetered Sales to General Customers (460) | | | | |
| Residential (460.1) | | | | 1 |
| Commercial (460.2) | | | | 2 |
| Industrial (460.3) | | | | 3 |
| Public Authority (460.4) | | | | 4 |
| Total Unmetered Sales to General Customers (460) | 0 | 0 | 0 | |
| Metered Sales to General Customers (461) | | | | |
| Residential (461.1) | 2,985 | 140,891 | 543,425 | 5 |
| Commercial (461.2) | 412 | 68,520 | 167,012 | 6 |
| Industrial (461.3) | 36 | 203,439 | 237,463 | 7 |
| Public Authority (461.4) | 57 | 27,982 | 56,034 | 8 |
| Total Metered Sales to General Customers (461) | 3,490 | 440,832 | 1,003,934 | |
| Private Fire Protection Service (462) | 45 | | 40,276 | 9 |
| Public Fire Protection Service (463) | 3,485 | | 363,629 | 10 |
| Other Water Sales (465) | | | | 11 |
| Sales for Resale (466) | | 0 | 0 | 12 |
| Interdepartmental Sales (467) | 8 | 535 | 2,028 | 13 |
| Total Sales of Water | 7,028 | 441,367 | 1,409,867 | |

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

| Customer Name (a) | Point of Delivery (b) | Thousands of Gallons Sold (c) | Revenues (d) | 1 |
|----------------------|--------------------------|-------------------------------------|-----------------|---|
| NONE | | | | 1 |
| Total | | <u><u>0</u></u> | <u><u>0</u></u> | |

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) | |
|--|----------------|----|
| Public Fire Protection Service (463): | | |
| Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1) | | 1 |
| Other (specify): | | |
| Wholesale fire protection billed | | 2 |
| Amount billed (usually per rate schedule F-1 or Fd-1) | 363,629 | 3 |
| NONE | | 4 |
| Total Public Fire Protection Service (463) | 363,629 | |
| Forfeited Discounts (470): | | |
| NONE | 0 | 5 |
| Customer late payment charges | 7,234 | 6 |
| Other (specify): | | |
| Total Forfeited Discounts (470) | 7,234 | |
| Rents from Water Property (472): | | |
| RENT FROM WATER PROPERTY-NSIGHT | 6,282 | 7 |
| Total Rents from Water Property (472) | 6,282 | |
| Interdepartmental Rents (473): | | |
| NONE | 0 | 8 |
| Total Interdepartmental Rents (473) | 0 | |
| Other Water Revenues (474): | | |
| NONE | 0 | 9 |
| Return on net investment in meters charged to sewer department | 43,805 | 10 |
| Other (specify): | | |
| Total Other Water Revenues (474) | 43,805 | |

OTHER OPERATING REVENUES (WATER)

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

Please explain amounts in Account 474 in excess of \$10,000, 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.

Acct 474 is the calculated return on water meters. The calculation for this return is:

| | |
|-----------------------------|----------------|
| Acct 346 Ave Plant Balance | \$1,115,731.72 |
| Acct 346R Ave Accum Balance | (211,616.22) |
| total | 904,115.50 |
| Authorized ROR | 6.5% |
| Calculated Return on Meters | 58,767.51 |
| 50% to water, 50% to sewer | 29,383.75 |

Also, included in Acct 474 is the customer charges associated with the water meters that are installed for irrigation purposes. This water usage does not have sewer charges associated with it. The amount for these charges is \$14,421.

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

| Particulars (a) | This Year (b) | Last Year (c) | |
|---|------------------|------------------|----|
| SOURCE OF SUPPLY EXPENSES | | | |
| Operation Supervision and Engineering (600) | | | 1 |
| Operation Labor and Expenses (601) | | | 2 |
| Purchased Water (602) | | | 3 |
| Miscellaneous Expenses (603) | 15,056 | 16,571 | 4 |
| Rents (604) | | | 5 |
| Maintenance Supervision and Engineering (610) | | | 6 |
| Maintenance of Structures and Improvements (611) | | | 7 |
| Maintenance of Collecting and Impounding Reservoirs (612) | | | 8 |
| Maintenance of Lake, River and Other Intakes (613) | | | 9 |
| Maintenance of Wells and Springs (614) | | | 10 |
| Maintenance of Supply Mains (616) | | | 11 |
| Maintenance of Miscellaneous Water Source Plant (617) | | | 12 |
| Total Source of Supply Expenses | 15,056 | 16,571 | |
| PUMPING EXPENSES | | | |
| Operation Supervision and Engineering (620) | | | 13 |
| Fuel for Power Production (621) | | | 14 |
| Power Production Labor and Expenses (622) | | | 15 |
| Fuel or Power Purchased for Pumping (623) | 69,819 | 72,096 | 16 |
| Pumping Labor and Expenses (624) | 25,405 | 27,471 | 17 |
| Expenses Transferred--Credit (625) | | | 18 |
| Miscellaneous Expenses (626) | 8,150 | 9,097 | 19 |
| Rents (627) | | | 20 |
| Maintenance Supervision and Engineering (630) | | | 21 |
| Maintenance of Structures and Improvements (631) | 4,887 | 5,901 | 22 |
| Maintenance of Power Production Equipment (632) | | | 23 |
| Maintenance of Pumping Equipment (633) | 16,732 | 9,884 | 24 |
| Total Pumping Expenses | 124,993 | 124,449 | |
| WATER TREATMENT EXPENSES | | | |
| Operation Supervision and Engineering (640) | | | 25 |
| Chemicals (641) | 7,187 | 7,938 | 26 |
| Operation Labor and Expenses (642) | 11,616 | 10,248 | 27 |
| Miscellaneous Expenses (643) | | | 28 |
| Rents (644) | | | 29 |
| Maintenance Supervision and Engineering (650) | | | 30 |
| Maintenance of Structures and Improvements (651) | | | 31 |
| Maintenance of Water Treatment Equipment (652) | 1,924 | 2,055 | 32 |
| Total Water Treatment Expenses | 20,727 | 20,241 | |

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

| Particulars (a) | This Year (b) | Last Year (c) | |
|---|------------------|------------------|----|
| TRANSMISSION AND DISTRIBUTION EXPENSES | | | |
| Operation Supervision and Engineering (660) | 3,613 | 424 | 33 |
| Storage Facilities Expenses (661) | 3,624 | 13,378 | 34 |
| Transmission and Distribution Lines Expenses (662) | 22,771 | 22,495 | 35 |
| Meter Expenses (663) | 3,230 | 13,301 | 36 |
| Customer Installations Expenses (664) | 32,238 | 13,898 | 37 |
| Miscellaneous Expenses (665) | | | 38 |
| Rents (666) | | | 39 |
| Maintenance Supervision and Engineering (670) | 1,053 | 453 | 40 |
| Maintenance of Structures and Improvements (671) | | | 41 |
| Maintenance of Distribution Reservoirs and Standpipes (672) | 1,064 | 775 | 42 |
| Maintenance of Transmission and Distribution Mains (673) | 22,464 | 39,289 | 43 |
| Maintenance of Services (675) | 30,136 | 32,030 | 44 |
| Maintenance of Meters (676) | 1,452 | 340 | 45 |
| Maintenance of Hydrants (677) | 11,597 | 13,110 | 46 |
| Maintenance of Miscellaneous Plant (678) | | | 47 |
| Total Transmission and Distribution Expenses | 133,242 | 149,493 | |
| CUSTOMER ACCOUNTS EXPENSES | | | |
| Supervision (901) | 0 | 839 | 48 |
| Meter Reading Expenses (902) | 2,241 | 4,066 | 49 |
| Customer Records and Collection Expenses (903) | 52,635 | 46,831 | 50 |
| Uncollectible Accounts (904) | 109 | (9) | 51 |
| Miscellaneous Customer Accounts Expenses (905) | 2,313 | 4,021 | 52 |
| Customer Service and Information Expenses (906) | | | 53 |
| Total Customer Accounts Expenses | 57,298 | 55,748 | |
| SALES EXPENSES | | | |
| Sales Expenses (910) | | | 54 |
| Total Sales Expenses | 0 | 0 | |
| ADMINISTRATIVE AND GENERAL EXPENSES | | | |
| Administrative and General Salaries (920) | 60,865 | 64,506 | 55 |
| Office Supplies and Expenses (921) | 15,047 | 12,035 | 56 |
| Administrative Expenses Transferred--Credit (922) | | | 57 |
| Outside Services Employed (923) | 17,036 | 18,841 | 58 |
| Property Insurance (924) | 9,197 | 8,412 | 59 |
| Injuries and Damages (925) | 4,225 | 4,518 | 60 |
| Employee Pensions and Benefits (926) | 102,523 | 83,423 | 61 |
| Regulatory Commission Expenses (928) | | | 62 |
| Duplicate Charges--Credit (929) | 4,943 | 5,781 | 63 |

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

| Particulars (a) | This Year (b) | Last Year (c) | |
|---|------------------|------------------|-----------|
| ADMINISTRATIVE AND GENERAL EXPENSES | | | |
| Miscellaneous General Expenses (930) | 15,337 | 12,194 | 64 |
| Rents (931) | 0 | 1,344 | 65 |
| Maintenance of General Plant (932) | 32,061 | 31,545 | 66 |
| Total Administrative and General Expenses | 251,348 | 231,037 | |
| Total Operation and Maintenance Expenses | 602,664 | 597,539 | |

WATER OPERATION & MAINTENANCE EXPENSES

Water Operation & Maintenance Expenses (Page W-05)

General footnotes

The totals were validated with 2008 year end totals for this report.

For values that represent an increase or a decrease when compared to the previous year of greater than 15%, but not less \$10,000, please explain.

Acct 664: Water crews charged Acct 664 instead of Acct 663 on their corresponding time cards for water meter changes that were performed in 2009.

Acct 926: Reallocation of hiring another employee to the original staff of three service people to total four in 2009. Also, the health insurance rates continue to increase.

Acct 673: The winter season was mild; thus less watermain breaks were experienced.

Acct 664: This account was used by the employees when the water meters were changed; thus a decrease in 663 was realized and an increase in 664.

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 | | 202,094 | 188,266 | 1 |
| Less: Local and School Tax Equivalent on Meters Charged to Sewer Department | | 9,408 | 9,021 | 2 |
| Net property tax equivalent | | 192,686 | 179,245 | |
| Social Security | PAYROLL EXPENSES | 16,917 | 15,268 | 3 |
| PSC Remainder Assessment | REVENUES | 1,314 | 1,124 | 4 |
| Other (specify): CLEARED TO TRANSPORTATION | BASED ON PLANT W392 | (1,167) | (1,132) | 5 |
| Total tax expense | | 209,750 | 194,505 | |

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 | | | Shawano | | | | 1 |
| SUMMARY OF TAX RATES | | | | | | | 2 |
| State tax rate | mills | | 0.183800 | | | | 3 |
| County tax rate | mills | | 5.117600 | | | | 4 |
| Local tax rate | mills | | 8.310400 | | | | 5 |
| School tax rate | mills | | 9.380300 | | | | 6 |
| Voc. school tax rate | mills | | 1.665500 | | | | 7 |
| Other tax rate - Local | mills | | 0.000000 | | | | 8 |
| Other tax rate - Non-Local | mills | | 0.000000 | | | | 9 |
| Total tax rate | mills | | 24.657600 | | | | 10 |
| Less: state credit | mills | | 1.327300 | | | | 11 |
| Net tax rate | mills | | 23.330300 | | | | 12 |
| PROPERTY TAX EQUIVALENT CALCULATION | | | | | | | 13 |
| Local Tax Rate | mills | | 8.310400 | | | | 14 |
| Combined School Tax Rate | mills | | 11.045800 | | | | 15 |
| Other Tax Rate - Local | mills | | 0.000000 | | | | 16 |
| Total Local & School Tax | mills | | 19.356200 | | | | 17 |
| Total Tax Rate | mills | | 24.657600 | | | | 18 |
| Ratio of Local and School Tax to Total | dec. | | 0.784999 | | | | 19 |
| Total tax net of state credit | mills | | 23.330300 | | | | 20 |
| Net Local and School Tax Rate | mills | | 18.314270 | | | | 21 |
| Utility Plant, Jan. 1 | \$ | 12,074,260 | 12,074,260 | | | | 22 |
| Materials & Supplies | \$ | 20,195 | 20,195 | | | | 23 |
| Subtotal | \$ | 12,094,455 | 12,094,455 | | | | 24 |
| Less: Plant Outside Limits | \$ | 145,470 | 145,470 | | | | 25 |
| Taxable Assets | \$ | 11,948,985 | 11,948,985 | | | | 26 |
| Assessment Ratio | dec. | | 0.923490 | | | | 27 |
| Assessed Value | \$ | 11,034,768 | 11,034,768 | | | | 28 |
| Net Local & School Rate | mills | | 18.314270 | | | | 29 |
| Tax Equiv. Computed for Current Year | \$ | 202,094 | 202,094 | | | | 30 |
| Tax Equivalent per 1994 PSC Report | \$ | 92,236 | | | | | 31 |
| Any lower tax equivalent as authorized by municipality (see note 6) | \$ | | | | | | 32 33 |
| Tax equiv. for current year (see note 6) | \$ | 202,094 | | | | | 34 |
| Footnotes | | | | | | | 35 |

PROPERTY TAX EQUIVALENT (WATER)

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

IF total for Utility Plant, Jan. 1 on this schedule does not match Total Utility Plant - First of Year on the Net Utility Plant schedule, please explain.

The reason why the utility plant from January 1 does not match the total utility plant is the amount from Construction Work in Progress (CWIP). The CWIP amount is included in the calculation when paying taxes to the City.

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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 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) | Retirements During Year (e) | Adjustments Increase or (Decrease) (f) | Balance End of Year (g) | |
|--|---------------------------------|---------------------------------|-----------------------------------|---|-------------------------------|----|
| INTANGIBLE PLANT | | | | | | |
| Organization (301) | | | | | 0 | 1 |
| Franchises and Consents (302) | | | | | 0 | 2 |
| Miscellaneous Intangible Plant (303) | | | | | 0 | 3 |
| Total Intangible Plant | 0 | 0 | 0 | 0 | 0 | |
| SOURCE OF SUPPLY PLANT | | | | | | |
| 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) | 475,718 | | | | 475,718 | 8 |
| Supply Mains (316) | 43,442 | | | | 43,442 | 9 |
| Other Water Source Plant (317) | | | | | 0 | 10 |
| Total Source of Supply Plant | 519,160 | 0 | 0 | 0 | 519,160 | |
| PUMPING PLANT | | | | | | |
| Land and Land Rights (320) | 13,420 | | | | 13,420 | 11 |
| Structures and Improvements (321) | 364,127 | 38,574 | | | 402,701 | 12 |
| Other Power Production Equipment (323) | 161,043 | | | | 161,043 | 13 |
| Electric Pumping Equipment (325) | 442,657 | 32,881 | | | 475,538 | 14 |
| Diesel Pumping Equipment (326) | | | | | 0 | 15 |
| Other Pumping Equipment (328) | | | | | 0 | 16 |
| Total Pumping Plant | 981,247 | 71,455 | 0 | 0 | 1,052,702 | |
| WATER TREATMENT PLANT | | | | | | |
| Land and Land Rights (330) | | | | | 0 | 17 |
| Structures and Improvements (331) | | | | | 0 | 18 |
| Sand or Other Media Filtration Equipment (332) | 12,939 | | | | 12,939 | 19 |
| Membrane Filtration Equipment (333) | | | | | 0 | 20 |
| Other Water Treatment Equipment (334) | | | | | 0 | 21 |
| Total Water Treatment Plant | 12,939 | 0 | 0 | 0 | 12,939 | |
| TRANSMISSION AND DISTRIBUTION PLANT | | | | | | |
| Land and Land Rights (340) | 2,747 | 26,596 | | | 29,343 | 22 |
| Structures and Improvements (341) | | | | | 0 | 23 |
| Distribution Reservoirs and Standpipes (342) | 1,032,785 | 2,415 | | | 1,035,200 | 24 |
| Transmission and Distribution Mains (343) | 4,620,042 | 357,057 | 4,897 | | 4,972,202 | 25 |
| Services (345) | 770,997 | 207,577 | 2,053 | | 976,521 | 26 |
| Meters (346) | 1,112,508 | 7,573 | 1,125 | | 1,118,956 | 27 |
| Hydrants (348) | 566,355 | 96,202 | 3,809 | | 658,748 | 28 |

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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 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) | Retirements During Year (e) | Adjustments Increase or (Decrease) (f) | Balance End of Year (g) | |
|---|---------------------------------|---------------------------------|-----------------------------------|---|-------------------------------|----|
| TRANSMISSION AND DISTRIBUTION PLANT | | | | | | |
| Other Transmission and Distribution Plant (349) | | | | | 0 | 29 |
| Total Transmission and Distribution Plant | 8,105,434 | 697,420 | 11,884 | 0 | 8,790,970 | |
| GENERAL PLANT | | | | | | |
| Land and Land Rights (389) | 7,553 | | | | 7,553 | 30 |
| Structures and Improvements (390) | 197,624 | | | | 197,624 | 31 |
| Office Furniture and Equipment (391) | 36,629 | 1,804 | | | 38,433 | 32 |
| Computer Equipment (391.1) | 241,260 | 10,352 | | | 251,612 | 33 |
| Transportation Equipment (392) | 69,022 | | 4,346 | | 64,676 | 34 |
| Stores Equipment (393) | 7,155 | | | | 7,155 | 35 |
| Tools, Shop and Garage Equipment (394) | 46,331 | 2,242 | 1,412 | | 47,161 | 36 |
| Laboratory Equipment (395) | 4,740 | | | | 4,740 | 37 |
| Power Operated Equipment (396) | | | | | 0 | 38 |
| Communication Equipment (397) | 21,375 | | 655 | | 20,720 | 39 |
| SCADA Equipment (397.1) | 85,416 | 5,795 | | | 91,211 | 40 |
| Miscellaneous Equipment (398) | | | | | 0 | 41 |
| Total General Plant | 717,105 | 20,193 | 6,413 | 0 | 730,885 | |
| Total utility plant in service directly assignable | 10,335,885 | 789,068 | 18,297 | 0 | 11,106,656 | |
| Common Utility Plant Allocated to Water Department (300) | | | | | 0 | 42 |
| Total utility plant in service | 10,335,885 | 789,068 | 18,297 | 0 | 11,106,656 | |

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

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

General footnotes

The totals were validated with 2008 year end totals for this report.

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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 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) | Retirements During Year (e) | Adjustments Increase or (Decrease) (f) | Balance End of Year (g) | |
|--|---------------------------------|---------------------------------|-----------------------------------|---|-------------------------------|----|
| INTANGIBLE PLANT | | | | | | |
| Organization (301) | | | | | 0 | 1 |
| Franchises and Consents (302) | | | | | 0 | 2 |
| Miscellaneous Intangible Plant (303) | | | | | 0 | 3 |
| Total Intangible Plant | 0 | 0 | 0 | 0 | 0 | |
| SOURCE OF SUPPLY PLANT | | | | | | |
| 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) | | | | | 0 | 8 |
| Supply Mains (316) | | | | | 0 | 9 |
| Other Water Source Plant (317) | | | | | 0 | 10 |
| Total Source of Supply Plant | 0 | 0 | 0 | 0 | 0 | |
| PUMPING PLANT | | | | | | |
| Land and Land Rights (320) | | | | | 0 | 11 |
| Structures and Improvements (321) | | | | | 0 | 12 |
| Other Power Production Equipment (323) | | | | | 0 | 13 |
| Electric Pumping Equipment (325) | | | | | 0 | 14 |
| Diesel Pumping Equipment (326) | | | | | 0 | 15 |
| Other Pumping Equipment (328) | | | | | 0 | 16 |
| Total Pumping Plant | 0 | 0 | 0 | 0 | 0 | |
| WATER TREATMENT PLANT | | | | | | |
| Land and Land Rights (330) | | | | | 0 | 17 |
| Structures and Improvements (331) | | | | | 0 | 18 |
| Sand or Other Media Filtration Equipment (332) | | | | | 0 | 19 |
| Membrane Filtration Equipment (333) | | | | | 0 | 20 |
| Other Water Treatment Equipment (334) | | | | | 0 | 21 |
| Total Water Treatment Plant | 0 | 0 | 0 | 0 | 0 | |
| TRANSMISSION AND DISTRIBUTION PLANT | | | | | | |
| Land and Land Rights (340) | | | | | 0 | 22 |
| Structures and Improvements (341) | | | | | 0 | 23 |
| Distribution Reservoirs and Standpipes (342) | | | | | 0 | 24 |
| Transmission and Distribution Mains (343) | 1,270,315 | | | | 1,270,315 | 25 |
| Services (345) | 311,983 | | | | 311,983 | 26 |
| Meters (346) | | | | | 0 | 27 |
| Hydrants (348) | 146,224 | | | | 146,224 | 28 |

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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 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) | Retirements During Year (e) | Adjustments Increase or (Decrease) (f) | Balance End of Year (g) | |
|---|---------------------------------|---------------------------------|-----------------------------------|---|-------------------------------|----|
| TRANSMISSION AND DISTRIBUTION PLANT | | | | | | |
| Other Transmission and Distribution Plant (349) | | | | | 0 | 29 |
| Total Transmission and Distribution Plant | 1,728,522 | 0 | 0 | 0 | 1,728,522 | |
| GENERAL PLANT | | | | | | |
| Land and Land Rights (389) | | | | | 0 | 30 |
| Structures and Improvements (390) | | | | | 0 | 31 |
| Office Furniture and Equipment (391) | | | | | 0 | 32 |
| Computer Equipment (391.1) | | | | | 0 | 33 |
| Transportation Equipment (392) | | | | | 0 | 34 |
| Stores Equipment (393) | | | | | 0 | 35 |
| Tools, Shop and Garage Equipment (394) | | | | | 0 | 36 |
| Laboratory Equipment (395) | | | | | 0 | 37 |
| Power Operated Equipment (396) | | | | | 0 | 38 |
| Communication Equipment (397) | | | | | 0 | 39 |
| SCADA Equipment (397.1) | | | | | 0 | 40 |
| Miscellaneous Equipment (398) | | | | | 0 | 41 |
| Total General Plant | 0 | 0 | 0 | 0 | 0 | |
| Total utility plant in service directly assignable | 1,728,522 | 0 | 0 | 0 | 1,728,522 | |
| Common Utility Plant Allocated to Water Department (300) | | | | | 0 | 42 |
| Total utility plant in service | 1,728,522 | 0 | 0 | 0 | 1,728,522 | |

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

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-09)

General footnotes

The totals were validated with 2008 year end totals for this report.

ACCUMULATED PROVISION FOR DEPRECIATION - WATER

--Plant Financed by Utility or Municipality--

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
 2. If more than one depreciation rate is used, report the average rate in column (c).

| Primary Plant Accounts (a) | Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) | |
|--|---------------------------------|-----------------------|--------------------------------|----|
| SOURCE OF SUPPLY PLANT | | | | |
| Structures and Improvements (311) | | | | 1 |
| Collecting and Impounding Reservoirs (312) | | | | 2 |
| Lake, River and Other Intakes (313) | | | | 3 |
| Wells and Springs (314) | 98,209 | 2.90% | 13,796 | 4 |
| Supply Mains (316) | 10,403 | 2.20% | 955 | 5 |
| Other Water Source Plant (317) | | | | 6 |
| Total Source of Supply Plant | 108,612 | | 14,751 | |
| PUMPING PLANT | | | | |
| Structures and Improvements (321) | 103,058 | 3.20% | 12,269 | 7 |
| Other Power Production Equipment (323) | 83,841 | 10.00% | 16,105 | 8 |
| Electric Pumping Equipment (325) | 95,805 | 4.40% | 20,200 | 9 |
| Diesel Pumping Equipment (326) | | | | 10 |
| Other Pumping Equipment (328) | | | | 11 |
| Total Pumping Plant | 282,704 | | 48,574 | |
| WATER TREATMENT PLANT | | | | |
| Structures and Improvements (331) | | | | 12 |
| Sand or Other Media Filtration Equipment (332) | 8,851 | 6.00% | 776 | 13 |
| Membrane Filtration Equipment (333) | | | | 14 |
| Other Water Treatment Equipment (334) | | | | 15 |
| Total Water Treatment Plant | 8,851 | | 776 | |
| TRANSMISSION AND DISTRIBUTION PLANT | | | | |
| Structures and Improvements (341) | | | | 16 |
| Distribution Reservoirs and Standpipes (342) | 178,557 | 1.90% | 19,646 | 17 |
| Transmission and Distribution Mains (343) | 593,116 | 1.30% | 62,350 | 18 |
| Services (345) | 245,299 | 2.90% | 25,339 | 19 |
| Meters (346) | 181,494 | 5.50% | 61,365 | 20 |
| Hydrants (348) | 84,560 | 2.20% | 13,476 | 21 |
| Other Transmission and Distribution Plant (349) | | | | 22 |
| Total Transmission and Distribution Plant | 1,283,026 | | 182,176 | |
| GENERAL PLANT | | | | |
| Structures and Improvements (390) | 71,204 | 3.30% | 6,522 | 23 |
| Office Furniture and Equipment (391) | 15,623 | 5.80% | 2,177 | 24 |
| Computer Equipment (391.1) | 157,489 | 20.00% | 49,287 | 25 |
| Transportation Equipment (392) | 69,022 | 13.30% | 0 | 26 |
| Stores Equipment (393) | 7,155 | 5.80% | 0 | 27 |
| Tools, Shop and Garage Equipment (394) | 33,577 | 5.80% | 2,711 | 28 |
| Laboratory Equipment (395) | 3,307 | 5.80% | 275 | 29 |

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Utility or Municipality--

| Account (e) | Book Cost of Plant Retired (f) | Cost of Removal (g) | Salvage (h) | Adjustments Increase or (Decrease) (i) | Balance End of Year (j) | |
|----------------|--------------------------------------|---------------------------|----------------|---|-------------------------------|----|
| 311 | | | | | 0 | 1 |
| 312 | | | | | 0 | 2 |
| 313 | | | | | 0 | 3 |
| 314 | | 6,015 | | | 105,990 | 4 |
| 316 | | | | | 11,358 | 5 |
| 317 | | | | | 0 | 6 |
| | | | | | 0 | |
| | | | | | 6,015 | |
| | | | | | 0 | |
| | | | | | 0 | |
| | | | | | 117,348 | |
| | | | | | | |
| 321 | | | | | 115,327 | 7 |
| 323 | | | | | 99,946 | 8 |
| 325 | | | | | 116,005 | 9 |
| 326 | | | | | 0 | 10 |
| 328 | | | | | 0 | 11 |
| | | | | | 0 | |
| | | | | | 0 | |
| | | | | | 0 | |
| | | | | | 0 | |
| | | | | | 331,278 | |
| | | | | | | |
| 331 | | | | | 0 | 12 |
| 332 | | | | | 9,627 | 13 |
| 333 | | | | | 0 | 14 |
| 334 | | | | | 0 | 15 |
| | | | | | 0 | |
| | | | | | 0 | |
| | | | | | 0 | |
| | | | | | 0 | |
| | | | | | 9,627 | |
| | | | | | | |
| 341 | | | | | 0 | 16 |
| 342 | | | | | 198,203 | 17 |
| 343 | 4,897 | 2,075 | | | 648,494 | 18 |
| 345 | 2,053 | 3,455 | | | 265,130 | 19 |
| 346 | 1,125 | | | 11 | 241,745 | 20 |
| 348 | 3,809 | 640 | | | 93,587 | 21 |
| 349 | | | | | 0 | 22 |
| | | | | | 11,884 | |
| | | | | | 6,170 | |
| | | | | | 11 | |
| | | | | | 0 | |
| | | | | | 1,447,159 | |
| | | | | | | |
| 390 | | | | | 77,726 | 23 |
| 391 | | | | | 17,800 | 24 |
| 391.1 | | | | | 206,776 | 25 |
| 392 | 4,346 | | | 138 | 64,814 | 26 |
| 393 | | | | | 7,155 | 27 |
| 394 | 1,412 | | | | 34,876 | 28 |
| 395 | | | | | 3,582 | 29 |

ACCUMULATED PROVISION FOR DEPRECIATION - WATER --Plant Financed by Utility or Municipality--

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
2. If more than one depreciation rate is used, report the average rate in column (c).

| Primary Plant Accounts (a) | Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) | |
|--|---------------------------------|-----------------------|--------------------------------|--------|
| GENERAL PLANT | | | | |
| Power Operated Equipment (396) | | | | 30 |
| Communication Equipment (397) | 21,376 | 10.00% | 0 | 31 |
| SCADA Equipment (397.1) | 44,889 | 10.00% | 8,831 | 32 |
| Miscellaneous Equipment (398) | | | | 33 |
| Total General Plant | 423,642 | | 69,803 | |
| Total accum. prov. directly assignable | 2,106,835 | | 316,080 | |
| Common Utility Plant Allocated to Water Department | | | | 34 |
| Total accum. prov. for depreciation | 2,106,835 | | 316,080 | |

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Utility or Municipality--

| Account (e) | Book Cost of Plant Retired (f) | Cost of Removal (g) | Salvage (h) | Adjustments Increase or (Decrease) (i) | Balance End of Year (j) | |
|----------------|--------------------------------------|---------------------------|----------------|---|-------------------------------|----|
| 396 | | | | | 0 | 30 |
| 397 | 655 | | | | 20,721 | 31 |
| 397.1 | | | | | 53,720 | 32 |
| 398 | | | | | 0 | 33 |
| | 6,413 | 0 | 138 | 0 | 487,170 | |
| | 18,297 | 12,185 | 149 | 0 | 2,392,582 | |
| | | | | | 0 | 34 |
| | 18,297 | 12,185 | 149 | 0 | 2,392,582 | |

ACCUMULATED PROVISION FOR DEPRECIATION - WATER
--Plant Financed by Utility or Municipality--

Accumulated Provision for Depreciation - Water --Plant Financed by Utility or Municipality-- (Page W-10)

General footnotes

The totals were validated with 2008 year end totals for this report.

If Accumulated Depreciation End of Year Balance is greater than the equivalent Plant in Service (Financed by Utility or Municipality) EOY Balance, please explain.

Acct 397 has a rounding difference which accounts for the values being different at year end.

Acct 392 has difference of \$138; which is the percentage of salvage on a previously capitalized piece of transportation equipment.

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Utility or Municipality--

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ACCUMULATED PROVISION FOR DEPRECIATION - WATER

--Plant Financed by Contributions--

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
 2. If more than one depreciation rate is used, report the average rate in column (c).

| Primary Plant Accounts (a) | Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) | |
|--|---------------------------------|-----------------------|--------------------------------|----|
| SOURCE OF SUPPLY PLANT | | | | |
| Structures and Improvements (311) | | | | 1 |
| Collecting and Impounding Reservoirs (312) | | | | 2 |
| Lake, River and Other Intakes (313) | | | | 3 |
| Wells and Springs (314) | | | | 4 |
| Supply Mains (316) | | | | 5 |
| Other Water Source Plant (317) | | | | 6 |
| Total Source of Supply Plant | <u>0</u> | | <u>0</u> | |
| PUMPING PLANT | | | | |
| Structures and Improvements (321) | | | | 7 |
| Other Power Production Equipment (323) | | | | 8 |
| Electric Pumping Equipment (325) | | | | 9 |
| Diesel Pumping Equipment (326) | | | | 10 |
| Other Pumping Equipment (328) | | | | 11 |
| Total Pumping Plant | <u>0</u> | | <u>0</u> | |
| WATER TREATMENT PLANT | | | | |
| Structures and Improvements (331) | | | | 12 |
| Sand or Other Media Filtration Equipment (332) | | | | 13 |
| Membrane Filtration Equipment (333) | | | | 14 |
| Other Water Treatment Equipment (334) | | | | 15 |
| Total Water Treatment Plant | <u>0</u> | | <u>0</u> | |
| TRANSMISSION AND DISTRIBUTION PLANT | | | | |
| Structures and Improvements (341) | | | | 16 |
| Distribution Reservoirs and Standpipes (342) | | | | 17 |
| Transmission and Distribution Mains (343) | 217,399 | 1.30% | 16,514 | 18 |
| Services (345) | 147,127 | 2.90% | 9,047 | 19 |
| Meters (346) | | | | 20 |
| Hydrants (348) | 37,729 | 2.20% | 3,217 | 21 |
| Other Transmission and Distribution Plant (349) | | | | 22 |
| Total Transmission and Distribution Plant | <u>402,255</u> | | <u>28,778</u> | |
| GENERAL PLANT | | | | |
| Structures and Improvements (390) | | | | 23 |
| Office Furniture and Equipment (391) | | | | 24 |
| Computer Equipment (391.1) | | | | 25 |
| Transportation Equipment (392) | | | | 26 |
| Stores Equipment (393) | | | | 27 |
| Tools, Shop and Garage Equipment (394) | | | | 28 |
| Laboratory Equipment (395) | | | | 29 |

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Contributions--

| Account (e) | Book Cost of Plant Retired (f) | Cost of Removal (g) | Salvage (h) | Adjustments Increase or (Decrease) (i) | Balance End of Year (j) | |
|----------------|--------------------------------------|---------------------------|----------------|---|-------------------------------|----|
| 311 | | | | | 0 | 1 |
| 312 | | | | | 0 | 2 |
| 313 | | | | | 0 | 3 |
| 314 | | | | | 0 | 4 |
| 316 | | | | | 0 | 5 |
| 317 | | | | | 0 | 6 |
| | 0 | 0 | 0 | 0 | 0 | |
| 321 | | | | | 0 | 7 |
| 323 | | | | | 0 | 8 |
| 325 | | | | | 0 | 9 |
| 326 | | | | | 0 | 10 |
| 328 | | | | | 0 | 11 |
| | 0 | 0 | 0 | 0 | 0 | |
| 331 | | | | | 0 | 12 |
| 332 | | | | | 0 | 13 |
| 333 | | | | | 0 | 14 |
| 334 | | | | | 0 | 15 |
| | 0 | 0 | 0 | 0 | 0 | |
| 341 | | | | | 0 | 16 |
| 342 | | | | | 0 | 17 |
| 343 | | | | | 233,913 | 18 |
| 345 | | | | | 156,174 | 19 |
| 346 | | | | | 0 | 20 |
| 348 | | | | | 40,946 | 21 |
| 349 | | | | | 0 | 22 |
| | 0 | 0 | 0 | 0 | 431,033 | |
| 390 | | | | | 0 | 23 |
| 391 | | | | | 0 | 24 |
| 391.1 | | | | | 0 | 25 |
| 392 | | | | | 0 | 26 |
| 393 | | | | | 0 | 27 |
| 394 | | | | | 0 | 28 |
| 395 | | | | | 0 | 29 |

ACCUMULATED PROVISION FOR DEPRECIATION - WATER

--Plant Financed by Contributions--

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
2. If more than one depreciation rate is used, report the average rate in column (c).

| Primary Plant Accounts (a) | Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) |
|--|---------------------------------|-----------------------|--------------------------------|
| GENERAL PLANT | | | |
| Power Operated Equipment (396) | | | 30 |
| Communication Equipment (397) | | | 31 |
| SCADA Equipment (397.1) | | | 32 |
| Miscellaneous Equipment (398) | | | 33 |
| Total General Plant | <u>0</u> | | <u>0</u> |
| Total accum. prov. directly assignable | <u>402,255</u> | | <u>28,778</u> |
| Common Utility Plant Allocated to Water Department | | | 34 |
| Total accum. prov. for depreciation | <u><u>402,255</u></u> | | <u><u>28,778</u></u> |

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Contributions--

| Account (e) | Book Cost of Plant Retired (f) | Cost of Removal (g) | Salvage (h) | Adjustments Increase or (Decrease) (i) | Balance End of Year (j) | |
|----------------|--------------------------------------|---------------------------|----------------|---|-------------------------------|----|
| 396 | | | | | 0 | 30 |
| 397 | | | | | 0 | 31 |
| 397.1 | | | | | 0 | 32 |
| 398 | | | | | 0 | 33 |
| | 0 | 0 | 0 | 0 | 0 | |
| | 0 | 0 | 0 | 0 | 431,033 | |
| | | | | | 0 | 34 |
| | 0 | 0 | 0 | 0 | 431,033 | |

ACCUMULATED PROVISION FOR DEPRECIATION - WATER
--Plant Financed by Contributions--

Accumulated Provision for Depreciation - Water --Plant Financed by Contributions-- (Page W-12)

General footnotes

The totals were validated for 2008 year end totals for this report.

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Contributions--

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SOURCES OF WATER SUPPLY - 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.

| Month (a) | Sources of Water Supply | | | Total Gallons All Methods (000's) (e) | |
|-----------------------------|--|--|---|--|----|
| | Purchased Water Gallons (000's) (b) | Surface Water Gallons (000's) (c) | Ground Water Gallons (000's) (d) | | |
| January | | | 37,893 | 37,893 | 1 |
| February | | | 32,725 | 32,725 | 2 |
| March | | | 36,632 | 36,632 | 3 |
| April | | | 38,905 | 38,905 | 4 |
| May | | | 41,187 | 41,187 | 5 |
| June | | | 46,368 | 46,368 | 6 |
| July | | | 53,765 | 53,765 | 7 |
| August | | | 47,656 | 47,656 | 8 |
| September | | | 47,607 | 47,607 | 9 |
| October | | | 41,330 | 41,330 | 10 |
| November | | | 39,166 | 39,166 | 11 |
| December | | | 40,313 | 40,313 | 12 |
| Total annual pumpage | 0 | 0 | 503,547 | 503,547 | |

WATER LOSS AND OTHER STATISTICS

1. For Gallons used in the treatment process (line 3), estimate water used in production including filter backwash, pumps, and other utility uses before the point of entry to the distribution system.
2. For Gallons used for other system uses (line 10), report other unmetered water used for system operation and maintenance, water used for non-regulated sewer utility and all other unmetered usage that is known to occur and does not fall into one of the other categories listed under Water Usage.

WATER LOSS STATISTICS

| | | |
|---|----------------|----|
| Source of Water Supply Statistics - Total Annual Pumpage (000's): | 503,547 | 1 |
| Less: Gallons (000's) used in the treatment process: | 0 | 2 |
| Subtotal: Gallons (000's) entering distribution system: | 503,547 | 3 |
| Less: Gallons (000's) sold: | 441,367 | 4 |
| Gallons (000's) entering distribution system but not sold: | 62,180 | 5 |
| Estimated Water Usage: | | 6 |
| Gallons (000's) used to flush mains: | 1,360 | 7 |
| Gallons (000's) used for fire protection: | 45 | 8 |
| Gallons (000's) used to prevent freezing of distribution system: | | 9 |
| Gallons (000's) used for other system uses: | 66 | 10 |
| Subtotal Estimated Usage: | 1,471 | 11 |
| Estimated Water Losses: | | 12 |
| Gallons (000's) lost due to main leaks or breaks: | 172 | 13 |
| Gallons (000's) lost due to service leaks or breaks: | 24 | 14 |
| Gallons (000's) lost due to hydrant leaks, tank overflows and pressure reducing valves: | 2,825 | 15 |
| Gallons (000's) for unauthorized usage such as vandalism and theft: | | 16 |
| Gallons (000's) not accounted for: | 57,688 | 17 |
| Subtotal of Estimated Losses: | 60,709 | 18 |
| Percentage of water entering distribution system sold: | 88% | 19 |
| Percentage of unaccounted for water: | 11% | 20 |
| If more than 15%, indicate causes: | | 21 |
| n/a | | 22 |
| | | 23 |
| | | 24 |
| If more than 15%, state what action has been taken to reduce water loss: | | 25 |
| n/a | | 26 |

OTHER STATISTICS

| | | |
|---|---------|----|
| Maximum gallons pumped by all methods in any one day during reporting year (000 gal.) | 2,612 | 27 |
| Date of maximum: 08/20/2009 | | 28 |
| Cause of maximum: refilled the reservoir after draining it for required maintenance | | 29 |
| | | 30 |
| Minimum gallons pumped by all methods in any one day during reporting year (000 gal.) | 404 | 31 |
| Date of minimum: 04/03/2009 | | 32 |
| Total KWH used by the utility (include pumping, treatment facilities and other utility operations): | 691,099 | 33 |
| If water is purchased: | | 34 |
| Vendor Name: NONE | | 35 |
| Point of Delivery: N/A | | 36 |
| What percentage of purchased water is surface water? | | 37 |
| Number of main breaks repaired this year: | 9 | 38 |
| Number of service breaks repaired this year: | 6 | 39 |
| Population served (estimate the number of individuals served): | | 40 |
| Inside municipality? | 9,030 | 41 |
| Outside municipality? | 15 | 42 |

WATER LOSS AND OTHER STATISTICS

Water Loss and Other Statistics (Page W-14)

General footnotes

The minimum statistic occurred because there were SCADA problems. Water was used from the reservoir not pumped from the wells on April 3, 2009.

SOURCES OF WATER SUPPLY - GROUND WATERS

| Location (a) | Identification Number (b) | Depth in feet (c) | Well Diameter in inches (d) | Yield Per Day in gallons (e) | Currently In Service? (f) | |
|-----------------------------|---------------------------------|-------------------------|-----------------------------------|------------------------------------|---------------------------------|---|
| WAUKECHON RD & BIRCHHILL LN | 6 | 237 | 20 | 1,080,000 | Yes | 1 |
| WAUKECHON RD | 5 | 250 | 20 | 1,224,000 | Yes | 2 |
| CTY HWY B | 9 | 318 | 24 | 1,152,000 | Yes | 3 |
| CTY HWY B | 8 | 240 | 20 | 1,224,000 | Yes | 4 |
| CTY HWY B | 7 | 236 | 20 | 1,080,000 | Yes | 5 |

SOURCES OF WATER SUPPLY - SURFACE WATERS

| Location (a) | Intakes | | | | Diameter in inches (e) |
|---------------------------|---------------------------------|--|--|------------------------------|------------------------------|
| | Identification Number (b) | Distance From Shore in feet (c) | Depth Below Surface in feet (d) | Diameter in inches (e) | |
| THERE IS NO SURFACE WATER | 0 | 0 | 0 | 0 | 1 |

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 #1 | BOOSTER #2 | BOOSTER #3 | 1 |
| Location | 1460 WAUKECHON ST | 1460 WAUKECHON ST | 1460 WAUKECHON ST | 2 |
| Purpose | B | B | B | 3 |
| Destination | D | D | D | 4 |
| Pump Manufacturer | FM | FM | ITT AC | 5 |
| Year Installed | 2003 | 2003 | 1998 | 6 |
| Type | CENTRIFUGAL | CENTRIFUGAL | OTHER | 7 |
| Actual Capacity (gpm) | 1,900 | 1,900 | 1,800 | 8 |
| Pump Motor or Standby Engine Mfr | WESCO | MARATHON | GENERAL ELECTRIC | 9 |
| Year Installed | 2003 | 2003 | 1998 | 10 |
| Type | ELECTRIC | ELECTRIC | ELECTRIC | 11 |
| Horsepower | 75 | 75 | 75 | 12 |
| Footnotes | | | | 13 |
| | | | | 14 |

| Particulars (a) | Unit D (b) | Unit E (c) | Unit F (d) | |
|----------------------------------|-------------------|---------------|---------------|----|
| Identification | WELL #5 | WELL #6 | WELL #7 | 15 |
| Location | 1450 WAUKECHON ST | 1149 ENGEL DR | 1050 CTY RD B | 16 |
| Purpose | P | P | P | 17 |
| Destination | R | R | D | 18 |
| Pump Manufacturer | GOULDS | GOULDS | GOULDS | 19 |
| Year Installed | 2009 | 2002 | 2000 | 20 |
| Type | CENTRIFUGAL | CENTRIFUGAL | CENTRIFUGAL | 21 |
| Actual Capacity (gpm) | 850 | 770 | 780 | 22 |
| Pump Motor or Standby Engine Mfr | U S MOTORS | WESCO | WESCO | 23 |
| Year Installed | 2000 | 2001 | 2000 | 24 |
| Type | ELECTRIC | ELECTRIC | ELECTRIC | 25 |
| Horsepower | 75 | 50 | 65 | 26 |
| Footnotes | | | | 27 |
| | | | | 28 |

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 #8 | WELL #9 | | 1 |
| Location | 1286 CTY RD B | 1600 CTY RD B | | 2 |
| Purpose | P | P | | 3 |
| Destination | D | D | | 4 |
| Pump Manufacturer | AMERICAN TURBINE | GOULDS | | 5 |
| Year Installed | 1999 | 2004 | | 6 |
| Type | CENTRIFUGAL | CENTRIFUGAL | | 7 |
| Actual Capacity (gpm) | 850 | 800 | | 8 |
| Pump Motor or Standby Engine Mfr | U S ELECTRIC | U S MOTORS | | 10 |
| Year Installed | 1999 | 2004 | | 11 |
| Type | ELECTRIC | ELECTRIC | | 12 |
| Horsepower | 75 | 60 | | 13 |
| Footnotes | | | | 14 |

| Particulars (a) | Unit D (b) | Unit E (c) | Unit F (d) | |
|-------------------------------------|---------------|---------------|---------------|----|
| Identification | | | | 15 |
| Location | | | | 16 |
| Purpose | | | | 17 |
| Destination | | | | 18 |
| Pump Manufacturer | | | | 19 |
| Year Installed | | | | 20 |
| Type | | | | 21 |
| Actual Capacity (gpm) | | | | 22 |
| Pump Motor or Standby Engine Mfr | | | | 23 |
| Year Installed | | | | 25 |
| Type | | | | 26 |
| Horsepower | | | | 27 |
| Footnotes | | | | 28 |

PUMPING & POWER EQUIPMENT

Pumping & Power Equipment (Page W-17)

General footnotes

Well #5's 75 horsepower pump was rehabilitated in 2009. The year installed was updated to be 2009.

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 | | 1 |
| RESERVOIRS, STANDPIPES OR ELEVATED TANKS | | | | 2 |
| Type: R (reservoir), S (standpipe) or ET (elevated tank) | R | ET | | 3 |
| Year constructed | 1973 | 2004 | | 4 |
| Primary material (earthen, steel, concrete, other) | STEEL | STEEL | | 5 |
| Elevation difference in feet (See Headnote 3.) | 10 | 120 | | 6 |
| Total capacity in gallons (actual) | 2,000,000 | 500,000 | | 7 |
| WATER TREATMENT PLANT | | | | 8 |
| Disinfection, type of equipment (gas, liquid, powder, other) | LIQUID | LIQUID | | 9 |
| Points of application (wellhouse, central facilities, booster station, other) | WELLHOUSE | WELLHOUSE | | 10 |
| Filters, type (gravity, pressure, other, none) | NONE | NONE | | 11 |
| Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.) | 0.0000 | 0.0000 | | 12 |
| Is a corrosion control chemical used (yes, no)? | N | N | | 13 |
| Is water fluoridated (yes, no)? | N | N | | 14 |
| Footnotes | | | | 15 |

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.

| Pipe Material (a) | Main Function (b) | Diameter in Inches (c) | Number of Feet | | | | Adjustments Increase or (Decrease) (g) | End of Year (h) | |
|--------------------------------------|----------------------|---------------------------|----------------------|--------------------------|----------------------------|----------|---|--------------------|--|
| | | | First of Year (d) | Added During Year (e) | Retired During Year (f) | | | | |
| M | D | 2.000 | 684 | 0 | 0 | 0 | 684 | 1 | |
| M | D | 4.000 | 19,377 | | 2,183 | | 17,194 | 2 | |
| A | D | 6.000 | 62,760 | | | | 62,760 | 3 | |
| M | D | 6.000 | 38,300 | | 510 | | 37,790 | 4 | |
| P | D | 6.000 | 2,560 | 39 | | | 2,599 | 5 | |
| M | D | 8.000 | 25,720 | | 105 | | 25,615 | 6 | |
| M | S | 8.000 | 70 | | | | 70 | 7 | |
| P | D | 8.000 | 22,552 | 6,511 | | | 29,063 | 8 | |
| A | D | 10.000 | 6,179 | | | | 6,179 | 9 | |
| A | S | 10.000 | 20 | | | | 20 | 10 | |
| M | D | 10.000 | 22,655 | | | | 22,655 | 11 | |
| M | S | 10.000 | 10 | | | | 10 | 12 | |
| P | D | 10.000 | 14,266 | | | | 14,266 | 13 | |
| A | D | 12.000 | 1,821 | | | | 1,821 | 14 | |
| A | S | 12.000 | 1,160 | | | | 1,160 | 15 | |
| M | D | 12.000 | 38,071 | | | | 38,071 | 16 | |
| M | T | 12.000 | 720 | | | | 720 | 17 | |
| P | D | 12.000 | 21,530 | | | | 21,530 | 18 | |
| P | T | 12.000 | 3,240 | | | | 3,240 | 19 | |
| M | D | 14.000 | 3,217 | | | | 3,217 | 20 | |
| M | T | 14.000 | 2,290 | | | | 2,290 | 21 | |
| M | S | 18.000 | 55 | | | | 55 | 22 | |
| Total Within Municipality | | | 287,257 | 6,550 | 2,798 | 0 | 291,009 | | |
| M | D | 10.000 | 1,174 | | | | 1,174 | 23 | |
| M | D | 12.000 | 4,297 | | | | 4,297 | 24 | |
| Total Outside of Municipality | | | 5,471 | 0 | 0 | 0 | 5,471 | | |
| Total Utility | | | 292,728 | 6,550 | 2,798 | 0 | 296,480 | | |

WATER MAINS

Water Mains (Page W-19)

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

The financing for 2009 water main replacements were accomplished using internal funds.

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 | 2,694 | | 59 | | 2,635 | | 1 |
| P | 1.000 | 332 | 140 | | | 472 | | 2 |
| M | 1.000 | 197 | | | | 197 | | 3 |
| M | 1.500 | 33 | | | | 33 | | 4 |
| P | 1.500 | 2 | | | | 2 | | 5 |
| P | 2.000 | 8 | 2 | | | 10 | | 6 |
| M | 2.000 | 42 | | | | 42 | | 7 |
| M | 3.000 | 4 | | | | 4 | | 8 |
| M | 4.000 | 3 | | | | 3 | | 9 |
| P | 4.000 | 3 | | | | 3 | | 10 |
| P | 6.000 | 4 | | | | 4 | | 11 |
| M | 6.000 | 17 | | | | 17 | | 12 |
| P | 8.000 | 4 | 2 | | | 6 | | 13 |
| M | 8.000 | 20 | | | | 20 | | 14 |
| Total Utility | | 3,363 | 144 | 59 | 0 | 3,448 | 0 | |

WATER SERVICES

Water Services (Page W-20)

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

All projects completed in 2009 were done using internal funding.

If Utility-Owned Service Not In Use at End of Year is reported as zero, please explain.

The zero usage has been confirmed by staff members.

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.
6. Do not include station meters in the meter inventory used to complete these tables.

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 | 3,463 | 6 | 6 | | 3,463 | 79 | 1 |
| 0.750 | 158 | 9 | | | 167 | 11 | 2 |
| 1.000 | 128 | 3 | | | 131 | 13 | 3 |
| 1.500 | 65 | 3 | | | 68 | 8 | 4 |
| 2.000 | 56 | 2 | | | 58 | 3 | 5 |
| 3.000 | 14 | | | | 14 | | 6 |
| 4.000 | 7 | 1 | | | 8 | 3 | 7 |
| 6.000 | 4 | | | | 4 | 2 | 8 |
| Total: | 3,895 | 24 | 6 | 0 | 3,913 | 119 | |

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 | 2,939 | 249 | 12 | 18 | 5 | 240 | 3,463 | 1 |
| 0.750 | 44 | 40 | 3 | 7 | 0 | 73 | 167 | 2 |
| 1.000 | 1 | 62 | 9 | 5 | 2 | 52 | 131 | 3 |
| 1.500 | | 35 | 3 | 6 | | 24 | 68 | 4 |
| 2.000 | | 20 | 7 | 13 | 1 | 17 | 58 | 5 |
| 3.000 | | 5 | | 4 | | 5 | 14 | 6 |
| 4.000 | | 1 | 1 | 3 | | 3 | 8 | 7 |
| 6.000 | | | 1 | 1 | | 2 | 4 | 8 |
| Total: | 2,984 | 412 | 36 | 57 | 8 | 416 | 3,913 | |

METERS

Meters (Page W-21)

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

The replacement and testing values do not meet the 10 year ruling for testing requirements. When the meters were replaced in 2007 it was decided that these meters would be replaced every 20 years and a letter was written to the PSC asking for acceptance of this decision. It was accepted by the water division.

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.

Station meters are tested every year for accuracy. They are sent in for testing, therefore, newly tested or replacement meters are installed in their place. (If the original meter does not meet the specified range the supplier automatically replaces the meter).

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) | |
|--------------------------------|--|--------------------------------|----------------------------------|---|--|---|
| Fire Hydrants | | | | | | |
| Outside of Municipality | 0 | | | | 0 | 1 |
| Within Municipality | 394 | 17 | 9 | | 402 | 2 |
| Total Fire Hydrants | 394 | 17 | 9 | 0 | 402 | |
| Flushing Hydrants | | | | | | |
| | 4 | | | | 4 | 3 |
| Total Flushing Hydrants | 4 | 0 | 0 | 0 | 4 | |

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: | 804 |
| Number of distribution system valves end of year: | 2,700 |
| Number of distribution valves operated during year: | 1,350 |

SEWER OPERATING REVENUES & EXPENSES

| Particulars (a) | This Year (b) | Last Year (c) | |
|---|------------------|------------------|----|
| Operating Revenues | | | |
| Sewage Operating Revenues | | | |
| Sewage Operating Revenues (621-626) | 1,687,715 | 1,600,280 | 1 |
| Total Sewage Operating Revenues | 1,687,715 | 1,600,280 | |
| Other Operating Revenues | | | |
| Customer Forfeited Discounts (631) | 10,118 | 9,497 | 2 |
| Servicing of Customers Laterals (632) | 0 | | 3 |
| Sale of Fertilizer (633) | 0 | | 4 |
| Rent from Sewerage Properties (634) | 0 | | 5 |
| Miscellaneous Operating Revenues (635) | 0 | | 6 |
| Total Other Operating Revenues | 10,118 | 9,497 | |
| Total Operating Revenues | 1,697,833 | 1,609,777 | |
| Operation and Maintenance Expenses | | | |
| Operation Expenses (820-829) | 869,452 | 844,158 | 7 |
| Maintenance Expenses (831-834) | 108,790 | 81,512 | 8 |
| Customer Accounting & Collection Expenses (840-843) | 52,235 | 47,568 | 9 |
| Administrative and General Expenses (850-857) | 177,048 | 199,042 | 10 |
| Total Operation and Maintenance Expenses | 1,207,525 | 1,172,280 | |
| Other Operating Expenses | | | |
| Depreciation Expense (403) | 189,072 | 183,487 | 11 |
| Amortization Expense (404) | 0 | 0 | 12 |
| Taxes (408) | 20,879 | 19,239 | 13 |
| Total Other Operating Expenses | 209,951 | 202,726 | |
| Total Operating Expenses | 1,417,476 | 1,375,006 | |
| NET OPERATING INCOME | 280,357 | 234,771 | |

SEWER OPERATING REVENUES & EXPENSES

Sewer Operating Revenues & Expenses (Page S-01)

General footnotes

The totals were validated with 2008 year end totals for this report.

SEWAGE OPERATING REVENUES

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for flat rate service.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. In the gallons column, report metered water or sewage used as the basis in determining customer bills.

| Particulars (a) | Average No. Customers (b) | Thousands of Gallons Billed (c) | Amounts (d) | |
|---|---------------------------------|---------------------------------------|------------------|----|
| Operating Revenues | | | | |
| Sewage Operating Revenues | | | | |
| Flat Rate Service to General Customers (621) | | | | |
| Residential Revenues (621.1) | | | | 1 |
| Commercial Revenues (621.2) | | | | 2 |
| Industrial Revenues (621.3) | | | | 3 |
| Revenues from Public Authorities (621.4) | | | | 4 |
| Total Flat Rate Service to General Customers (621) | 0 | 0 | 0 | |
| Measured Service to General Customers (622) | | | | |
| Residential Revenues (622.1) | 2,961 | 130,385 | 1,099,378 | 5 |
| Commercial Revenues (622.2) | 401 | 57,337 | 395,661 | 6 |
| Industrial Revenues (622.3) | 29 | 7,383 | 48,557 | 7 |
| Revenues from Public Authorities (622.4) | 52 | 22,205 | 143,382 | 8 |
| Total Measured Service to General Customers (622) | 3,443 | 217,310 | 1,686,978 | |
| Service to Other Systems (624) | | | | 9 |
| Other Sewerage Service (625) | | | | 10 |
| Interdepartmental Service (626) | 2 | 79 | 737 | 11 |
| Total Sewage Operating Revenues | 3,445 | 217,389 | 1,687,715 | |

HIGH STRENGTH CONTRIBUTORS

1. High strength contributor is one with waste stronger than 250 mg/l for B.O.D. or 250 mg/l for suspended solids or 10 mg/l for phosphorus.
2. If domestic strength limits for BOD, SS and Phos. used for rate purposes are different from the levels indicated, please note the limits used in the spaces available.
3. The units "mg/l" are now used in place of the equivalent "ppm."
4. List type, volume, strength.

| Type (a) | Volume Annual Gallons (000's) (b) | BOD (mg/l) (c) | SS (mg/l) (d) | Phos (mg/l) (e) | |
|----------------------------|--|----------------------|---------------------|-----------------------|---|
| CITY OF SHAWANO (SEWER #2) | 448 | | 6 | | 1 |
| PIT SAMPLES | 2 | | | | 2 |
| CITY OF SHAWANO (SEWER #1) | | | | | 3 |

OTHER OPERATING REVENUES (SEWER)

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 \$2,000 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) | |
|---|---------------|---|
| Customer Forfeited Discounts (631): | | |
| NONE | | 1 |
| Customer late payment charges | 10,118 | 2 |
| Other (specify): | | |
| Total Customer Forfeited Discounts (631) | 10,118 | |
| Servicing of Customers Laterals (632): | | |
| NONE | | 3 |
| Total Servicing of Customers Laterals (632) | 0 | |
| Sale of Fertilizer (633): | | |
| NONE | | 4 |
| Total Sale of Fertilizer (633) | 0 | |
| Rent from Sewerage Property (634): | | |
| NONE | | 5 |
| Total Rent from Sewerage Property (634) | 0 | |
| Miscellaneous Operating Revenues (635): | | |
| NONE | | 6 |
| Total Miscellaneous Operating Revenues (635) | 0 | |

SEWER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

| Particulars (a) | This Year (b) | Last Year (c) | |
|---|------------------|------------------|----|
| OPERATION EXPENSES | | | |
| Supervision and Labor (820) | 333 | 348 | 1 |
| Power and Fuel for Pumping (821) | 21,032 | 21,459 | 2 |
| Power and Fuel for Aeration Equipment (822) | | | 3 |
| Chlorine (823) | | | 4 |
| Phosphorous Removal Chemicals (824) | | | 5 |
| Sludge Conditioning Chemicals (825) | | | 6 |
| Other Chemicals for Sewage Treatment (826) | | | 7 |
| Other Operating Supplies and Expenses (827) | 848,087 | 822,351 | 8 |
| Transportation Expenses (828) | | | 9 |
| Rents (829) | | | 10 |
| Total Operation Expenses | 869,452 | 844,158 | |
| MAINTENANCE EXPENSES | | | |
| Maintenance of Sewage Collection System (831) | 60,413 | 26,910 | 11 |
| Maintenance of Collection System Pumping Equipment (832) | 35,941 | 34,855 | 12 |
| Maintenance of Treatment and Disposal Plant Equipment (833) | | | 13 |
| Maintenance of General Plant Structures and Equipment (834) | 12,436 | 19,747 | 14 |
| Total Maintenance Expenses | 108,790 | 81,512 | |
| CUSTOMER ACCOUNTING & COLLECTION EXPENSES | | | |
| Billing, Collecting and Accounting (840) | 49,824 | 44,718 | 15 |
| Flat Rate Inspections (841) | | | 16 |
| Meter Reading (842) | 2,206 | 3,254 | 17 |
| Uncollectible Accounts (843) | 205 | (404) | 18 |
| Total Customer Accounting & Collection Expenses | 52,235 | 47,568 | |
| ADMINISTRATIVE AND GENERAL EXPENSES | | | |
| Administrative and General Salaries (850) | 44,484 | 48,330 | 19 |
| Office Supplies and Expenses (851) | 10,324 | 10,403 | 20 |
| Outside Services Employed (852) | 10,328 | 19,176 | 21 |
| Insurance Expense (853) | 12,528 | 12,425 | 22 |
| Employees Pensions and Benefits (854) | 53,993 | 49,372 | 23 |
| Regulatory Commission Expenses (855) | 0 | 3,381 | 24 |
| Miscellaneous General Expenses (856) | 11,355 | 10,817 | 25 |
| Rents (857) | 34,036 | 45,138 | 26 |
| Total Administrative and General Expenses | 177,048 | 199,042 | |
| Total Operation and Maintenance Expenses | 1,207,525 | 1,172,280 | |

SEWER OPERATION & MAINTENANCE EXPENSES

Sewer Operation & Maintenance Expenses (Page S-05)

General footnotes

The totals were validated with 2008 year end totals for this report.

For values that represent an increase or a decrease when compared to the previous year of greater than 15%, but not less \$10,000, please explain.

Acct: 857 increased because in 2006 and 2007 all water meters were replaced. The plant values increased which have been passed 50/50 to water and sewer.

Acct: 831 increased because more manhours were spent on maintaining the collections system. There was major construction accomplished during 2009.

TAXES (ACCT. 408 - SEWER)

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) | |
|--|---|------------------|------------------|---|
| Social Security | PAYROLL EXPENSES | 10,032 | 8,843 | 1 |
| Local and School Tax Equivalent on Meters Charged by Water Department | | 9,408 | 9,021 | 2 |
| PSC Remainder Assessment | | 1,439 | 1,375 | 3 |
| Other (specify): | | | | |
| NONE | | | 0 | 4 |
| Total tax expense | | 20,879 | 19,239 | |

SEWER 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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts, combine them into one total and detail by subaccount as a schedule footnote.

| Accounts (a) | Balance First of Year (b) | Additions During Year (c) | Retirements During Year (e) | Adjustments Increase or (Decrease) (f) | Balance End of Year (g) | |
|--|---------------------------------|---------------------------------|-----------------------------------|---|-------------------------------|----|
| INTANGIBLE PLANT | | | | | | |
| Organization (301) | | | | | 0 | 1 |
| Franchises and Consents (302) | | | | | 0 | 2 |
| Miscellaneous Intangible Plant (303) | | | | | 0 | 3 |
| Total Intangible Plant | 0 | 0 | 0 | 0 | 0 | |
| COLLECTION SYSTEM | | | | | | |
| Land and Land Rights (310) | | | | | 0 | 4 |
| Structures and Improvements (311) | | | | | 0 | 5 |
| Service Connections, Traps, and Accessories (312) | | 276,807 | | | 276,807 | 6 |
| Collecting Mains and Accessories (313) | 3,663,011 | 842,661 | 4,741 | | 4,500,931 | 7 |
| Interceptor Mains and Accessories (314) | 364,185 | | | | 364,185 | 8 |
| Force Mains (315) | 561,403 | 13,082 | | | 574,485 | 9 |
| Other Collecting System Equipment (316) | | | | | 0 | 10 |
| Total Collection System | 4,588,599 | 1,132,550 | 4,741 | 0 | 5,716,408 | |
| COLLECTION SYSTEM PUMPING INSTALLAT | | | | | | |
| Land and Land Rights (320) | | | | | 0 | 11 |
| Structures and Improvements (321) | 288,164 | 97,118 | | | 385,282 | 12 |
| Receiving Wells (322) | | | | | 0 | 13 |
| Electric Pumping Equipment (323) | 361,606 | 78,276 | 29,372 | | 410,510 | 14 |
| Other Power Pumping Equipment (324) | | | | | 0 | 15 |
| Miscellaneous Pumping Equipment (325) | 1,688 | | | | 1,688 | 16 |
| Total Collection System Pumping Installation: | 651,458 | 175,394 | 29,372 | 0 | 797,480 | |
| TREATMENT AND DISPOSAL PLANT | | | | | | |
| Land and Land Rights (330) | | | | | 0 | 17 |
| Structures and Improvements (331) | | | | | 0 | 18 |
| Preliminary Treatment Equipment (332) | | | | | 0 | 19 |
| Primary Treatment Equipment (333) | | | | | 0 | 20 |
| Secondary Treatment Equipment (334) | | | | | 0 | 21 |
| Advanced Treatment Equipment (335) | | | | | 0 | 22 |
| Chlorination Equipment (336) | | | | | 0 | 23 |
| Sludge Treatment and Disposal Equipment (337) | | | | | 0 | 24 |
| Plant Site Piping (338) | | | | | 0 | 25 |
| Flow Metering and Monitoring Equipment (339) | 13,539 | | | | 13,539 | 26 |
| Outfall Sewer Pipes (340) | | | | | 0 | 27 |

SEWER 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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts, combine them into one total and detail by subaccount as a schedule footnote.

| Accounts (a) | Balance First of Year (b) | Additions During Year (c) | Retirements During Year (e) | Adjustments Increase or (Decrease) (f) | Balance End of Year (g) | |
|---|---------------------------------|---------------------------------|-----------------------------------|---|-------------------------------|----|
| TREATMENT AND DISPOSAL PLANT | | | | | | |
| Other Treatment and Disposal Plant Equipment (341) | | | | | 0 | 28 |
| Total Treatment and Disposal Plant | 13,539 | 0 | 0 | 0 | 13,539 | |
| GENERAL PLANT | | | | | | |
| Land and Land Rights (389) | 8,587 | | | | 8,587 | 29 |
| Structures and Improvements (390) | 178,235 | | | | 178,235 | 30 |
| Office Furniture and Equipment (391) | 36,491 | 871 | | | 37,362 | 31 |
| Computer Equipment (391.1) | 203,221 | 5,184 | | | 208,405 | 32 |
| Transportation Equipment (392) | 120,512 | | 6,236 | | 114,276 | 33 |
| Stores Equipment (393) | | | | | 0 | 34 |
| Tools, Shop & Garage Equipment (394) | 47,026 | 3,735 | 1,408 | | 49,353 | 35 |
| Laboratory Equipment (395) | | | | | 0 | 36 |
| Power Operated Equipment (396) | 143,587 | | | | 143,587 | 37 |
| Communication Equipment (397) | 14,298 | | 655 | | 13,643 | 38 |
| SCADA Equipment (397.1) | 92,021 | | | | 92,021 | 39 |
| Miscellaneous Equipment (398) | | | | | 0 | 40 |
| Total General Plant | 843,978 | 9,790 | 8,299 | 0 | 845,469 | |
| Total utility plant in service directly assignable | 6,097,574 | 1,317,734 | 42,412 | 0 | 7,372,896 | |
| Common Utility Plant Allocated to Sewer Department (300) | | | | | 0 | 41 |
| Total utility plant in service | 6,097,574 | 1,317,734 | 42,412 | 0 | 7,372,896 | |

SEWER UTILITY PLANT IN SERVICE
--Plant Financed by Utility or Municipality--

Sewer Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page S-07)

General footnotes

The totals were validated with 2008 year end totals for this report.

If Additions for any Accounts exceed \$100,000, please explain.

Acct 312 increased because of the service connections that were added during the construction of the annexed Wescott Sanitary District customers in 2009. This account is where the capitalized services were allocated.

Acct 313 has increased because of the construction work that was required for the annexed Wescott Sanitary District customers in 2009.

SEWER 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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts, combine them into one total and detail by subaccount as a schedule footnote.

| Accounts (a) | Balance First of Year (b) | Additions During Year (c) | Retirements During Year (e) | Adjustments Increase or (Decrease) (f) | Balance End of Year (g) | |
|---|---------------------------------|---------------------------------|-----------------------------------|---|-------------------------------|----|
| INTANGIBLE PLANT | | | | | | |
| Organization (301) | | | | | 0 | 1 |
| Franchises and Consents (302) | | | | | 0 | 2 |
| Miscellaneous Intangible Plant (303) | | | | | 0 | 3 |
| Total Intangible Plant | 0 | 0 | 0 | 0 | 0 | |
| COLLECTION SYSTEM | | | | | | |
| Land and Land Rights (310) | | | | | 0 | 4 |
| Structures and Improvements (311) | | | | | 0 | 5 |
| Service Connections, Traps, and Accessories (312) | | | | | 0 | 6 |
| Collecting Mains and Accessories (313) | 911,179 | | | | 911,179 | 7 |
| Interceptor Mains and Accessories (314) | | | | | 0 | 8 |
| Force Mains (315) | | | | | 0 | 9 |
| Other Collecting System Equipment (316) | | | | | 0 | 10 |
| Total Collection System | 911,179 | 0 | 0 | 0 | 911,179 | |
| COLLECTION SYSTEM PUMPING INSTALLATIONS | | | | | | |
| Land and Land Rights (320) | | | | | 0 | 11 |
| Structures and Improvements (321) | 17,000 | | | | 17,000 | 12 |
| Receiving Wells (322) | | | | | 0 | 13 |
| Electric Pumping Equipment (323) | 35,938 | | | | 35,938 | 14 |
| Other Power Pumping Equipment (324) | | | | | 0 | 15 |
| Miscellaneous Pumping Equipment (325) | | | | | 0 | 16 |
| Total Collection System Pumping Installation | 52,938 | 0 | 0 | 0 | 52,938 | |
| TREATMENT AND DISPOSAL PLANT | | | | | | |
| Land and Land Rights (330) | | | | | 0 | 17 |
| Structures and Improvements (331) | | | | | 0 | 18 |
| Preliminary Treatment Equipment (332) | | | | | 0 | 19 |
| Primary Treatment Equipment (333) | | | | | 0 | 20 |
| Secondary Treatment Equipment (334) | | | | | 0 | 21 |
| Advanced Treatment Equipment (335) | | | | | 0 | 22 |
| Chlorination Equipment (336) | | | | | 0 | 23 |
| Sludge Treatment and Disposal Equipment (337) | | | | | 0 | 24 |
| Plant Site Piping (338) | | | | | 0 | 25 |
| Flow Metering and Monitoring Equipment (339) | | | | | 0 | 26 |
| Outfall Sewer Pipes (340) | | | | | 0 | 27 |

SEWER 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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts, combine them into one total and detail by subaccount as a schedule footnote.

| Accounts (a) | Balance First of Year (b) | Additions During Year (c) | Retirements During Year (e) | Adjustments Increase or (Decrease) (f) | Balance End of Year (g) | |
|---|---------------------------------|---------------------------------|-----------------------------------|---|-------------------------------|----|
| TREATMENT AND DISPOSAL PLANT | | | | | | |
| Other Treatment and Disposal Plant Equipment (341) | | | | | 0 | 28 |
| Total Treatment and Disposal Plant | 0 | 0 | 0 | 0 | 0 | |
| GENERAL PLANT | | | | | | |
| Land and Land Rights (389) | | | | | 0 | 29 |
| Structures and Improvements (390) | | | | | 0 | 30 |
| Office Furniture and Equipment (391) | | | | | 0 | 31 |
| Computer Equipment (391.1) | | | | | 0 | 32 |
| Transportation Equipment (392) | | | | | 0 | 33 |
| Stores Equipment (393) | | | | | 0 | 34 |
| Tools, Shop & Garage Equipment (394) | | | | | 0 | 35 |
| Laboratory Equipment (395) | | | | | 0 | 36 |
| Power Operated Equipment (396) | | | | | 0 | 37 |
| Communication Equipment (397) | | | | | 0 | 38 |
| SCADA Equipment (397.1) | | | | | 0 | 39 |
| Miscellaneous Equipment (398) | | | | | 0 | 40 |
| Total General Plant | 0 | 0 | 0 | 0 | 0 | |
| Total utility plant in service directly assignable | 964,117 | 0 | 0 | 0 | 964,117 | |
| Common Utility Plant Allocated to Sewer Department (300) | | | | | 0 | 41 |
| Total utility plant in service | 964,117 | 0 | 0 | 0 | 964,117 | |

SEWER UTILITY PLANT IN SERVICE
--Plant Financed by Contributions--

Sewer Utility Plant in Service --Plant Financed by Contributions-- (Page S-08)

General footnotes

The totals were validated with 2008 year end totals for this report.

SEWER 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 disconnected 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 diameter; pipe materials do not need to be specified.

| 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) | |
|----------------------|---------------------------|----------------------|--------------------------|--|---|--------------------|---|---|
| | | | | | | 0 | | 1 |
| Sewer | 6.000 | 0 | 142 | | | 142 | | 2 |
| Total Utility | | 0 | 142 | 0 | 0 | 142 | 0 | |

SEWER SERVICES

Sewer Services (Page S-09)

General footnotes

An email dated August 27, 2008 from Kathy Butzlaff of the PSC authorized the replacement of the sewer laterals. During a major street replacement project the contractor replaced all the sewer laterals while the street was torn up. In 2008, during a rate case review, it was noted that the cost to replace these sewer laterals during street projects was booked as an operating expense. The property owner will not be charged for this work; therefore with the information that was provided to the PSC the decision for a more appropriate procedure is to record both main and lateral replacement costs as a capital addition to the sewer main plant account. This is why the addition of page S9 in the 2009 annual report.

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

The financing for this project was a short term note from a local financial institution for 2009. During 2010 this short term note will be repaid with a Clean Water Fund Loan through the Department of Natural Resources.

SEWER MAINS

1. Report mains separately by diameter. Pipe materials do not need to be specified.
2. Explain all reported adjustments as a schedule footnote.
3. For main additions reported in column (c), 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 | | | | | | |
|------------------------------|-------------------------|-----------------------------|-------------------------------|---|-----------------------|---|
| Diameter in Inches (a) | First of Year (b) | Added During Year (c) | Retired During Year (d) | Adjustments Increase or (Decrease) (e) | End of Year (f) | |
| 4.000 | 561 | | | | 561 | 1 |
| 6.000 | 2,773 | 172 | | | 2,945 | 2 |
| 8.000 | 193,421 | 7,025 | 3,121 | | 197,325 | 3 |
| 10.000 | 16,130 | 400 | 330 | | 16,200 | 4 |
| 12.000 | 28,565 | | | | 28,565 | 5 |
| 15.000 | 5,081 | | | | 5,081 | 6 |
| 18.000 | 13,342 | | | | 13,342 | 7 |
| 24.000 | 8,064 | | | | 8,064 | 8 |
| 36.000 | 3,510 | | | | 3,510 | 9 |
| Total Utility | 271,447 | 7,597 | 3,451 | 0 | 275,593 | |

SEWER MAINS

Sewer Mains (Page S-10)

If Added During Year is greater than zero, please explain financing (see schedule headnote No. 3 regarding financing of mains).

Ultimately all the additions to plant in 2009 will be accomplished through a Clean Water Fund Loan or internal funding. In 2009, the monies were borrowed on a line of credit from a local financial institution. These monies will be repaid when the actual Loan is accomplished.
