



3015 (02-05-09)

ANNUAL REPORT

OF

Name: MONTREAL MUNICIPAL WATER UTILITY

Principal Office: 54 WISCONSIN AVE - CITY HALL
MONTREAL, WI 54550

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 SUSAN LESKY of
(Person responsible for accounts)

MONTREAL MUNICIPAL WATER 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)

SUSAN LESKY
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MONTREAL MUNICIPAL WATER UTILITY**Utility Address:** 54 WISCONSIN AVE - CITY HALL
MONTREAL, WI 54550**When was utility organized?** 2/1/1963**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: SUSAN LESKY**Title:** CLERK TREASURER**Office Address:**54 WISCONSIN AVE - CITY HALL
MONTREAL, WI 54550**Telephone:** (715) 561 - 4955**Fax Number:** (715) 561 - 4964**Email Address:** citymontreal@yahoo.com

Utility employee in charge of correspondence concerning this report:

Name: SUSAN LESKY**Title:** CITY CLERK/TREASURER**Office Address:**54 WISCONSIN AVENUE
MONTREAL, WI 54550**Telephone:** (715) 561 - 4955**Fax Number:** (715) 561 - 4964**Email Address:** citymontreal@yahoo.com

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

Name: ROGER J KOLEHMAINEN**Title:** CERTIFIED PUBLIC ACCOUNTANT**Office Address:** ROGER KOLEHMAINEN PC CPA1445 EAST CLOVERLAND DRIVE
IRONWOOD, MI 49938**Telephone:** (906) 932 - 3600**Fax Number:** (906) 932 - 3600**Email Address:** kolefam@yahoo.com

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

Name: ROBERT MORZENTI**Title:** MAYOR**Office Address:**54 WISCONSIN AVENUE
MONTREAL, WI 54550**Telephone:** (715) 561 - 4955**Fax Number:** (715) 561 - 4964**Email 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: ROGER J KOLEHMAINEN

Title: CERTIFIED PUBLIC ACCOUNTANT

Office Address: ROGER KOLEHMAINEN PC CPA
1445 EAST CLOVERLAND DRIVE
IRONWOOD, MI 49938

Telephone: (906) 932 - 3600

Fax Number: (906) 932 - 3600

Email Address: kolefam@yahoo.com

Date of most recent audit report: 12/31/2008

Period covered by most recent audit: CALENDAR YEAR 2008

Names and titles of utility management including manager or superintendent:

Name: WILBUR PETERS

Title: WATER OPERATOR

Office Address:
54 WISCONSIN AVE
MONTREAL, WI 54550

Telephone: (715) 561 - 4955

Fax Number: (715) 561 - 4964

Email Address: citymontreal@yahoo.com

Name of utility commission/committee: PUBLIC WORKS COMMITTEE

Names of members of utility commission/committee:

- MR MITCH KOSKI
- MRS LEOLA MASLANKA
- MR ROBERT MORZENTI, MAYOR
- MRS KAREN SECOR
- MR MARK WENDT

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? 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:

Firm Name: NONE

Contact Person:

Title:

Telephone:

Fax Number:

Email 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)	168,518	186,191	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	111,197	82,452	2
Depreciation Expense (403)	28,886	27,851	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	33,622	22,437	5
Total Operating Expenses	173,705	132,740	
Net Operating Income	(5,187)	53,451	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(5,187)	53,451	
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)	196	274	10
Miscellaneous Nonoperating Income (421)	25,912	125,004	11
Total Other Income	26,108	125,278	
Total Income	20,921	178,729	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(9,434)	(9,434)	12
Other Income Deductions (426)	19,045	15,380	13
Total Miscellaneous Income Deductions	9,611	5,946	
Income Before Interest Charges	11,310	172,783	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	23,217	24,887	14
Amortization of Debt Discount and Expense (428)	0	0	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	23,217	24,887	
Net Income	(11,907)	147,896	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	752,442	566,956	20
Balance Transferred from Income (433)	(11,907)	147,896	21
Miscellaneous Credits to Surplus (434)	341	37,590	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	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)	740,876	752,442	

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 Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	168,518	0	168,518	1
Total (Acct. 400):	168,518	0	168,518	
Operation and Maintenance Expense (401-402):				
Derived	111,197	0	111,197	2
Total (Acct. 401-402):	111,197	0	111,197	
Depreciation Expense (403):				
Derived	28,886	0	28,886	3
Total (Acct. 403):	28,886	0	28,886	
Amortization Expense (404-407):				
Derived	0	0	0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	33,622	0	33,622	5
Total (Acct. 408):	33,622	0	33,622	
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:	(5,187)	0	(5,187)	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0	0	0	8
Total (Acct. 415-416):	0	0	0	
Income from Nonutility Operations (417):				
NONE			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):				
INTEREST INCOME	196		196	11
Total (Acct. 419):	196	0	196	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	12
GRANT INCOME -EXPENSE REIMBURSEMENTS	25,912		25,912	13
Total (Acct. 421):	25,912	0	25,912	
TOTAL OTHER INCOME:	26,108	0	26,108	

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 Miscellaneous Nonoperating Income, Account 421.

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	(9,434)	0	(9,434)	14
NONE			0	15
Total (Acct. 425):	(9,434)	0	(9,434)	
Other Income Deductions (426):				
Depreciation Expense on Contributed Plant - Water	0	19,045	19,045	16
NONE			0	17
Total (Acct. 426):	0	19,045	19,045	
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(9,434)	19,045	9,611	
INTEREST CHARGES				
Interest on Long-Term Debt (427):				
Derived	23,217	0	23,217	18
Total (Acct. 427):	23,217	0	23,217	
Amortization of Debt Discount and Expense (428):				
NONE			0	19
Total (Acct. 428):	0	0	0	
Amortization of Premium on Debt--Cr. (429):				
NONE			0	20
Total (Acct. 429):	0	0	0	
Interest on Debt to Municipality (430):				
Derived	0	0	0	21
Total (Acct. 430):	0	0	0	
Other Interest Expense (431):				
Derived	0	0	0	22
Total (Acct. 431):	0	0	0	
Interest Charged to Construction--Cr. (432):				
NONE			0	23
Total (Acct. 432):	0	0	0	
TOTAL INTEREST CHARGES:	23,217	0	23,217	
NET INCOME:	7,138	(19,045)	(11,907)	
EARNED SURPLUS				
Unappropriated Earned Surplus (Beginning of Year) (216):				
Derived	226,406	526,036	752,442	24
Total (Acct. 216):	226,406	526,036	752,442	
Balance Transferred from Income (433):				
Derived	7,138	(19,045)	(11,907)	25
Total (Acct. 433):	7,138	(19,045)	(11,907)	
Miscellaneous Credits to Surplus (434):				
PRIOR YEAR ACCOUNTS PAYABLE OVERSTATED	341		341	26
Total (Acct. 434):	341	0	341	

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 Miscellaneous Nonoperating Income, Account 421.

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	27
Total (Acct. 435)--Debit:	0	0	0	
Appropriations of Surplus--Debit (436):				
Detail appropriations to (from) account 215			0	28
Total (Acct. 436)--Debit:	0	0	0	
Appropriations of Income to Municipal Funds--Debit (439):				
NONE			0	29
Total (Acct. 439)--Debit:	0	0	0	
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	233,885	506,991	740,876	

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 and 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):						
NONE					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	168,518	0	0	0	168,518	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					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 -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	168,518	0	0	0	168,518	

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	0.5	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 (101)	2,166,300	2,150,458	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (111)	687,487	639,556	2
Net Utility Plant	1,478,813	1,510,902	
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)	0	0	6
Sinking Funds (125)	0	0	7
Depreciation Fund (126)	0	0	8
Other Special Funds (128)	27,222	11,682	9
Total Other Property and Investments	27,222	11,682	
CURRENT AND ACCRUED ASSETS			
Cash (131)	1,944	1,942	10
Special Deposits (134)	0	0	11
Working Funds (135)	9,806	4,198	12
Temporary Cash Investments (136)			13
Notes Receivable (141)	0	0	14
Customer Accounts Receivable (142)	30,595	33,608	15
Other Accounts Receivable (143)	6,314	0	16
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	17
Receivables from Municipality (145)	10,479	83,217	18
Plant Materials and Operating Supplies (154)	5,325	5,222	19
Merchandise (155)	0	0	20
Other Materials and Supplies (156)	0	0	21
Stores Expense (163)	0	0	22
Prepayments (165)	395	395	23
Interest and Dividends Receivable (171)	0		24
Accrued Utility Revenues (173)			25
Miscellaneous Current and Accrued Assets (174)			26
Total Current and Accrued Assets	64,858	128,582	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	27
Extraordinary Property Losses (182)	0	0	28
Preliminary Survey and Investigation Charges (183)	0	0	29
Clearing Accounts (184)	0	0	30
Temporary Facilities (185)	0	0	31
Miscellaneous Deferred Debits (186)	0	0	32
Total Deferred Debits	0	0	
Total Assets and Other Debits	1,570,893	1,651,166	

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)	52,775	52,775	33
Appropriated Earned Surplus (215)			34
Unappropriated Earned Surplus (216)	740,876	752,442	35
Total Proprietary Capital	793,651	805,217	
LONG-TERM DEBT			
Bonds (221)	63,000	70,000	36
Advances from Municipality (223)	0	59,998	37
Other long-Term Debt (224)	527,333	565,000	38
Total Long-Term Debt	590,333	694,998	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	39
Accounts Payable (232)	4,550	2,172	40
Payables to Municipality (233)	43,199	0	41
Customer Deposits (235)	0		42
Taxes Accrued (236)	0	0	43
Interest Accrued (237)	6,784	7,269	44
Tax Collections Payable (241)	0		45
Miscellaneous Current and Accrued Liabilities (242)	300		46
Total Current and Accrued Liabilities	54,833	9,441	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	47
Customer Advances for Construction (252)			48
Other Deferred Credits (253)	132,076	141,510	49
Total Deferred Credits	132,076	141,510	
OPERATING RESERVES			
Property Insurance Reserve (261)			50
Injuries and Damages Reserve (262)			51
Pensions and Benefits Reserve (263)			52
Miscellaneous Operating Reserves (265)			53
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	1,570,893	1,651,166	

BALANCE SHEET

Balance Sheet (Page F-07)

General footnotes

ROGER J. KOLEHMAINEN CPA PC
1445 EAST CLOVERLAND DRIVE
IRONWOOD, MI 49938

WE HAVE COMPILED THE ACCOMPANYING BALANCE SHEET, STATEMENT OF REVENUES AND EXPENSES, CHANGES IN THE RETAINED EARNINGS, AND STATISTICAL INFORMATION OF THE MONTREAL MUNICIPAL WATER SYSTEM FOR THE YEAR ENDING DECEMBER 31, 2009, INCLUDING THE PRESCRIBED FORMAT BY THE PUBLIC SERVICE COMMISSION, IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES ISSUED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.

OUR COMPILATION IS LIMITED TO PRESENTING IN THE FORM PRESCRIBED BY THE WISCONSIN PUBLIC SERVICE COMMISSION, INFORMATION THAT IS THE REPRESENTATION OF MANAGEMENT. WE HAVE NOT AUDITED OR REVIEWED THE ACCOMPANYING FINANCIAL STATEMENTS OR STATISTICAL INFORMATION AND, ACCORDINGLY, DO NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE ON THEM.

THESE FINANCIAL STATEMENTS ARE PRESENTED IN ACCORDANCE WITH THE REQUIREMENTS OF WISCONSIN PUBLIC SERVICE COMMISSION, WHICH DIFFER FROM GENERALLY ACCEPT ACCOUNTING PRINCIPLES. MANAGEMENT HAS ELECTED TO OMIT THE STATEMENT OF CASH FLOWS AND SUBSTANTIALLY ALL OF THE DISCLOSURES REQUIRED BY GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. IF THE OMITTED DISCLOSURES WERE INCLUDED IN THE FINANCIAL STATEMENTS, THEY MIGHT INFLUENCE THE USER'S CONCLUSIONS ABOUT THE MUNICIPALITY'S ASSETS, LIABILITIES, EQUITY, REVENUES AND EXPENSES. ACCORDINGLY, THESE FINANCIAL STATEMENTS ARE NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH DIFFERENCES.

ROGER J. KOLEHMAINEN PC
CERTIFIED PUBLIC ACCOUNTANT
MARCH 31, 2009

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	2,150,458	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)	1,083,847	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	1,074,034	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant Leased to Others (104)					5
Property Held for Future Use (105)					6
Construction Work in Progress (107)	8,419				* 7
Total Utility Plant	2,166,300	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 (111.1)	216,017	0	0	0	8
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (111.2)	471,470	0	0	0	9
Accumulated Provision for Depreciation of Utility Plant Leased to Others (112)					10
Accumulated Provision for Depreciation of Property Held for Future Use (113)					11
Accumulated Provision for Amortization of Utility Plant in Service (114)					12
Accumulated Provision for Amortization of Utility Plant Leased to Others (115)					13
Accumulated Provision for Amortization of Property Held for Future Use (116)					14
Total Accumulated Provision	687,487	0	0	0	
Other Utility Plant Accounts:					
Utility Plant Acquisition Adjustments (117)					15
Accumulated Provision for Amortization of Utility Plant Acquisition Adjustments (118)					16
Other Utility Plant Adjustments (119)					17
Total Other Utility Plant Accounts	0	0	0	0	
Net Utility Plant	1,478,813	0	0	0	

NET UTILITY PLANT

Net Utility Plant (Page F-08)

General footnotes

Acquired a generator at year end but not installed.

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)	(c)	(d)	(e)	Total (f)	
Balance first of year (111.1)	187,131				187,131	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	28,886				28,886	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	28,886	0	0	0	28,886	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 (111.1)	216,017	0	0	0	216,017	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)	(c)	(d)	(e)	Total (f)	
Balance first of year (111.2)	452,425				452,425	1
Credits During Year						2
Accruals:						3
Charged Other Income Deductions (426)	19,045				19,045	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	19,045	0	0	0	19,045	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 (111.2)	471,470	0	0	0	471,470	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			0	1
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		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	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

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	0	1
Fuel stock expenses (152)					0	0	2
Plant mat. & oper. sup. (154)					0	0	3
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility (154)	5,325	5,222	2
Sewer utility (154)		0	3
Heating utility (154)		0	4
Gas utility (154)		0	5
Merchandise (155)		0	6
Other materials & supplies (156)		0	7
Stores expense (163)		0	8
Total Materials and Supplies	5,325	5,222	

**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)				
NONE				1
Total			0	
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	52,775	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>52,775</u></u>	

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
MORTGAGE REVENUE BONDS	10/30/1981	09/01/2016	5.00%	63,000	1
Total Bonds (Account 221):				63,000	

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)	
Advances from Municipality (223)					
NONE	00/00/0000	00/00/0000	0.00%	0	* 1
Total for Account 223				0	
Other Long-Term Debt (224)					
PROMMISSORY NOTE	03/12/2008	03/12/2011	3.64%	527,333	2
Total for Account 224				527,333	
Notes Payable (231)					
NONE	00/00/0000	00/00/0000	0.00%		3
Total for Account 231				0	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

General footnotes

Water Fund has applied surplus amount billed to General Fund for hydrant rental to offset property taxes to Water Fund. Since the interfund payable is now being paid down, reclassified as a current liability.

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	33,624	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>33,624</u>	
Taxes paid during year:		
County, state and local taxes	31,996	6
Social Security taxes	1,628	7
PSC Remainder Assessment		8
Other (explain):		
NONE		9
Total payments and other debits	<u>33,624</u>	
Balance end of year	<u><u>0</u></u>	

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)					
MORTGAGE REVENUE BONDS	1,167	3,369	3,500	1,036	1
Subtotal	1,167	3,369	3,500	1,036	
Advances from Municipality (223)					
DUE TO MUNICIPALITY	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
BOND ANTICIPATION NOTES	0			0	3
PROMISSORY NOTE	6,102	19,848	20,202	5,748	4
Subtotal	6,102	19,848	20,202	5,748	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	7,269	23,217	23,702	6,784	

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):		
NONE		3
Total (Acct. 125):	0	
Depreciation Fund (126):		
NONE		4
Total (Acct. 126):	0	
Other Special Funds (128):		
CONSTRUCTION ACCOUNT	15,640	5
BOND REDEMPTION ACCOUNT	11,582	6
Total (Acct. 128):	27,222	
Special Deposits (134):		
NONE		7
Total (Acct. 134):	0	
Notes Receivable (141):		
NONE		8
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	30,595	9
Electric		10
Sewer (Regulated)		11
Other (specify):		
NONE		12
Total (Acct. 142):	30,595	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		13
Merchandising, jobbing and contract work		14
Other (specify):		
DUE FROM FEDERAL GOVERNMENT	6,314	* 15
Total (Acct. 143):	6,314	
Receivables from Municipality (145):		
DUE FROM SEWER FUND	9,065	* 16
DUE FROM TAX FUND	1,414	17
Total (Acct. 145):	10,479	

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):		
PREPAID EXPENSES	395	18
Total (Acct. 165):	395	
Extraordinary Property Losses (182):		
NONE		19
Total (Acct. 182):	0	
Preliminary Survey and Investigation Charges (183):		
NONE		20
Total (Acct. 183):	0	
Clearing Accounts (184):		
NONE		21
Total (Acct. 184):	0	
Temporary Facilities (185):		
NONE		22
Total (Acct. 185):	0	
Miscellaneous Deferred Debits (186):		
NONE		23
Total (Acct. 186):	0	
Payables to Municipality (233):		
DUE TO GENERAL FUND	43,199	* 24
Total (Acct. 233):	43,199	
Other Deferred Credits (253):		
Regulatory Liability	132,076	25
NONE		26
Total (Acct. 253):	132,076	

DETAIL OF OTHER BALANCE SHEET ACCOUNTS

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

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$2,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

143- DUE FROM FEDERAL GOVERNMENT. AMOUNT RECOGNIZED IS TO COST SHARE A GENERATOR PURCHASED AT YEAR END. TO BE INSTALLED IN 2010.

145- DUE FROM SEWER FUND. DEBT RETIREMENT PAYMENTS FOR SEWER FUND DEBT WERE INADVERTENTLY PAID BY THE WATER FUND TO BE REIMBURSED.

233- DUE TO GENERAL FUND. AMOUNT WAS POSTED AS ADVANCE FROM MUNICIPALITY PRIOR TO RECLASSIFYING TO A CURRENT LIABILITY. WATER FUND HAS MADE PAYMENTS AGAINST LOAN WHICH ALLOWED IT TO BE RECLASSIFIED. APPEARS FUTURE PAYMENTS WILL BE MADE ANNUALLY SUPPORTING THE CURRENT LIABILITY STATUS.

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)	1,080,135	0	0	0	1,080,135	1
Materials and Supplies	5,273	0	0	0	5,273	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (111.1)	201,574	0	0	0	201,574	4
Customer Advances for Construction					0	5
Regulatory Liability	136,793	0	0	0	136,793	6
NONE					0	7
Average Net Rate Base	747,041	0	0	0	747,041	
Net Operating Income	(5,187)	0	0	0	(5,187)	8
Net Operating Income as a percent of						
Average Net Rate Base	-0.69%	N/A	N/A	N/A	-0.69%	

**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	141,510	0	0	0	141,510	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	9,434	0	0	0	9,434	3
Other (specify):						
NONE					0	4
Balance End of Year	132,076	0	0	0	132,076	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

None

2. Leaseholder changes.

None

3. Extensions of service.

None

4. Estimated changes in revenues due to rate changes.

None

5. Obligations incurred or assumed, excluding commercial paper.

None

6. Formal proceedings with the Public Service Commission.

None

7. Any additional matters.

Two well sites were decommissioned and abandoned. Per invoices received and paid by the City, all work performed by contractors was conducted in accordance with WDNR requirements.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	168,098	183,980	1
Total Sales of Water	168,098	183,980	
Other Operating Revenues			
Forfeited Discounts (470)	0	0	2
Rents from Water Property (472)	0	0	3
Interdepartmental Rents (473)	0	0	4
Other Water Revenues (474)	420	2,211	5
Total Other Operating Revenues	420	2,211	
Total Operating Revenues	168,518	186,191	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	88,339	62,105	6
General Operating Expenses (680-691)	22,858	20,347	7
Total Operation and Maintenance Expenses	111,197	82,452	
Other Operating Expenses			
Depreciation Expense (403)	28,886	27,851	8
Amortization Expense (404-407)		0	9
Taxes (408)	33,622	22,437	10
Total Other Operating Expenses	62,508	50,288	
Total Operating Expenses	173,705	132,740	
NET OPERATING INCOME	(5,187)	53,451	

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)	460	13,469	53,894	5
Commercial (461.2)	20	971	3,885	6
Industrial (461.3)				7
Public Authority (461.4)				8
Total Metered Sales to General Customers (461)	480	14,440	57,779	
Private Fire Protection Service (462)				9
Public Fire Protection Service (463)	1		39,527	10
Other Water Sales (465)	4	1,674	6,698	11
Sales for Resale (466)	2	29,784	64,094	12
Interdepartmental Sales (467)				13
Total Sales of Water	487	45,898	168,098	

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)	
CITY OF HURLEY	CITY LIMIT	26,582	57,175	1
TOWN OF PENCE	CITY LIMIT	3,202	6,919	2
Total		29,784	64,094	

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)	39,527	3
NONE		4
Total Public Fire Protection Service (463)	39,527	
Forfeited Discounts (470):		
NONE		5
Customer late payment charges		6
Other (specify):		
Total Forfeited Discounts (470)	0	
Rents from Water Property (472):		
NONE		7
Total Rents from Water Property (472)	0	
Interdepartmental Rents (473):		
NONE		8
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
TURN ON/OFF FEES, REPAIR SERVICES	420	9
Return on net investment in meters charged to sewer department		10
Other (specify):		
Total Other Water Revenues (474)	420	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	17,556	13,799	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	23,715	21,703	3
Chemicals (630)	11,308	5,786	4
Supplies and Expenses (640)	6,430	9,801	5
Repairs of Water Plant (650)	29,330	11,016	6 *
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	88,339	62,105	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	3,701	3,586	8
Office Supplies and Expenses (681)	4,637	4,527	9
Outside Services Employed (682)	2,680	2,660	10
Insurance Expense (684)		218	11
Employees Pensions and Benefits (686)	11,588	9,176	12
Regulatory Commission Expenses (688)	167	180	13
Miscellaneous General Expenses (689)	85	0	14
Uncollectible Accounts (690)		0	15
Customer Service and Informational Expenses (691)		0	16
Total General Operating Expenses	22,858	20,347	
Total Operation and Maintenance Expenses	111,197	82,452	

WATER OPERATION & MAINTENANCE EXPENSES

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 30%, but not less \$2,000, please explain.

The City experienced additional costs associated with the decommissioning and abandoning two well sites. Part of the expenditures were covered by grant funding.

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		31,996	21,107	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		31,996	21,107	
Social Security		1,626	1,150	3
PSC Remainder Assessment			180	4
Other (specify): NONE			0	5
Total tax expense		33,622	22,437	

TAXES (ACCT. 408 - WATER)

Taxes (Acct. 408 - Water) (Page W-06)

Explain zero value(s) for PSC Remainder Assessment and/or Social Security.

RECOGNIZE IN THE STATEMENT OF OPERATIONS AS AN EXPENDITURE.

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			Iron				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.169700				3
County tax rate	mills		4.044000				4
Local tax rate	mills		3.955000				5
School tax rate	mills		9.567000				6
Voc. school tax rate	mills		1.055700				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		18.791400				10
Less: state credit	mills		0.000000				11
Net tax rate	mills		18.791400				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		3.955000				14
Combined School Tax Rate	mills		10.622700				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		14.577700				17
Total Tax Rate	mills		18.791400				18
Ratio of Local and School Tax to Total	dec.		0.775764				19
Total tax net of state credit	mills		18.791400				20
Net Local and School Tax Rate	mills		14.577700				21
Utility Plant, Jan. 1	\$	2,150,458	2,150,458				22
Materials & Supplies	\$	5,222	5,222				23
Subtotal	\$	2,155,680	2,155,680				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	2,155,680	2,155,680				26
Assessment Ratio	dec.		1.018160				27
Assessed Value	\$	2,194,827	2,194,827				28
Net Local & School Rate	mills		14.577700				29
Tax Equiv. Computed for Current Year	\$	31,996	31,996				30
Tax Equivalent per 1994 PSC Report	\$	21,107					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	31,996					34
Footnotes							35

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 \$10,000. 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				0	1
Franchises and Consents (302)	0				0	2
Miscellaneous Intangible Plant (303)	0				0	3
Total Intangible Plant	0	0	0	0	0	
SOURCE OF SUPPLY PLANT						
Land and Land Rights (310)	0				0	4
Structures and Improvements (311)	0				0	5
Collecting and Impounding Reservoirs (312)	0				0	6
Lake, River and Other Intakes (313)	0				0	7
Wells and Springs (314)	53,127				53,127	8
Supply Mains (316)	18,973				18,973	9
Other Water Source Plant (317)	0				0	10
Total Source of Supply Plant	72,100	0	0	0	72,100	
PUMPING PLANT						
Land and Land Rights (320)	0				0	11
Structures and Improvements (321)	87,898				87,898	12
Other Power Production Equipment (323)	0				0	13
Electric Pumping Equipment (325)	151,171				151,171	14
Diesel Pumping Equipment (326)	0				0	15
Other Pumping Equipment (328)	0				0	16
Total Pumping Plant	239,069	0	0	0	239,069	
WATER TREATMENT PLANT						
Land and Land Rights (330)	0				0	17
Structures and Improvements (331)	10,357				10,357	18
Sand or Other Media Filtration Equipment (332)	54,632				54,632	19
Membrane Filtration Equipment (333)	0				0	20
Other Water Treatment Equipment (334)	0				0	21
Total Water Treatment Plant	64,989	0	0	0	64,989	
TRANSMISSION AND DISTRIBUTION PLANT						
Land and Land Rights (340)	0				0	22
Structures and Improvements (341)	0				0	23
Distribution Reservoirs and Standpipes (342)	49,631				49,631	24
Transmission and Distribution Mains (343)	435,332				435,332	25
Services (345)	43,207				43,207	26
Meters (346)	78,690				78,690	27
Hydrants (348)	72,500	7,423			79,923	* 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 \$10,000. 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				0	29
Total Transmission and Distribution Plant	679,360	7,423	0	0	686,783	
GENERAL PLANT						
Land and Land Rights (389)	0				0	30
Structures and Improvements (390)	0				0	31
Office Furniture and Equipment (391)	15,263				15,263	32
Computer Equipment (391.1)	0				0	33
Transportation Equipment (392)	5,643				5,643	34
Stores Equipment (393)	0				0	35
Tools, Shop and Garage Equipment (394)	0				0	36
Laboratory Equipment (395)	0				0	37
Power Operated Equipment (396)	0				0	38
Communication Equipment (397)	0				0	39
SCADA Equipment (397.1)	0				0	40
Miscellaneous Equipment (398)	0				0	41
Total General Plant	20,906	0	0	0	20,906	
Total utility plant in service directly assignable	1,076,424	7,423	0	0	1,083,847	
Common Utility Plant Allocated to Water Department (300)	0				0	42
Total utility plant in service	1,076,424	7,423	0	0	1,083,847	

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)

If Plant in Service Additions, Account 348, are greater than zero AND Additions on the Hydrants and Distribution System Valves schedule are zero, please explain.

Two fire hydrants were replaced. Prior capital asset listing does not provide for determining values associated with the original fire hydrants installed. Reason for addition with no reduction for retirements.

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 \$10,000. 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				0	1
Franchises and Consents (302)	0				0	2
Miscellaneous Intangible Plant (303)	0				0	3
Total Intangible Plant	0	0	0	0	0	
SOURCE OF SUPPLY PLANT						
Land and Land Rights (310)	0				0	4
Structures and Improvements (311)	0				0	5
Collecting and Impounding Reservoirs (312)	0				0	6
Lake, River and Other Intakes (313)	0				0	7
Wells and Springs (314)	148,450				148,450	8
Supply Mains (316)	21,974				21,974	9
Other Water Source Plant (317)	0				0	10
Total Source of Supply Plant	170,424	0	0	0	170,424	
PUMPING PLANT						
Land and Land Rights (320)	0				0	11
Structures and Improvements (321)	252,410				252,410	12
Other Power Production Equipment (323)	0				0	13
Electric Pumping Equipment (325)	0				0	14
Diesel Pumping Equipment (326)	0				0	15
Other Pumping Equipment (328)	0				0	16
Total Pumping Plant	252,410	0	0	0	252,410	
WATER TREATMENT PLANT						
Land and Land Rights (330)	0				0	17
Structures and Improvements (331)	0				0	18
Sand or Other Media Filtration Equipment (332)	0				0	19
Membrane Filtration Equipment (333)	0				0	20
Other Water Treatment Equipment (334)	0				0	21
Total Water Treatment Plant	0	0	0	0	0	
TRANSMISSION AND DISTRIBUTION PLANT						
Land and Land Rights (340)	0				0	22
Structures and Improvements (341)	0				0	23
Distribution Reservoirs and Standpipes (342)	70,489				70,489	24
Transmission and Distribution Mains (343)	454,423				454,423	25
Services (345)	48,710				48,710	26
Meters (346)	0				0	27
Hydrants (348)	77,578				77,578	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 \$10,000. 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				0	29
Total Transmission and Distribution Plant	651,200	0	0	0	651,200	
GENERAL PLANT						
Land and Land Rights (389)	0				0	30
Structures and Improvements (390)	0				0	31
Office Furniture and Equipment (391)	0				0	32
Computer Equipment (391.1)	0				0	33
Transportation Equipment (392)	0				0	34
Stores Equipment (393)	0				0	35
Tools, Shop and Garage Equipment (394)	0				0	36
Laboratory Equipment (395)	0				0	37
Power Operated Equipment (396)	0				0	38
Communication Equipment (397)	0				0	39
SCADA Equipment (397.1)	0				0	40
Miscellaneous Equipment (398)	0				0	41
Total General Plant	0	0	0	0	0	
Total utility plant in service directly assignable	1,074,034	0	0	0	1,074,034	
Common Utility Plant Allocated to Water Department (300)	0				0	42
Total utility plant in service	1,074,034	0	0	0	1,074,034	

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			2,281	2,281	1
February			3,259	3,259	2
March			3,823	3,823	3
April			4,283	4,283	4
May			4,711	4,711	5
June			4,713	4,713	6
July			4,518	4,518	7
August			4,336	4,336	8
September			4,073	4,073	9
October			3,732	3,732	10
November			3,525	3,525	11
December			2,363	2,363	12
Total annual pumpage	0	0	45,617	45,617	

SOURCES OF WATER SUPPLY - STATISTICS

Sources of Water Supply - Statistics (Page W-13)

General footnotes

In assembling data for completion of the PSC report, it was identified that actual pumping reports prepared for each well site was estimated using a formula to incorporate a loss factor. Actual meter readings have not been read to provide for a basis to calculate actual water losses. The Mayor and the Water Operator has discussed this item and actual readings should be provided in the future.

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):	45,617	1
Less: Gallons (000's) used in the treatment process:	0	2
Subtotal: Gallons (000's) entering distribution system:	45,617	3
Less: Gallons (000's) sold:	45,898	4
Gallons (000's) entering distribution system but not sold:	(281)	5
Estimated Water Usage:		6
Gallons (000's) used to flush mains:		7
Gallons (000's) used for fire protection:		8
Gallons (000's) used to prevent freezing of distribution system:		9
Gallons (000's) used for other system uses:		10
Subtotal Estimated Usage:	0	11
Estimated Water Losses:		12
Gallons (000's) lost due to main leaks or breaks:		13
Gallons (000's) lost due to service leaks or breaks:		14
Gallons (000's) lost due to hydrant leaks, tank overflows and pressure reducing valves:		15
Gallons (000's) for unauthorized usage such as vandalism and theft:		16
Gallons (000's) not accounted for:	(281)	17
Subtotal of Estimated Losses:	(281)	18
Percentage of water entering distribution system sold:	101%	19
Percentage of unaccounted for water:	-1%	20
If more than 25%, indicate causes:		21

If more than 25%, state what action has been taken to reduce water loss:

OTHER STATISTICS

Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)	201	22
Date of maximum: 07/09/2009		23
Cause of maximum: PROVIDING WATER TO THE CITY OF HURLEY.		24
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)	68	25
Date of minimum: 11/06/2009		26
Total KWH used by the utility (include pumping, treatment facilities and other utility operations):	158,698	27
If water is purchased:		28
Vendor Name:		29
Point of Delivery:		30
What percentage of purchased water is surface water?		31
Number of main breaks repaired this year:	3	32
Number of service breaks repaired this year:	5	33
Population served (estimate the number of individuals served):		34
Inside municipality?	827	35
Outside municipality?		36

WATER LOSS AND OTHER STATISTICS

Water Loss and Other Statistics (Page W-14)

If Water Sold is greater than the water entering the distribution system, please explain.

ACTUAL WATER PUMPAGE REPORTS WERE FOUND TO BE PREPARED IN ERROR. INSTEAD OF RELYING ON ACTUAL METER READINGS THE OPERATOR WAS ESTIMATING THE USAGE. THIS WAS DETECTED BY THE BILLING CLERK IN ASSEMBLING THE INFORMATION IN PREPARING THIS REPORT.

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)	
BLANK 3	3	46	16	70,000	Yes	1
BLANK 5	5	42	8	252,000	Yes	2
BLANK 4	4	46	16	70,000	No	* 3

SOURCES OF WATER SUPPLY - GROUND WATERS

Sources of Water Supply - Ground Waters (Page W-15)

General footnotes

Decommissioned and abandoned during 2009.

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)	1
Identification	3	4	5	1
Location	BLANK 3	BLANK 4	BLANK 5	2
Purpose	P	P	P	3
Destination	R	R	R	4
Pump Manufacturer	LAYNE NW	LAYNE NW	LAYNE NW	5
Year Installed	1976	1976	2008	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	449	198	300	8
Pump Motor or Standby Engine Mfr	SQUARE D	SQUARE D	SQUARE D	9
Year Installed	1976	1976	2008	10
Type	ELECTRIC	ELECTRIC	ELECTRIC	11
Horsepower	50	30	50	12
Footnotes	*			13
				14

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	15
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				24
Type				25
Horsepower				26
Footnotes				27
				28

PUMPING & POWER EQUIPMENT

Pumping & Power Equipment (Page W-17)

General footnotes

Well site was decommissioned and abandoned in 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		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R		3
Year constructed	1976		4
Primary material (earthen, steel, concrete, other)	CONCRETE		5
Elevation difference in feet (See Headnote 3.)	256		6
Total capacity in gallons (actual)	250,000		7
			8
WATER TREATMENT PLANT			9
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		10
Points of application (wellhouse, central facilities, booster station, other)	OTHER		11
Filters, type (gravity, pressure, other, none)	NONE		12
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000		13
Is a corrosion control chemical used (yes, no)?	N		14
Is water fluoridated (yes, no)?	N		15
			16
Footnotes			17
			18
			19
			20
			21
			22
			23
			24
			25
			26
			27
			28

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				End of Year (h)	
			First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)		
M	D	1.000	546				546	1
M	D	1.250	176				176	2
M	D	1.500	500				500	3
M	D	2.000	910				910	4
M	D	4.000	10,267				10,267	5
M	D	6.000	38,605				38,605	6
M	D	8.000	13,644				13,644	7
M	D	10.000	140				140	8
M	D	14.000	150				150	9
Total Within Municipality			64,938	0	0	0	64,938	
Total Utility			64,938	0	0	0	64,938	

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	498				498	1	*	1
M	1.500	8				8	1	*	2
Total Utility		506	0	0	0	506	2		

WATER SERVICES

Water Services (Page W-20)

General footnotes

NO BASIS TO REPORT THAT UTILITY OWNED SERVICE WAS NOT IN USE AT YEAR END. REPORT WOULD NOT ACCEPT ZERO VALUE IN FINAL EDIT CHECK. USED ONE TO PASS.

Explain all reported Adjustments.

NO BASIS TO REPORT THAT UTILITY OWNED SERVICE WAS NOT IN USE AT YEAR END.

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	490	10	10		490	15	*	1
0.750	11				11	0		2
1.000	1				1	0		3
1.500	3				3	0		4
6.000	2				2	0		5
Total:	507	10	10	0	507	15		

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	460	13	0	1	0	16	490	*	1
0.750	0	11	0	0	0	0	11		2
1.000	0	1	0	0	0	0	1		3
1.500	0	2	0	1	0	0	3		4
6.000	0	0	0	0	2	0	2		5
Total:	460	27	0	2	2	16	507		

METERS

Meters (Page W-21)

If Meters Additions column total is greater than zero AND Additions on both of the Plant in Service schedules (Account 346) are zero, please explain.

NO NEW SERVICE ADDED. REPLACED MALFUNCTIONING OR NON-EXISTING METERS ON HOMES WHERE BILLINGS WERE ISSUED BASED UPON ESTIMATED CONSUMPTION.

If Meters Retirements column total is greater than zero AND Retirements on both of the Plant in Service schedules (Account 346) are zero, please explain.

NO NEW SERVICE ADDED. REPLACED MALFUNCTIONING OR NON EXISTING METER ON HOMES THAT HAVE ONLY ESTIMATED READINGS WERE USED IN CALCULATING BILLS.

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

ALL MALFUNCTIONING METERS HAVE BEEN REPLACED OR REPAIRED. THE CITY HAS NOT ADOPTED A FORMAL REPLACEMENT PLAN AS REQUIRED BY THE ADMISTRATIVE CODE.

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.

APPEARS THAT READING AND SERVICING METERS HAVE BEEN ON ONGOING PROBLEM FOR THE CITY. PAST RECOMMENDATIONS ON REPLACING OR INSTALLING METERS ON HOMES WILL MALFUNCTIONING OR NONEXISTING METERS HAVE BEEN ACCOMPLISHED THIS PAST YEAR. THE CITY NEEDS TO CONTINUE TO MAKE IMPROVEMENTS IN THE WAY WE OPERATE THE SYSTEM.

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	94	2	2		94	* 2
Total Fire Hydrants	94	2	2	0	94	
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:	94
Number of distribution system valves end of year:	130
Number of distribution valves operated during year:	74

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

Hydrants and Distribution System Valves (Page W-22)

If Hydrants Additions are greater than zero AND Additions on both of the Plant in Service schedules (Account 348) are zero, please explain.

Replaced two fire hydrants reflecting additional capitalization costs. Prior capital assets records were not maintained in sufficient detailed to allow for costs to be retired on the original installation of hydrants.

If Hydrants Retirements are greater than zero AND Retirements on both of the Plant in Service schedules (Account 348) are zero, please explain.

REPLACED TWO FIRE HYDRANTS WHICH ACCOUNT FOR THE ADDITIONAL CAPITALIZATION COSTS. PRIOR CAPITAL ASSETS RECORDS WERE NOT MAINTAINED IN SUFFICIENT DETAIL TO ALLOW FOR COSTS TO BE RETIRED ON HYDRANTS REPLACED.
