



3015 (02-09-04)

**ANNUAL REPORT**

OF

Name: WAUNONA SANITARY DISTRICT 2

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Principal Office: 3325 THURBER AVENUE  
MADISON, WI 53714

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For the Year Ended: DECEMBER 31, 2003

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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 TERRI WINANS of  
(Person responsible for accounts)

WAUNONA SANITARY DISTRICT 2, 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)      02/12/2004  
(Date)

CLERK  
(Title)

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**IDENTIFICATION AND OWNERSHIP**

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**Exact Utility Name:** WAUNONA SANITARY DISTRICT 2

**Utility Address:** 3325 THURBER AVENUE  
MADISON, WI 53714

**When was utility organized?** 4/30/1950

**Report any change in name:**

**Effective Date:**

**Utility Web Site:**

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

**Name:** TERRI WINANS

**Title:** CLERK

**Office Address:**

3325 THURBER AVENUE  
MADISON, WI 53714

**Telephone:** (608) 249 - 0705

**Fax Number:** (608) 249 - 7182

**E-mail Address:**

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

**Name:** AIMEE JAEGER

**Title:** SENIOR ACCOUNTANT

**Office Address:** VIRCHOW, KRAUSE & COMPANY, LLP

TEN TERRACE COURT  
P.O. BOX 7398  
MADISON, WI 53707

**Telephone:** (608) 240 - 2404

**Fax Number:** (608) 249 - 8532

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

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

**Name:** HAROLD BOHNE

**Title:** PRESIDENT

**Office Address:**

3325 THURBER AVENUE  
MADISON, WI 53714

**Telephone:** (608) 249 - 0705

**Fax Number:** (608) 249 - 7182

**E-mail Address:**

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**Are records of utility audited by individuals or firms, other than utility employee?** NO

**IDENTIFICATION AND OWNERSHIP**

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

**Name:**

**Title:**

**Office Address:**

**Telephone:** ( ) -

**Fax Number:** ( ) -

**E-mail Address:**

**Date of most recent audit report:**

**Period covered by most recent audit:**

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

**Name:** HAROLD BOHNE

**Title:** MANAGER

**Office Address:**

3325 THURBER AVENUE  
MADISON, WI 53714

**Telephone:** (608) 249 - 0705

**Fax Number:** (608) 249 - 7182

**E-mail Address:**

**Name of utility commission/committee:** UTLITY COMMISSION

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

HAROLD BOHNE  
JOHN JOHNSON

**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:**

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## IDENTIFICATION AND OWNERSHIP

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**Firm Name:**

**Contact Person:**

**Title:**

**Telephone:**

**Fax Number:**

**E-mail Address:**

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

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

**INCOME STATEMENT**

Particulars (a)	This Year (b)	Last Year (c)	
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	122,924	77,331	1
<b>Operating Expenses:</b>			
Operation and Maintenance Expense (401)	125,449	81,679	2
Depreciation Expense (403)	3,867	4,335	3
Amortization Expense (404)	0	0	4
Taxes (408)	776	632	5
<b>Total Operating Expenses</b>	<b>130,092</b>	<b>86,646</b>	
<b>Net Operating Income</b>	<b>(7,168)</b>	<b>(9,315)</b>	
Income from Utility Plant Leased to Others (412-413)	0	0	6
<b>Utility Operating Income</b>	<b>(7,168)</b>	<b>(9,315)</b>	
<b>OTHER INCOME</b>			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	1,324	1,919	9
Miscellaneous Nonoperating Income (421)	31,346	(24,725)	10
<b>Total Other Income</b>	<b>32,670</b>	<b>(22,806)</b>	
<b>Total Income</b>	<b>25,502</b>	<b>(32,121)</b>	
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	764	0	12
<b>Total Miscellaneous Income Deductions</b>	<b>764</b>	<b>0</b>	
<b>Income Before Interest Charges</b>	<b>24,738</b>	<b>(32,121)</b>	
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)	0		14
Amortization of Premium on Debt--Cr. (429)	0		15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	105	0	17
Interest Charged to Construction--Cr. (432)	0		18
<b>Total Interest Charges</b>	<b>105</b>	<b>0</b>	
<b>Net Income</b>	<b>24,633</b>	<b>(32,121)</b>	
<b>EARNED SURPLUS</b>			
Unappropriated Earned Surplus (Beginning of Year) (216)	122,698	154,819	19
Balance Transferred from Income (433)	24,633	(32,121)	20
Miscellaneous Credits to Surplus (434)	79,455	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
<b>Total Unappropriated Earned Surplus End of Year (216)</b>	<b>226,786</b>	<b>122,698</b>	

### INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.  
 2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
<b>UTILITY OPERATING INCOME</b>				
<b>Operating Revenues (400):</b>				
Derived	122,924		122,924	1
<b>Total (Acct. 400):</b>	<b>122,924</b>	<b>0</b>	<b>122,924</b>	
<b>Operation and Maintenance Expense (401):</b>				
Derived	125,449		125,449	2
<b>Total (Acct. 401):</b>	<b>125,449</b>	<b>0</b>	<b>125,449</b>	
<b>Depreciation Expense (403):</b>				
Derived	3,867		3,867	3
<b>Total (Acct. 403):</b>	<b>3,867</b>	<b>0</b>	<b>3,867</b>	
<b>Amortization Expense (404):</b>				
Derived	0		0	4
<b>Total (Acct. 404):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Taxes (408):</b>				
Derived	776		776	5
<b>Total (Acct. 408):</b>	<b>776</b>	<b>0</b>	<b>776</b>	
<b>Revenues from Utility Plant Leased to Others (412):</b>				
NONE	0		0	6
<b>Total (Acct. 412):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Expenses of Utility Plant Leased to Others (413):</b>				
NONE	0		0	7
<b>Total (Acct. 413):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL UTILITY OPERATING INCOME:</b>	<b>(7,168)</b>	<b>0</b>	<b>(7,168)</b>	
<b>OTHER INCOME</b>				
<b>Income from Merchandising, Jobbing and Contract Work (415-416):</b>				
Derived	0		0	8
<b>Total (Acct. 415-416):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Nonoperating Rental Income (418):</b>				
NONE	0		0	9
<b>Total (Acct. 418):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Interest and Dividend Income (419):</b>				
INVESTMENT INCOME	1,324	0	1,324	10
<b>Total (Acct. 419):</b>	<b>1,324</b>	<b>0</b>	<b>1,324</b>	
<b>Miscellaneous Nonoperating Income (421):</b>				
Contributed Plant - Water			0	11

### INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.  
 2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
<b>OTHER INCOME</b>			
<b>Miscellaneous Nonoperating Income (421):</b>			
NONREGULATED SEWER INCOME	31,346	0	31,346 12
<b>Total (Acct. 421):</b>	<b>31,346</b>	<b>0</b>	<b>31,346</b>
<b>TOTAL OTHER INCOME:</b>	<b>32,670</b>	<b>0</b>	<b>32,670</b>

<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
<b>Miscellaneous Amortization (425):</b>			
NONE	0	0	0 13
<b>Total (Acct. 425):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Income Deductions (426):</b>			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	764	764 14
NONE	0	0	0 15
<b>Total (Acct. 426):</b>	<b>0</b>	<b>764</b>	<b>764</b>
<b>TOTAL MISCELLANEOUS INCOME DEDUCTIONS:</b>	<b>0</b>	<b>764</b>	<b>764</b>

<b>INTEREST CHARGES</b>			
<b>Interest on Long-Term Debt (427):</b>			
Derived	0	[REDACTED]	0 16
<b>Total (Acct. 427):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Amortization of Debt Discount and Expense (428):</b>			
NONE	0	[REDACTED]	0 17
<b>Total (Acct. 428):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Amortization of Premium on Debt--Cr. (429):</b>			
NONE	0	[REDACTED]	0 18
<b>Total (Acct. 429):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Interest on Debt to Municipality (430):</b>			
Derived	0	[REDACTED]	0 19
<b>Total (Acct. 430):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Interest Expense (431):</b>			
Derived	105	[REDACTED]	105 20
<b>Total (Acct. 431):</b>	<b>105</b>	<b>0</b>	<b>105</b>

### INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.  
 2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
<b>INTEREST CHARGES</b>			
<b>Interest Charged to Construction--Cr. (432):</b>			
NONE	0		0 21
<b>Total (Acct. 432):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL INTEREST CHARGES:</b>	<b>105</b>	<b>0</b>	<b>105</b>
<b>NET INCOME:</b>	<b>25,397</b>	<b>(764)</b>	<b>24,633</b>
<b>EARNED SURPLUS</b>			
<b>Unappropriated Earned Surplus (Beginning of Year) (216):</b>			
Derived	122,698	0	122,698 22
<b>Total (Acct. 216):</b>	<b>122,698</b>	<b>0</b>	<b>122,698</b>
<b>Balance Transferred from Income (433):</b>			
Derived	25,397	(764)	24,633 23
<b>Total (Acct. 433):</b>	<b>25,397</b>	<b>(764)</b>	<b>24,633</b>
<b>Miscellaneous Credits to Surplus (434):</b>			
TRANSFER OF WATER CONTRIBUTED PLANT BALANCE	0	24,002	24,002 24
CLOSE OUT OF SEWER CONTRIBUTED PLANT BALANCE	0	55,453	55,453 25
<b>Total (Acct. 434):</b>	<b>0</b>	<b>79,455</b>	<b>79,455</b>
<b>Miscellaneous Debits to Surplus--Debit (435):</b>			
NONE	0	0	0 26
<b>Total (Acct. 435)--Debit:</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Appropriations of Surplus--Debit (436):</b>			
Detail appropriations to (from) account 215			0 27
<b>Total (Acct. 436)--Debit:</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Appropriations of Income to Municipal Funds--Debit (439):</b>			
NONE	0	0	0 28
<b>Total (Acct. 439)--Debit:</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):</b>	<b>148,095</b>	<b>78,691</b>	<b>226,786</b>

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
<b>Costs and Expenses of Merchandising, Jobbing and Contract Work (416):</b>						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
<b>Other (list by major classes):</b>					0	6
<b>Total costs and expenses</b>	0	0	0	0	0	
<b>Net income (or loss)</b>	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	122,924	0	0	0	122,924	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 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
<b>Other Increases or (Decreases) to Operating Revenues - Specify:</b>						
.					0	6
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>122,924</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>122,924</b>	

**BALANCE SHEET**

<b>Assets and Other Debits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>UTILITY PLANT</b>			
Utility Plant (100)	185,291	171,991	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	106,152	81,261	2
<b>Net Utility Plant</b>	<b>79,139</b>	<b>90,730</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property (121)	160,143	160,143	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	122,373	119,170	4
<b>Net Nonutility Property</b>	<b>37,770</b>	<b>40,973</b>	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
<b>Total Other Property and Investments</b>	<b>37,770</b>	<b>40,973</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash and Working Funds (131)	12,885	33,775	8
Temporary Cash Investments (132)	26,266	25,487	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	46,450	35,449	11
Other Accounts Receivable (143)	0	479	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	67,275	33,862	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	580	0	16
Other Current and Accrued Assets (170)			17
<b>Total Current and Accrued Assets</b>	<b>153,456</b>	<b>129,052</b>	
<b>DEFERRED DEBITS</b>			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
<b>Total Deferred Debits</b>	<b>0</b>	<b>0</b>	
<b>Total Assets and Other Debits</b>	<b>270,365</b>	<b>260,755</b>	

### BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>PROPRIETARY CAPITAL</b>			
Capital Paid in by Municipality (200)	0	0	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	226,786	122,698	23
<b>Total Proprietary Capital</b>	<b>226,786</b>	<b>122,698</b>	
<b>LONG-TERM DEBT</b>			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	0	26
<b>Total Long-Term Debt</b>	<b>0</b>	<b>0</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable (231)	11,248	0	27
Accounts Payable (232)	32,286	37,104	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	45	0	32
Other Current and Accrued Liabilities (238)			33
<b>Total Current and Accrued Liabilities</b>	<b>43,579</b>	<b>37,104</b>	
<b>DEFERRED CREDITS</b>			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	0	36
<b>Total Deferred Credits</b>	<b>0</b>	<b>0</b>	
<b>OPERATING RESERVES</b>			
Miscellaneous Operating Reserves (265)			37
<b>Total Operating Reserves</b>	<b>0</b>	<b>0</b>	
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
Contributions in Aid of Construction (271)	0	100,953	38
<b>Total Liabilities and Other Credits</b>	<b>270,365</b>	<b>260,755</b>	

### NET UTILITY PLANT

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

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
<b>First of Year:</b>					
Total Utility Plant - First of Year	171,991	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
<b>Plant Accounts:</b>					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	139,791	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	45,500	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
<b>Total Utility Plant</b>	<b>185,291</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Accumulated Provision for Depreciation and Amortization:</b>					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	83,890	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	22,262	0	0	0	12
<b>Total Accumulated Provision</b>	<b>106,152</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Utility Plant</b>	<b>79,139</b>	<b>0</b>	<b>0</b>	<b>0</b>	

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
<b>Balance first of year (110.1)</b>	81,261				<b>81,261</b>	<b>1</b>
<b>Credits During Year</b>						<b>2</b>
<b>Accruals:</b>						<b>3</b>
Charged depreciation expense (403)	3,867				<b>3,867</b>	<b>4</b>
Depreciation expense on meters						<b>5</b>
charged to sewer (see Note 3)	1,321				<b>1,321</b>	<b>6</b>
Accruals charged other						<b>7</b>
accounts (specify):						<b>8</b>
					<b>0</b>	<b>9</b>
Salvage					<b>0</b>	<b>10</b>
Other credits (specify):						<b>11</b>
					<b>0</b>	<b>12</b>
<b>Total credits</b>	<b>5,188</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,188</b>	<b>13</b>
<b>Debits during year</b>						<b>14</b>
Book cost of plant retired	2,559				<b>2,559</b>	<b>15</b>
Cost of removal					<b>0</b>	<b>16</b>
Other debits (specify):						<b>17</b>
					<b>0</b>	<b>18</b>
<b>Total debits</b>	<b>2,559</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,559</b>	<b>19</b>
<b>Balance end of year (110.1)</b>	<b>83,890</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>83,890</b>	<b>20</b>
<b>Composite Depreciation Rate?</b>	No					<b>21</b>
If yes, what is the rate?						<b>22</b>

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

Depreciation Accruals (Credits) during the year (110.2):  
 1. Report the amounts charged to Depreciation Expense (426).  
 2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
<b>Balance first of year (110.2)</b>					0	1
<b>Credits During Year</b>						2
<b>Accruals:</b>						3
Charged depreciation expense (426)	764				764	4
Accruals charged other						5
accounts (specify):						6
					0	7
Salvage					0	8
Other credits (specify):						9
Est. deprec on contrib plnt 1/1/03	21,498				21,498	10
<b>Total credits</b>	<b>22,262</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,262</b>	<b>11</b>
<b>Debits during year</b>						12
Book cost of plant retired	0				0	13
Cost of removal					0	14
Other debits (specify):						15
					0	16
<b>Total debits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17</b>
<b>Balance end of year (110.2)</b>	<b>22,262</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,262</b>	<b>18</b>
<b>Composite Depreciation Rate?</b>	No					19
If yes, what is the rate?						20

**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	160,143			160,143	1
<b>Other (specify):</b>					
NONE	0			0	2
<b>Total Nonutility Property (121)</b>	<b>160,143</b>	<b>0</b>	<b>0</b>	<b>160,143</b>	
Less accum. prov. depr. & amort. (122)	119,170	3,203		122,373	3
<b>Net Nonutility Property</b>	<b>40,973</b>	<b>(3,203)</b>	<b>0</b>	<b>37,770</b>	

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

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

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

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

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

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<b>Unamortized debt discount &amp; expense (181)</b>				
NONE				1
<b>Total</b>			<u><u>0</u></u>	
<b>Unamortized premium on debt (251)</b>				
NONE				2
<b>Total</b>			<u><u>0</u></u>	

**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	0 1
<b>Changes during year (explain):</b>	<b>2</b>
<b>Balance end of year</b>	<b><u>0</u></b>

**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.

---

<b>Description of Issue (a)</b>	<b>Date of Issue (b)</b>	<b>Final Maturity Date (c)</b>	<b>Interest Rate (d)</b>	<b>Principal Amount End of Year (e)</b>
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NONE

**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)	
<b>Notes Payable (231)</b>					
M&I NOTE PAYABLE	10/02/2003	08/15/2004	3.25%	11,248	1
<b>Total for Account 231</b>				<b>11,248</b>	

**TAXES ACCRUED (ACCT. 236)**

Particulars (a)	Amount (b)	
Balance first of year	0	1
<b>Accruals:</b>		
Charged water department expense	776	2
Charged electric department expense		3
Charged sewer department expense	662	4
<b>Other (explain):</b>		
NONE		5
<b>Total Accruals and other credits</b>	<u>1,438</u>	
<b>Taxes paid during year:</b>		
County, state and local taxes		6
Social Security taxes	1,324	7
PSC Remainder Assessment	114	8
<b>Other (explain):</b>		
NONE		9
<b>Total payments and other debits</b>	<u>1,438</u>	
<b>Balance end of year</b>	<u><u>0</u></u>	

### INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
<b>Bonds (221)</b>					
NONE	0			0	1
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Advances from Municipality (223)</b>					
NONE	0			0	2
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Other long-Term Debt (224)</b>					
NONE	0			0	3
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Notes Payable (231)</b>					
M&I NOTE PAYABLE	0	105	60	45	4
<b>Subtotal</b>	<b>0</b>	<b>105</b>	<b>60</b>	<b>45</b>	
<b>Total</b>	<b>0</b>	<b>105</b>	<b>60</b>	<b>45</b>	

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

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

Particulars (a)	Balance End of Year (b)	
<b>Investment in Municipality (123):</b>		
NONE		1
<b>Total (Acct. 123):</b>	<b>0</b>	
<b>Other Investments (124):</b>		
NONE		2
<b>Total (Acct. 124):</b>	<b>0</b>	
<b>Special Funds (125):</b>		
NONE		3
<b>Total (Acct. 125):</b>	<b>0</b>	
<b>Notes Receivable (141):</b>		
NONE		4
<b>Total (Acct. 141):</b>	<b>0</b>	
<b>Customer Accounts Receivable (142):</b>		
Water	46,450	5
Electric		6
Sewer (Regulated)		7
<b>Other (specify):</b>		
NONE		8
<b>Total (Acct. 142):</b>	<b>46,450</b>	
<b>Other Accounts Receivable (143):</b>		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
<b>Other (specify):</b>		
NONE		11
<b>Total (Acct. 143):</b>	<b>0</b>	
<b>Receivables from Municipality (145):</b>		
DELINQUENTS ON TAX ROLL	5,720	12
CURRENT YEAR TAX LEVY - BLOOMING GROVE AND MADISON	61,555	13
<b>Total (Acct. 145):</b>	<b>67,275</b>	
<b>Prepayments (165):</b>		
PREPAYMENT OF COMPUTER SUPPORT FEES	580	14
<b>Total (Acct. 165):</b>	<b>580</b>	
<b>Extraordinary Property Losses (182):</b>		
NONE		15
<b>Total (Acct. 182):</b>	<b>0</b>	

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

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

<b>Particulars (a)</b>	<b>Balance End of Year (b)</b>
<hr/>	
<b>Other Deferred Debits (183):</b>	
NONE	16
<b>Total (Acct. 183):</b>	<b>0</b>
<hr/>	
<b>Payables to Municipality (233):</b>	
NONE	17
<b>Total (Acct. 233):</b>	<b>0</b>
<hr/>	
<b>Other Deferred Credits (253):</b>	
NONE	18
<b>Total (Acct. 253):</b>	<b>0</b>
<hr/>	

**RETURN ON RATE BASE COMPUTATION**

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

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)		
<b>Add Average:</b>							
Utility Plant in Service (100.1)	133,141	0	0	0	133,141	1	
Materials and Supplies	0	0	0	0	0	2	
<b>Other (specify):</b>						<b>0</b>	<b>3</b>
<b>Less Average:</b>							
Reserve for Depreciation (110.1)	82,575	0	0	0	82,575	4	
Customer Advances for Construction					0	5	
					0	6	
<b>Average Net Rate Base</b>	<b>50,566</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,566</b>		
Net Operating Income	(7,168)	0	0	0	(7,168)	7	
<b>Net Operating Income as a percent of Average Net Rate Base</b>	<b>-14.18%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-14.18%</b>		

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## IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

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**1. Acquisitions.**

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**2. Leaseholder changes.**

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**3. Extensions of service.**

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**4. Estimated changes in revenues due to rate changes.**

2003 was the first full year at new rates. Current water rates were effective October 1, 2002.

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**5. Obligations incurred or assumed, excluding commercial paper.**

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**6. Formal proceedings with the Public Service Commission.**

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**7. Any additional matters.**

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## FINANCIAL SECTION FOOTNOTES

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### Income Statement Account Details (Page F-02)

#### General footnotes

A/C 434: The 12/31/02 balance of sewer contributions in aid of construction has been closed out to surplus as of 12/31/03. The district's sewer operations are unregulated and its rates are calculated on the cash basis. Therefore the sewer accumulated depreciation on contributed plant has not been calculated.

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## FINANCIAL SECTION FOOTNOTES

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### Signature Page (Page ii)

#### General footnotes

##### ACCOUNTANTS' COMPILATION REPORT

Waunona Sanitary District #2  
Madison, Wisconsin

We have compiled the accompanying Annual Report to the Public Service Commission of Waunona Sanitary District #2, an enterprise fund of the Village of Waunona as of December 31, 2003 and for the 12 months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A 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 Annual Report and, accordingly, do not express an opinion or any other form of assurance on the Report.

The Annual Report is presented in accordance with the requirements of the Wisconsin Public Service Commission which differ from generally accepted accounting principles. This report is intended solely for the information and use of the Utility and the Public Service Commission of Wisconsin, and is not intended to be, and should not be, used by anyone other than the specified parties.

VIRCHOW, KRAUSE & COMPANY, LLP

Madison, Wisconsin  
February 24, 2004

**CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)**

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	45,500	0	0	55,453	0	<b>100,953</b>	<b>1</b>
<b>Add credits during year:</b>							
NONE						<b>0</b>	<b>2</b>
<b>Deduct charges (specify):</b>							
Closed January 1, 2003 per Docket 05-US-105	45,500			55,453		<b>100,953</b>	<b>3</b>
<b>Balance End of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**WATER OPERATING REVENUES & EXPENSES**

Particulars (a)	This Year (b)	Last Year (c)	
<b>Operating Revenues</b>			
<b>Sales of Water</b>			
Sales of Water (460-467)	85,864	62,961	1
<b>Total Sales of Water</b>	<b>85,864</b>	<b>62,961</b>	
<b>Other Operating Revenues</b>			
Forfeited Discounts (470)	683	351	2
Other Water Revenues (474)	36,377	14,019	3
Amortization of Construction Grants (475)		0	4
<b>Total Other Operating Revenues</b>	<b>37,060</b>	<b>14,370</b>	
<b>Total Operating Revenues</b>	<b>122,924</b>	<b>77,331</b>	
<b>Operation and Maintenance Expenses</b>			
Plant Operation and Maintenance Expenses (600-660)	106,444	63,030	5
General Operating Expenses (680-690)	19,005	18,649	6
<b>Total Operation and Maintenance Expenses</b>	<b>125,449</b>	<b>81,679</b>	
<b>Other Operating Expenses</b>			
Depreciation Expense (403)	3,867	4,335	7
Amortization Expense (404)		0	8
Taxes (408)	776	632	9
<b>Total Other Operating Expenses</b>	<b>4,643</b>	<b>4,967</b>	
<b>Total Operating Expenses</b>	<b>130,092</b>	<b>86,646</b>	
<b>NET OPERATING INCOME</b>	<b>(7,168)</b>	<b>(9,315)</b>	

## WATER OPERATING REVENUES - SALES OF WATER

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

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
<b>Operating Revenues</b>				
<b>Sales of Water</b>				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
<b>Total Unmetered Sales to General Customers (460)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Metered Sales to General Customers (461)				
Residential	385	11,334	33,737	4
Commercial	44	16,207	21,477	5
Industrial				6
<b>Total Metered Sales to General Customers (461)</b>	<b>429</b>	<b>27,541</b>	<b>55,214</b>	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	438		27,489	8
Other Sales to Public Authorities (464)	11	1,632	3,161	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
<b>Total Sales of Water</b>	<b>878</b>	<b>29,173</b>	<b>85,864</b>	

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

Use a separate line for each delivery point.

<b>Customer Name (a)</b>	<b>Point of Delivery (b)</b>	<b>Thousands of Gallons Sold (c)</b>	<b>Revenues (d)</b>
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NONE

### OTHER OPERATING REVENUES (WATER)

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

Particulars (a)	Amount (b)	
<b>Public Fire Protection Service (463):</b>		
Amount billed (usually per rate schedule F-1 or Fd-1)	27,489	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
<b>Other (specify):</b> NONE		4
<b>Total Public Fire Protection Service (463)</b>	<b>27,489</b>	
<b>Forfeited Discounts (470):</b>		
Customer late payment charges	683	5
<b>Other (specify):</b> NONE	0	6
<b>Total Forfeited Discounts (470)</b>	<b>683</b>	
<b>Other Water Revenues (474):</b>		
Return on net investment in meters charged to sewer department	874	7
<b>Other (specify):</b> MISCELLANEOUS	503	8
WATER PORTION OF TAX LEVY TO CITY OF MADISON AND TOWN OF BLOOMING GROVE	35,000	9
<b>Total Other Water Revenues (474)</b>	<b>36,377</b>	

## 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)	
<b>PLANT OPERATION AND MAINTENANCE EXPENSES</b>			
Salaries and Wages (600)	4,863	6,005	1
Purchased Water (610)	53,143	49,837	2
Fuel or Power Purchased for Pumping (620)	0	0	3
Chemicals (630)		0	4
Supplies and Expenses (640)	2,486	498	5
Repairs of Water Plant (650)	45,952	6,690	6
Transportation Expenses (660)		0	7
<b>Total Plant Operation and Maintenance Expenses</b>	<b>106,444</b>	<b>63,030</b>	
<b>GENERAL OPERATING EXPENSES</b>			
Administrative and General Salaries (680)	6,405	3,517	8
Office Supplies and Expenses (681)	3,862	3,908	9
Outside Services Employed (682)	5,100	3,238	10
Insurance Expense (684)	1,619	1,319	11
Employees Pensions and Benefits (686)		0	12
Regulatory Commission Expenses (688)		4,587	13
Miscellaneous General Expenses (689)	2,019	2,080	14
Uncollectible Accounts (690)		0	15
<b>Total General Operating Expenses</b>	<b>19,005</b>	<b>18,649</b>	
<b>Total Operation and Maintenance Expenses</b>	<b>125,449</b>	<b>81,679</b>	

### TAXES (ACCT. 408 - WATER)

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

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent			0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
<b>Net property tax equivalent</b>		<b>0</b>	<b>0</b>	
Social Security		662	590	3
PSC Remainder Assessment		114	42	4
Other (specify): NONE			0	5
<b>Total tax expense</b>		<b>776</b>	<b>632</b>	

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>INTANGIBLE PLANT</b>			
Organization (301)	374		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
<b>Total Intangible Plant</b>	<b>374</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)	1		4
Structures and Improvements (311)	3,556		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)	1,044		11
<b>Total Source of Supply Plant</b>	<b>4,601</b>	<b>0</b>	
<b>PUMPING PLANT</b>			
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
<b>Total Pumping Plant</b>	<b>0</b>	<b>0</b>	
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>INTANGIBLE PLANT</b>			
Organization (301)			374 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>374</b>
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)			1 4
Structures and Improvements (311)			3,556 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)			1,044 11
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>0</b>	<b>4,601</b>
<b>PUMPING PLANT</b>			
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
<b>Total Pumping Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	0		26
Transmission and Distribution Mains (343)	82,023		27
Fire Mains (344)	0		28
Services (345)	19,980		29
Meters (346)	41,397	15,859	30
Hydrants (348)	12,987		31
Other Transmission and Distribution Plant (349)	265		32
<b>Total Transmission and Distribution Plant</b>	<b>156,652</b>	<b>15,859</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	2,845		34
Office Furniture and Equipment (372)	2,959		35
Computer Equipment (372.1)	3,280		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	1,280		38
Other Tangible Property (390)	0		39
<b>Total General Plant</b>	<b>10,364</b>	<b>0</b>	
<b>Total utility plant in service directly assignable</b>	<b>171,991</b>	<b>15,859</b>	
Common Utility Plant Allocated to Water Department	0		40
<b>Total utility plant in service</b>	<b>171,991</b>	<b>15,859</b>	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)		(32,455)	49,568 27
Fire Mains (344)			0 28
Services (345)		(7,906)	12,074 29
Meters (346)	2,559		54,697 30
Hydrants (348)		(5,139)	7,848 31
Other Transmission and Distribution Plant (349)			265 32
<b>Total Transmission and Distribution Plant</b>	<b>2,559</b>	<b>(45,500)</b>	<b>124,452</b>
<b>GENERAL PLANT</b>			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			2,845 34
Office Furniture and Equipment (372)			2,959 35
Computer Equipment (372.1)			3,280 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			1,280 38
Other Tangible Property (390)			0 39
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	<b>10,364</b>
<b>Total utility plant in service directly assignable</b>	<b>2,559</b>	<b>(45,500)</b>	<b>139,791</b>
Common Utility Plant Allocated to Water Department			0 40
<b>Total utility plant in service</b>	<b>2,559</b>	<b>(45,500)</b>	<b>139,791</b>

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

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

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>INTANGIBLE PLANT</b>			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PUMPING PLANT</b>			
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
<b>Total Pumping Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)			24
Structures and Improvements (341)			25
Distribution Reservoirs and Standpipes (342)			26
Transmission and Distribution Mains (343)			27
Fire Mains (344)			28
Services (345)			29
Meters (346)			30
Hydrants (348)			31
Other Transmission and Distribution Plant (349)			32
<b>Total Transmission and Distribution Plant</b>	<b>0</b>	<b>0</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (370)			33
Structures and Improvements (371)			34
Office Furniture and Equipment (372)			35
Computer Equipment (372.1)			36
Transportation Equipment (373)			37
Other General Equipment (379)			38
Other Tangible Property (390)			39
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	
<b>Total utility plant in service directly assignable</b>	<b>0</b>	<b>0</b>	
Common Utility Plant Allocated to Water Department			40
<b>Total utility plant in service</b>	<b>0</b>	<b>0</b>	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)		32,455	32,455 27
Fire Mains (344)			0 28
Services (345)		7,906	7,906 29
Meters (346)			0 30
Hydrants (348)		5,139	5,139 31
Other Transmission and Distribution Plant (349)			0 32
<b>Total Transmission and Distribution Plant</b>	<b>0</b>	<b>45,500</b>	<b>45,500</b>
<b>GENERAL PLANT</b>			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total utility plant in service directly assignable</b>	<b>0</b>	<b>45,500</b>	<b>45,500</b>
Common Utility Plant Allocated to Water Department			0 40
<b>Total utility plant in service</b>	<b>0</b>	<b>45,500</b>	<b>45,500</b>

## SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

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

<b>Sources of Water Supply</b>					
<b>Month</b>	<b>Purchased Water Gallons (000's)</b>	<b>Surface Water Gallons (000's)</b>	<b>Ground Water Gallons (000's)</b>	<b>Total Gallons All Methods (000's)</b>	
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
January				0	1
February				0	2
March				0	3
April				0	4
May				0	5
June				0	6
July				0	7
August				0	8
September				0	9
October				0	10
November				0	11
December	44,285			44,285	12
<b>Total annual pumpage</b>	<b>44,285</b>	<b>0</b>	<b>0</b>	<b>44,285</b>	
Less: Water sold				29,173	13
Volume pumped but not sold				15,112	14
Volume sold as a percent of volume pumped				66%	15
Volume used for water production, water quality and system maintenance					16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				0	19
Volume pumped but unaccounted for				15,112	20
Percent of water lost				34%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss: See footnote explanation.					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				250	23
Date of maximum:					24
Cause of maximum:					25
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				150	26
Date of minimum:					27
Total KWH used for pumping for the year				0	28
If water is purchased: Vendor Name: CITY OF MADISON WATER UTILITY					29
Point of Delivery: FAIR OAKS & MILWAUKEE EAST WASHINGTON & COMMERCIAL					30

**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)
-----------------	---------------------------------	-------------------------	-----------------------------------	------------------------------------	---------------------------------

NONE

## 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.

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<b>Particulars</b> <b>(a)</b>	<b>Unit A</b> <b>(b)</b>	<b>Unit B</b> <b>(c)</b>	<b>Unit C</b> <b>(d)</b>
----------------------------------	-----------------------------	-----------------------------	-----------------------------

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NONE

### 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.

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<b>Particulars</b> <b>(a)</b>	<b>Unit A</b> <b>(b)</b>	<b>Unit B</b> <b>(c)</b>	<b>Unit C</b> <b>(d)</b>
----------------------------------	-----------------------------	-----------------------------	-----------------------------

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NONE

### 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	2.000	1,195	0	0	0	<b>1,195</b>	<b>1</b>
M	D	6.000	20,053	0	0	0	<b>20,053</b>	<b>2</b>
M	D	10.000	2,487	0	0	0	<b>2,487</b>	<b>3</b>
<b>Total Within Municipality</b>			<b>23,735</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23,735</b>	
<b>Total Utility</b>			<b>23,735</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23,735</b>	

### WATER SERVICES

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

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.625	379	0	0	0	379		1
M	0.750	1	0	0	0	1		2
M	1.000	2	0	0	0	2		3
M	1.500	8	0	0	0	8		4
M	2.000	2	0	0	0	2		5
<b>Total Utility</b>		<b>392</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>392</b>	<b>0</b>	

### METERS

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

#### Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	479	208	155	0	532	50	1
0.750	11	5	0	0	16	0	2
1.000	18	10	0	0	28	0	3
1.500	9	0	0	0	9	0	4
2.000	4	1	0	0	5	0	5
3.000	2	0	0	0	2	0	6
<b>Total:</b>	<b>523</b>	<b>224</b>	<b>155</b>	<b>0</b>	<b>592</b>	<b>50</b>	

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

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	385	22	0	2	0	123	532	1
0.750	0	5	0	3	0	8	16	2
1.000	0	5	0	6	0	17	28	3
1.500	0	9	0	0	0	0	9	4
2.000	0	2	0	0	0	3	5	5
3.000	0	1	0	0	0	1	2	6
<b>Total:</b>	<b>385</b>	<b>44</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>152</b>	<b>592</b>	

### HYDRANTS AND DISTRIBUTION SYSTEM VALVES

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

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
<b>Fire Hydrants</b>						
Outside of Municipality	0				0	1
Within Municipality	27				27	2
<b>Total Fire Hydrants</b>	<b>27</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27</b>	
<b>Flushing Hydrants</b>						
	0				0	3
<b>Total Flushing Hydrants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

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

Number of hydrants operated during year:

Number of distribution system valves end of year:

Number of distribution valves operated during year:

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## WATER OPERATING SECTION FOOTNOTES

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### 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.

A/C 650 - Repairs: Large amount of broken water mains in 2003. Costs include excavation and repair and subsequent street patching.

A/C 688 - Regulatory Commission: Water rate study completed in 2002. No costs in 2003.

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

If Adjustments for any account are nonzero, please explain.

Adjustments account for transfer of contributed plant.

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

If Adjustments for any account are nonzero, please explain.

Adjustments account for transfer of contributed plant.

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### Pumping and Purchased Water Statistics (Page W-12)

If Water Sold is greater than Total Annual Pumpage, please explain.

During 2003, district management discovered the fire department was using district hydrants to run tests for fire fighters. The department never used a hydrant meter and therefore has no information on how much water was used. District management has requested the fire department use a hydrant meter when running tests and track the water usage.

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