



3014 (02-02-05)

ANNUAL REPORT

OF

Name: PRESCOTT CITY OF MUN WTR UTYPrincipal Office: 800 BORNER STREET NORTH
PRESCOTT, WI 54021-2012For the Year Ended: DECEMBER 31, 2006**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.

SIGNATURE PAGE

I ELIZABETH FRUEH of
(Person responsible for accounts)

PRESCOTT CITY OF MUN WTR UTY, 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) 03/23/2007
(Date)

CITY ADMINISTRATOR
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: PRESCOTT CITY OF MUN WTR UTY

Utility Address: 800 BORNER STREET NORTH
PRESCOTT, WI 54021-2012

When was utility organized? 1/14/1914

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: ELIZABETH FRUEH

Title: CITY ADMINISTRATOR

Office Address:

800 BORNER STREET NORTH
PRESCOTT, WI 54021

Telephone: (715) 262 - 5544

Fax Number: (715) 262 - 5764

E-mail Address: efrueh@prescottcity.org

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

Name: KIM FRANK

Title:

Office Address: VIRCHOW, KRAUSE & COMPANY, LLP

2519 N. HILLCREST PKWY, SUITE 203
ALTOONA, WI 54720

Telephone: (888) 390 - 7540 EXT 7664

Fax Number: (608) 249 - 8532

E-mail Address: KFRANK@VIRCHOWKRAUSE.COM

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

Name: RANDY HENDRICKSON

Title: PRESIDENT

Office Address:

800 BORNER STREET NORTH
PRESCOTT, WI 54021

Telephone: (715) 262 - 5544

Fax Number: (715) 262 - 5764

E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name:

Title:

Office Address: VIRCHOW, KRAUSE & COMPANY, LLP
2519 N. HILLCREST PKWY, SUITE 203
ALTOONA, WI 54720

Telephone: (888) 390 - 7540 EXT 7664

Fax Number: (608) 249 - 8532

E-mail Address:

Date of most recent audit report: 3/10/2006

Period covered by most recent audit: 1/1/2005 - 12/31/2005

Names and titles of utility management including manager or superintendent:

Name: JERRY KILLIAN

Title: UTILITY MANAGER

Office Address:

800 BORNER STREET NORTH
PRESCOTT, WI 54021

Telephone: (715) 262 - 5544

Fax Number: (715) 262 - 5764

E-mail Address:

Name of utility commission/committee: CITY COUNCIL

Names of members of utility commission/committee:

- MS JULIE ARNDTSON, COUNCIL MEMBER
- MR RANDY HENDRICKSON, PRESIDENT
- MR MICHAEL HUNTER, MAYOR
- MR STAN JOHNSON, COUNCIL MEMBER
- MR JERRY KILLIAN, PUBLIC WORKS DIRECTOR
- MR TOM LEE, COUNCIL MEMBER
- MR JOHN MECLENNAN, COUNCIL MEMBER
- MR JOHN ONEY, COUNCIL MEMBER

Is sewer service rendered by the utility? NO

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

Date of Ordinance:

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

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

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	453,503	391,841	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	208,516	174,513	2
Depreciation Expense (403)	67,817	67,598	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	69,339	67,584	5
Total Operating Expenses	345,672	309,695	
Net Operating Income	107,831	82,146	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	107,831	82,146	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	4,510	1,969	10
Miscellaneous Nonoperating Income (421)	37,873	147,598	11
Total Other Income	42,383	149,567	
Total Income	150,214	231,713	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(18,485)	(18,485)	12
Other Income Deductions (426)	23,742	21,973	13
Total Miscellaneous Income Deductions	5,257	3,488	
Income Before Interest Charges	144,957	228,225	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	59,224	62,252	14
Amortization of Debt Discount and Expense (428)	31,978	31,975	15
Amortization of Premium on Debt--Cr. (429)	0	0	16
Interest on Debt to Municipality (430)	0	0	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0	0	19
Total Interest Charges	91,202	94,227	
Net Income	53,755	133,998	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	1,889,090	1,700,090	20
Balance Transferred from Income (433)	53,755	133,998	21
Miscellaneous Credits to Surplus (434)	62,743	61,966	22
Miscellaneous Debits to Surplus--Debit (435)	0	6,964	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)	2,005,588	1,889,090	

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	453,503		453,503	1
Total (Acct. 400):	453,503	0	453,503	
Operation and Maintenance Expense (401-402):				
Derived	208,516		208,516	2
Total (Acct. 401-402):	208,516	0	208,516	
Depreciation Expense (403):				
Derived	67,817		67,817	3
Total (Acct. 403):	67,817	0	67,817	
Amortization Expense (404-407):				
Derived	0		0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	69,339		69,339	5
Total (Acct. 408):	69,339	0	69,339	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	107,831	0	107,831	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Income from Nonutility Operations (417):				
NONE	0		0	9
Total (Acct. 417):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	10
Total (Acct. 418):	0	0	0	

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Interest and Dividend Income (419):			
INTEREST & DIVIDEND INCOME	4,510	0	4,510 11
Total (Acct. 419):	4,510	0	4,510
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water	[REDACTED]	37,873	37,873 12
NONE	0	0	0 13
Total (Acct. 421):	0	37,873	37,873
TOTAL OTHER INCOME:	4,510	37,873	42,383
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(18,485)	[REDACTED]	(18,485) 14
NONE	0	0	0 15
Total (Acct. 425):	(18,485)	0	(18,485)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	23,325	23,325 16
DEBT SERVICE FEES	417	0	417 17
Total (Acct. 426):	417	23,325	23,742
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(18,068)	23,325	5,257
INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	59,224	[REDACTED]	59,224 18
Total (Acct. 427):	59,224	0	59,224
Amortization of Debt Discount and Expense (428):			
AMORTIZATION OF DEBT DISCOUNT	3,210	[REDACTED]	3,210 19
AMORTIZATION OF WATER TOWER REFURBISHING	28,768	[REDACTED]	28,768 20
Total (Acct. 428):	31,978	0	31,978
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 21
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	[REDACTED]	0 22
Total (Acct. 430):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Other Interest Expense (431):			
Derived	0		0 23
Total (Acct. 431):	0	0	0
Interest Charged to Construction--Cr. (432):			
NONE	0		0 24
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	91,202	0	91,202
NET INCOME:	39,207	14,548	53,755
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	817,833	1,071,257	1,889,090 25
Total (Acct. 216):	817,833	1,071,257	1,889,090
Balance Transferred from Income (433):			
Derived	39,207	14,548	53,755 26
Total (Acct. 433):	39,207	14,548	53,755
Miscellaneous Credits to Surplus (434):			
PROPERTY TAX FORGIVEN	62,743	0	62,743 27
Total (Acct. 434):	62,743	0	62,743
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 28
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 29
Total (Acct. 436)--Debit:	0	0	0
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 30
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	919,783	1,085,805	2,005,588

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

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	453,503	0	0	0	453,503	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	453,503	0	0	0	453,503	

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	0		0	1
Electric operating expenses	0		0	2
Gas operating expenses	0		0	3
Heating operating expenses	0		0	4
Sewer operating expenses	0		0	5
Merchandising and jobbing	0		0	6
Other nonutility expenses	0		0	7
Water utility plant accounts	0		0	8
Electric utility plant accounts	0		0	9
Gas utility plant accounts	0		0	10
Heating utility plant accounts	0		0	11
Sewer utility plant accounts	0		0	12
Accum. prov. for depreciation of water plant	0		0	13
Accum. prov. for depreciation of electric plant	0		0	14
Accum. prov. for depreciation of gas plant	0		0	15
Accum. prov. for depreciation of heating plant	0		0	16
Accum. prov. for depreciation of sewer plant	0		0	17
Clearing accounts	0		0	18
All other accounts	0		0	19
Total Payroll	0	0	0	

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	1.5	1
Electric		2
Gas		3
Sewer		4

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	4,340,039	4,273,059	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	1,170,055	1,075,877	2
Net Utility Plant	3,169,984	3,197,182	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	2,070	0	6
Special Funds (125)	206,628	0	7
Total Other Property and Investments	208,698	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	390,070	580,637	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	108,279	59,012	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	0	14
Materials and Supplies (150)	12,545	15,348	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	510,894	654,997	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	38,479	41,689	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	28,768	20
Total Deferred Debits	38,479	70,457	
Total Assets and Other Debits	3,928,055	3,922,636	

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)	381,384	381,384	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	2,005,588	1,889,090	23
Total Proprietary Capital	2,386,972	2,270,474	
LONG-TERM DEBT			
Bonds (221)	1,195,000	1,270,000	24
Advances from Municipality (223)	0	0	25
Other Long-Term Debt (224)	0	0	26
Total Long-Term Debt	1,195,000	1,270,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	1,473	1,445	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	4,689	4,958	32
Other Current and Accrued Liabilities (238)	25,681	43,034	33
Total Current and Accrued Liabilities	31,843	49,437	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	314,240	332,725	36
Total Deferred Credits	314,240	332,725	
OPERATING RESERVES			
Property Insurance Reserve (261)			37
Injuries and Damages Reserve (262)			38
Pensions and Benefits Reserve (263)			39
Miscellaneous Operating Reserves (265)			40
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	3,928,055	3,922,636	

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	4,273,059	0	0	0	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)	2,721,171	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	1,604,589	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant in Process of Reclassification (103)					5
Utility Plant Leased to Others (104)					6
Property Held for Future Use (105)					7
Completed Construction not Classified (106)					8
Construction Work in Progress (107)	14,279				9
Utility Plant Acquisition Adjustments (108)					10
Other Utility Plant Adjustments (109)					11
Total Utility Plant	4,340,039	0	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 (110.1)	716,119	0	0	0	12
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	453,936	0	0	0	13
Total Accumulated Provision	1,170,055	0	0	0	
Net Utility Plant	3,169,984	0	0	0	

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	645,266				645,266	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	67,817				67,817	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	4,836				4,836	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	72,653	0	0	0	72,653	16
Debits during year						17
Book cost of plant retired	1,800				1,800	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	1,800	0	0	0	1,800	25
Balance end of year (110.1)	716,119	0	0	0	716,119	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	430,611				430,611	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	23,325				23,325	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	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	23,325	0	0	0	23,325	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					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 (110.1)	453,936	0	0	0	453,936	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	12,545	15,348 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	<u>12,545</u>	<u>15,348</u>

**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)				
UNAMORTIZED DEBT DISCOUNT	3,210	428	38,479	1
Total			38,479	
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	381,384	1
Changes during year (explain):		
NONE		2
Balance end of year	<u>381,384</u>	

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
1999 WATER BONDS	03/15/1999	12/15/2018	4.60%	1,195,000	1
Total Bonds (Account 221):				1,195,000	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

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)
--	------------------------------	------------------------------------	------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	69,339	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	69,339	
Taxes paid during year:		
County, state and local taxes	62,744	6
Social Security taxes	6,281	7
PSC Remainder Assessment	314	8
Other (explain):		
NONE		9
Total payments and other debits	69,339	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
1999 REVENUE BONDS	4,958	59,224	59,493	4,689	1
Subtotal	4,958	59,224	59,493	4,689	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other Long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	4,958	59,224	59,493	4,689	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS RECEIVABLE	2,070	2
Total (Acct. 124):	2,070	
Special Funds (125):		
REDEMPTION ACCOUNT	59,378	3
RESERVE ACCOUNT	137,250	4
DEPRECIATION ACCOUNT	10,000	5
Total (Acct. 125):	206,628	
Notes Receivable (141):		
NONE		6
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	108,279	7
Electric		8
Sewer (Regulated)		9
Other (specify):		
NONE		10
Total (Acct. 142):	108,279	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		11
Merchandising, jobbing and contract work		12
Other (specify):		
NONE		13
Total (Acct. 143):	0	
Receivables from Municipality (145):		
NONE		14
Total (Acct. 145):	0	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)
<hr/>	
Other Deferred Debits (183):	
NONE	17
Total (Acct. 183):	0
<hr/>	
Payables to Municipality (233):	
NONE	18
Total (Acct. 233):	0
<hr/>	
Other Deferred Credits (253):	
Regulatory Liability	314,240 19
NONE	20
Total (Acct. 253):	314,240

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)	2,713,756	0	0	0	2,713,756	1
Materials and Supplies	13,946	0	0	0	13,946	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	680,692	0	0	0	680,692	4
Customer Advances for Construction					0	5
Regulatory Liability	323,482	0	0	0	323,482	6
					0	7
Average Net Rate Base	1,723,528	0	0	0	1,723,528	
Net Operating Income	107,831	0	0	0	107,831	8
Net Operating Income as a percent of Average Net Rate Base	6.26%	N/A	N/A	N/A	6.26%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year	332,725	0	0	0	332,725	1
Add credits during year:					0	2
Deduct charges:						
Miscellaneous Amortization (425)	18,485	0	0	0	18,485	3
Other (specify):					0	4
Balance End of Year	314,240	0	0	0	314,240	

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

General footnotes

ACCOUNTANTS' COMPILATION REPORT

To the City Council
City of Prescott
Prescott, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balance sheets of the Prescott Water Utility, an enterprise fund of the City of Prescott as of December 31, 2006 and 2005, and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the year ended December 31, 2006 in the accompanying prescribed form.

Our compilation was limited to presenting, in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplemental schedules referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

The financial statements and related supplemental schedules are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Public Service Commission of Wisconsin and is not intended and should not be used by anyone other than the specified party.

VIRCHOW, KRAUSE & COMPANY, LLP

March 16, 2007

Identification and Ownership - Contacts (Page iv)

If the utility clerk (or other utility/municipal person responsible for municipal utility recordkeeping) is new (or will be new in the next year), please indicate here.

Elizabeth Frueh is the new person responsible for municipal utility recordkeeping. She is the City Administrator.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	404,701	376,892	1
Total Sales of Water	404,701	376,892	
Other Operating Revenues			
Forfeited Discounts (470)	3,155	612	2
Miscellaneous Service Revenues (471)	1,800	734	3
Rents from Water Property (472)	36,269	6,964	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	7,578	6,639	6
Total Other Operating Revenues	48,802	14,949	
Total Operating Revenues	453,503	391,841	
Operation and Maintenance Expenses			
Source of Supply Expenses (600-605)	31,690	24,058	7
Pumping Expenses (620-625)	37,824	26,029	8
Water Treatment Expenses (630-635)	0	0	9
Transmission and Distribution Expenses (640-655)	39,338	27,490	10
Customer Accounts Expenses (901-904)	35,883	32,339	11
Sales Expenses (910)	0	0	12
Administrative and General Expenses (920-935)	63,781	64,597	13
Total Operation and Maintenance Expenses	208,516	174,513	
Other Operating Expenses			
Depreciation Expense (403)	67,817	67,598	14
Amortization Expense (404-407)		0	15
Taxes (408)	69,339	67,584	16
Total Other Operating Expenses	137,156	135,182	
Total Operating Expenses	345,672	309,695	
NET OPERATING INCOME	107,831	82,146	

WATER OPERATING REVENUES - SALES OF WATER

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

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	1,441	91,965	208,353	4
Commercial	100	18,620	30,513	5
Industrial	13	5,737	7,237	6
Total Metered Sales to General Customers (461)	1,554	116,322	246,103	
Private Fire Protection Service (462)	1		1,352	7
Public Fire Protection Service (463)	1		146,363	8
Other Sales to Public Authorities (464)	22	8,712	10,883	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	1,578	125,034	404,701	

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)
------------------------------	----------------------------------	--	-------------------------

NONE

OTHER OPERATING REVENUES (WATER)

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

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	146,363	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify): NONE		4
Total Public Fire Protection Service (463)	146,363	
Forfeited Discounts (470):		
Customer late payment charges	3,155	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	3,155	
Miscellaneous Service Revenues (471):		
HOOK-UP FEES	1,800	7
Total Miscellaneous Service Revenues (471)	1,800	
Rents from Water Property (472):		
ANTENNA RENTAL	36,269	8
Total Rents from Water Property (472)	36,269	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	3,871	10
Other (specify): SALES OF METERS AND OTHER CASH RECEIPTS	3,707	11
Total Other Water Revenues (474)	7,578	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	This Year (b)	Last Year (c)	
SOURCE OF SUPPLY EXPENSES			
Operation Labor (600)	26,195	23,810	1
Purchased Water (601)		0	2
Operation Supplies and Expenses (602)		0	3
Maintenance of Water Source Plant (605)	5,495	248	4
Total Source of Supply Expenses	31,690	24,058	
PUMPING EXPENSES			
Operation Labor (620)	147	309	5
Fuel for Power Production (621)		0	6
Fuel or Power Purchased for Pumping (622)	37,677	25,720	7
Operation Supplies and Expenses (623)		0	8
Maintenance of Pumping Plant (625)		0	9
Total Pumping Expenses	37,824	26,029	
WATER TREATMENT EXPENSES			
Operation Labor (630)		0	10
Chemicals (631)		0	11
Operation Supplies and Expenses (632)		0	12
Maintenance of Water Treatment Plant (635)		0	13
Total Water Treatment Expenses	0	0	
TRANSMISSION AND DISTRIBUTION EXPENSES			
Operation Labor (640)	28,474	25,046	14
Operation Supplies and Expenses (641)	8,294	1,037	15
Maintenance of Distribution Reservoirs and Standpipes (650)		0	16
Maintenance of Mains (651)	2,570	665	17
Maintenance of Services (652)		742	18
Maintenance of Meters (653)		0	19
Maintenance of Hydrants (654)		0	20
Maintenance of Other Plant (655)		0	21
Total Transmission and Distribution Expenses	39,338	27,490	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	This Year (b)	Last Year (c)	
CUSTOMER ACCOUNTS EXPENSES			
Meter Reading Labor (901)	3,833	1,288	22
Accounting and Collecting Labor (902)	26,843	27,732	23
Supplies and Expenses (903)	5,207	3,319	24
Uncollectible Accounts (904)		0	25
Total Customer Accounts Expenses	35,883	32,339	
SALES EXPENSES			
Sales Expenses (910)	0	0	26
Total Sales Expenses	0	0	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (920)	9,475	9,339	27
Office Supplies and Expenses (921)	2,823	4,822	28
Administrative Expenses Transferred--Credit (922)		0	29
Outside Services Employed (923)	11,980	9,989	30
Property Insurance (924)	2,975	1,961	31
Injuries and Damages (925)		0	32
Employee Pensions and Benefits (926)	33,716	29,851	33
Regulatory Commission Expenses (928)		0	34
Miscellaneous General Expenses (930)	2,812	8,635	35
Transportation Expenses (933)		0	36
Maintenance of General Plant (935)		0	37
Total Administrative and General Expenses	63,781	64,597	
Total Operation and Maintenance Expenses	208,516	174,513	

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		62,744	61,966	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		1,167	1,162	2
Net property tax equivalent		61,577	60,804	
Social Security		7,448	6,432	3
PSC Remainder Assessment		314	348	4
Other (specify): NONE			0	5
Total tax expense		69,339	67,584	

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			Pierce				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.231686				3
County tax rate	mills		5.282887				4
Local tax rate	mills		7.551917				5
School tax rate	mills		10.536840				6
Voc. school tax rate	mills		2.069040				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		25.672370				10
Less: state credit	mills		1.494589				11
Net tax rate	mills		24.177781				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		7.551917				14
Combined School Tax Rate	mills		12.605880				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		20.157797				17
Total Tax Rate	mills		25.672370				18
Ratio of Local and School Tax to Total	dec.		0.785194				19
Total tax net of state credit	mills		24.177781				20
Net Local and School Tax Rate	mills		18.984254				21
Utility Plant, Jan. 1	\$	4,273,059	4,273,059				22
Materials & Supplies	\$	15,348	15,348				23
Subtotal	\$	4,288,407	4,288,407				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	4,288,407	4,288,407				26
Assessment Ratio	dec.		0.770700				27
Assessed Value	\$	3,305,075	3,305,075				28
Net Local & School Rate	mills		18.984254				29
Tax Equiv. Computed for Current Year	\$	62,744	62,744				30
Tax Equivalent per 1994 PSC Report	\$	39,723					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	62,744					34

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	5,020		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)	210,928		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	215,948	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	304,646		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	135,638		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	18,050		20
Total Pumping Plant	458,334	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	26,800		23
Total Water Treatment Plant	26,800	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			5,020	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)			210,928	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	215,948	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			304,646	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			135,638	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			18,050	20
Total Pumping Plant	0	0	458,334	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			26,800	23
Total Water Treatment Plant	0	0	26,800	

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	5,550		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	628,713		26
Transmission and Distribution Mains (343)	959,610	8,630	27
Fire Mains (344)	0		28
Services (345)	23,049	895	29
Meters (346)	159,464	5,147	30
Hydrants (348)	32,953		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,809,339	14,672	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	0		35
Computer Equipment (391.1)	0		36
Transportation Equipment (392)	5,480		37
Stores Equipment (393)	42,441	1,957	38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	148,000		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	195,921	1,957	
Total utility plant in service directly assignable	2,706,342	16,629	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	2,706,342	16,629	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			5,550 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			628,713 26
Transmission and Distribution Mains (343)	120		968,120 27
Fire Mains (344)			0 28
Services (345)			23,944 29
Meters (346)	1,680		162,931 30
Hydrants (348)			32,953 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	1,800	0	1,822,211
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			0 35
Computer Equipment (391.1)			0 36
Transportation Equipment (392)			5,480 37
Stores Equipment (393)			44,398 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			148,000 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	197,878
Total utility plant in service directly assignable	1,800	0	2,721,171
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	1,800	0	2,721,171

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	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
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	0	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	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
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	0		26
Transmission and Distribution Mains (343)	924,087	25,153	27
Fire Mains (344)	0		28
Services (345)	418,758	9,070	29
Meters (346)	0		30
Hydrants (348)	223,872	3,649	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,566,717	37,872	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	0		35
Computer Equipment (391.1)	0		36
Transportation Equipment (392)	0		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	0	0	
Total utility plant in service directly assignable	1,566,717	37,872	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	1,566,717	37,872	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)			949,240 27
Fire Mains (344)			0 28
Services (345)			427,828 29
Meters (346)			0 30
Hydrants (348)			227,521 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	1,604,589
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			0 35
Computer Equipment (391.1)			0 36
Transportation Equipment (392)			0 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	1,604,589
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	0	0	1,604,589

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

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

Sources of Water Supply					
Month	Purchased Water Gallons (000's)	Surface Water Gallons (000's)	Ground Water Gallons (000's)	Total Gallons All Methods (000's)	
(a)	(b)	(c)	(d)	(e)	
January			11,986	11,986	1
February			13,360	13,360	2
March			15,084	15,084	3
April			15,697	15,697	4
May			18,760	18,760	5
June			25,326	25,326	6
July			29,530	29,530	7
August			20,775	20,775	8
September			16,881	16,881	9
October			14,623	14,623	10
November			14,003	14,003	11
December			14,129	14,129	12
Total annual pumpage	0	0	210,154	210,154	
Less: Water sold				125,034	13
Volume pumped but not sold				85,120	14
Volume sold as a percent of volume pumped				59%	15
Volume used for water production, water quality and system maintenance				9,950	16
Volume related to equipment/system malfunction				55,000	17
Non-utility volume NOT included in water sales				195	18
Total volume not sold but accounted for				65,145	19
Volume pumped but unaccounted for				19,975	20
Percent of water lost				10%	21
If more than 25%, indicate causes:					22
If more than 25%, state what action has been taken to reduce water loss:					23
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				1,443	24
Date of maximum: 7/8/2006					25
Cause of maximum:					26
Lawn sprinkling					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				324	27
Date of minimum: 11/1/2006					28
Total KWH used for pumping for the year				424,021	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31

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)	
192 FLORA STREET	#2	420	8	167,140	Yes	1
840 HILTON	#3	286	8	273,255	Yes	2
1004 DEXTER	#4	288	8	211,304	Yes	3

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#2 PUMPING EQUIPMENT	#3 PUMPING EQUIPMENT	PUMPING EQUIPMENT	1
Location	WELL # 2	WELL # 3	WELL #4	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	FAIRBANKS	LAYNE NW	HYDRAMATIC	5
Year Installed	1959	1971	1999	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	500	1,000	1,000	8
Pump Motor or Standby Engine Mfr	GENERAL ELECTRIC	GENERAL ELECTRIC	PEERLESS	9 10
Year Installed	1959	1971	1999	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	75	150	150	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	.L #3 STANDBY EQUIPMENT			14
Location	WELL # 3			15
Purpose	S			16
Destination	D			17
Pump Manufacturer	WAUKESHA			18
Year Installed	1971			19
Type	VERTICAL TURBINE			20
Actual Capacity (gpm)	1,000			21
Pump Motor or Standby Engine Mfr	WAUKESHA			22 23
Year Installed	1971			24
Type	NATURAL GAS			25
Horsepower	150			26

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification number or name	# 2	#3		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET		3
Year constructed	1976	1998		4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL		5
Elevation difference in feet (See Headnote 3.)	214	214		6
Total capacity in gallons (actual)	250,000	250,000		7
WATER TREATMENT PLANT				8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID			9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE			10
Filters, type (gravity, pressure, other, none)	NONE			11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.5000			12
Is a corrosion control chemical used (yes, no)?	N	N		13
Is water fluoridated (yes, no)?	Y	Y		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	1.500	400	0	0	0	400	1
M	D	2.000	26	0	0	0	26	2
P	D	2.000	1,880	0	0	0	1,880	3
M	D	4.000	8,950	0	0	0	8,950	4
A	D	6.000	0	0	0	0	0	5
M	D	6.000	65,003	36	15	0	65,024	6
M	D	8.000	45,100	56	0	0	45,156	7
M	D	10.000	2,600	0	0	0	2,600	8
M	D	12.000	5,700	393	0	0	6,093	9
M	D	14.000	550	0	0	0	550	10
Total Within Municipality			130,209	485	15	0	130,679	
Total Utility			130,209	485	15	0	130,679	

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	754	1	0	0	755	3	1
M	1.000	372	0	0	0	372	87	2
M	1.500	26	0	0	0	26	2	3
M	2.000	14	0	0	0	14	0	4
M	3.000	1	0	0	0	1	0	5
M	4.000	10	0	0	0	10	0	6
M	6.000	1	2	0	0	3	1	7
M	8.000	1	1	0	0	2	0	8
Total Utility		1,179	4	0	0	1,183	93	

METERS

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

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	1,549	45	24	(3)	1,567	156	1
0.750	3	0	0	0	3	0	2
1.000	19	2	0	0	21	0	3
1.250	3	0	0	0	3	0	4
1.500	7	0	0	(1)	6	0	5
2.000	14	1	0	(1)	14	0	6
3.000	1	0	0	1	2	0	7
4.000	1	0	0	1	2	0	8
Total:	1,597	48	24	(3)	1,618	156	

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	1,449	79	8	12	0	19	1,567	1
0.750	1	1	1	0	0	0	3	2
1.000	2	16	0	3	0	0	21	3
1.250	0	3	0	0	0	0	3	4
1.500	0	4	1	0	0	1	6	5
2.000	0	4	1	8	0	1	14	6
3.000	1	0	0	1	0	0	2	7
4.000	0	0	1	1	0	0	2	8
Total:	1,453	107	12	25	0	21	1,618	

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	219	1			220	2
Total Fire Hydrants	219	1	0	0	220	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

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:	220
Number of distribution system valves end of year:	329
Number of distribution valves operated during year:	75

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

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

Maintenance of Water Source Plant (605) - chemical and repair expenses have increased since last year.

Miscellaneous General Expenses (930) - last year's expenses included some sewer testing fees. The client coded the fees to the proper account this year.

Fuel or Power Purchased for Pumping (622) - natural gas costs have increased substantially since last year and electric costs increased due to more pumping because of the dry summer.

Operation Supplies and Expenses (641) - two repairs of water main leaks made, various parts were purchased, and year-end inventory decreased.

Water Mains (Page W-17)

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

Additions were financed with a federal grant and utility funds.

Water Services (Page W-18)

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

Additions were financed with federal grants, developer contributions and utility funds.

Meters (Page W-19)

Explain all reported adjustments.

The City of Prescott performed an actual count of meters and adjustments were necessary.

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

Meters are tested at least every 10 years.

If 2-inch or greater meters are reported as residential, please explain.

The utility has a 3-inch meter that is considered residential for a building with condominiums in it.

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

Yes.