3015 (02-02-05)

ANNUAL REPORT

OF

Name: MONTREAL MUNICIPAL WATER UTILITY

Principal Office: 53 WISCONSIN AVE - CITY HALL
MONTREAL, WI 54550

For the Year Ended: DECEMBER 31, 2006

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

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

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

SIGNATURE PAGE

I SUSAN LESKY CITY CLERK/TREASURER 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) 06/05/2007
(Date)

ROGER J KOLEHMAINEN REPORT PREPARER
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MONTREAL MUNICIPAL WATER UTILITY
Utility Address: 53 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:
53 WISCONSIN AVE - CITY HALL
MONTREAL, WI 54550

Telephone: (715) 561 - 4955
Fax Number: (715) 561 - 4964
E-mail Address:

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

Name: ROGER J KOLEHMAINEN
Title: PRESIDENT
Office Address: ROGER J KOLEHMAINEN CPA PC
1445 EAST CLOVERLAND DRIVE
IRONWOOD, MI 49938

Telephone: (906) 932 - 3600 EXT
Fax Number: (906) 932 - 3600
E-mail Address: kolefam@yahoo.com

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

Name: ROBERT MORZENTI
Title: MAYOR
Office Address:
53 WISCONSIN AVENUE
MONTREAL, WI 54550

Telephone: (715) 561 - 4955
Fax Number: (715) 561 - 4964
E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name: ROGER J KOLEHMAINEN
Title: PRESIDENT
Office Address: ROGER J KOLEHMAINEN CPA PC
1445 EAST CLOVERLAND DRIVE
IRONWOOD, MI 49938

Telephone: (906) 932 - 3600
Fax Number: (906) 932 - 3600
E-mail Address: kolefam@yahoo.com
Date of most recent audit report: 12/31/2005
Period covered by most recent audit: ANNUAL

Names and titles of utility management including manager or superintendent:

Name: JOSEPH WALTA
Title: FOREMAN
Office Address:
53 WISCONSIN AVE
MONTREAL, WI 54550

Telephone: (715) 561 - 4955
Fax Number: (715) 561 - 4964
E-mail Address:

Name of utility commission/committee: PUBLIC WORKS COMMITTEE

Names of members of utility commission/committee:
MR MITCH KOSKI
MR ROBERT MORZENTI, MAYOR
MR DANIEL PARIS
MRS KAREN SECOR
MR WM THOMAS

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

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

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

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:
Title:
Telephone: ( ) -
Fax Number: ( ) -
E-mail Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	143,859	119,796	**1**
Operating Expenses:			
Operation and Maintenance Expense (401)	61,555	77,229	**2**
Depreciation Expense (403)	27,074	24,248	**3**
Amortization Expense (404)	0	0	**4**
Taxes (408)	29,561	29,010	**5**
Total Operating Expenses	**118,190**	**130,487**	
Net Operating Income	**25,669**	**(10,691)**	
Income from Utility Plant Leased to Others (412-413)	0	0	**6**
Utility Operating Income	**25,669**	**(10,691)**	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	800	**7**
Nonoperating Rental Income (418)	0	0	**8**
Interest and Dividend Income (419)	802	634	**9**
Miscellaneous Nonoperating Income (421)	14,806	0	**10**
Total Other Income	**15,608**	**1,434**	
Total Income	**41,277**	**(9,257)**	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(9,434)	(9,434)	**11**
Other Income Deductions (426)	11,903	11,903	**12**
Total Miscellaneous Income Deductions	**2,469**	**2,469**	
Income Before Interest Charges	**38,808**	**(11,726)**	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	24,407	24,718	**13**
Amortization of Debt Discount and Expense (428)	0	0	**14**
Amortization of Premium on Debt--Cr. (429)	0	0	**15**
Interest on Debt to Municipality (430)	0	0	**16**
Other Interest Expense (431)	0	0	**17**
Interest Charged to Construction--Cr. (432)	0	0	**18**
Total Interest Charges	**24,407**	**24,718**	
Net Income	**14,401**	**(36,444)**	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	326,573	363,017	**19**
Balance Transferred from Income (433)	14,401	(36,444)	**20**
Miscellaneous Credits to Surplus (434)	0	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)			**24**
Total Unappropriated Earned Surplus End of Year (216)	**340,974**	**326,573**	

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)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	143,859		**143,859**	**1**
Total (Acct. 400):	**143,859**	**0**	**143,859**	
Operation and Maintenance Expense (401):				
Derived	61,555		**61,555**	**2**
Total (Acct. 401):	**61,555**	**0**	**61,555**	
Depreciation Expense (403):				
Derived	27,074		**27,074**	**3**
Total (Acct. 403):	**27,074**	**0**	**27,074**	
Amortization Expense (404):				
Derived	0		**0**	**4**
Total (Acct. 404):	**0**	**0**	**0**	
Taxes (408):				
Derived	29,561		**29,561**	**5**
Total (Acct. 408):	**29,561**	**0**	**29,561**	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		**0**	**6**
Total (Acct. 412):	**0**	**0**	**0**	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		**0**	**7**
Total (Acct. 413):	**0**	**0**	**0**	
TOTAL UTILITY OPERATING INCOME:	**25,669**	**0**	**25,669**	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		**0**	**8**
Total (Acct. 415-416):	**0**	**0**	**0**	
Nonoperating Rental Income (418):				
NONE	0		**0**	**9**
Total (Acct. 418):	**0**	**0**	**0**	
Interest and Dividend Income (419):				
INTEREST INCOME	802	0	**802**	**10**
Total (Acct. 419):	**802**	**0**	**802**	
Miscellaneous Nonoperating Income (421):				
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)	
OTHER INCOME				
Miscellaneous Nonoperating Income (421):				
CONTRIBUTIONS - COST REIMBURSEMENT	14,806	0	**14,806**	**12**
Total (Acct. 421):	**14,806**	**0**	**14,806**	
TOTAL OTHER INCOME:	**15,608**	**0**	**15,608**	
MISCELLANEOUS INCOME DEDUCTIONS				
Miscellaneous Amortization (425):				
Regulatory Liability (253) Amortization	(9,434)		**(9,434)**	**13**
NONE	0	0	**0**	**14**
Total (Acct. 425):	**(9,434)**	**0**	**(9,434)**	
Other Income Deductions (426):				
Depreciation Expense on Contributed Plant - Water		11,903	**11,903**	**15**
NONE	0	0	**0**	**16**
Total (Acct. 426):	**0**	**11,903**	**11,903**	
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	**(9,434)**	**11,903**	**2,469**	
INTEREST CHARGES				
Interest on Long-Term Debt (427):				
Derived	24,407		**24,407**	**17**
Total (Acct. 427):	**24,407**	**0**	**24,407**	
Amortization of Debt Discount and Expense (428):				
NONE	0		**0**	**18**
Total (Acct. 428):	**0**	**0**	**0**	
Amortization of Premium on Debt--Cr. (429):				
NONE	0		**0**	**19**
Total (Acct. 429):	**0**	**0**	**0**	
Interest on Debt to Municipality (430):				
Derived	0		**0**	**20**
Total (Acct. 430):	**0**	**0**	**0**	
Other Interest Expense (431):				
Derived	0		**0**	**21**
Total (Acct. 431):	**0**	**0**	**0**	

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
INTEREST CHARGES				
Interest Charged to Construction--Cr. (432):				
NONE	0		**0**	**22**
Total (Acct. 432):	**0**	**0**	**0**	
TOTAL INTEREST CHARGES:	**24,407**	**0**	**24,407**	
NET INCOME:	**26,304**	**(11,903)**	**14,401**	
EARNED SURPLUS				
Unappropriated Earned Surplus (Beginning of Year) (216):				
Derived	(153,646)	480,219	**326,573**	**23**
Total (Acct. 216):	**(153,646)**	**480,219**	**326,573**	
Balance Transferred from Income (433):				
Derived	26,304	(11,903)	**14,401**	**24**
Total (Acct. 433):	**26,304**	**(11,903)**	**14,401**	
Miscellaneous Credits to Surplus (434):				
NONE	0	0	**0**	**25**
Total (Acct. 434):	**0**	**0**	**0**	
Miscellaneous Debits to Surplus--Debit (435):				
NONE	0	0	**0**	**26**
Total (Acct. 435)--Debit:	**0**	**0**	**0**	
Appropriations of Surplus--Debit (436):				
Detail appropriations to (from) account 215			**0**	**27**
Total (Acct. 436)--Debit:	**0**	**0**	**0**	
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	**(127,342)**	**468,316**	**340,974**	

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	143,859	0	0	0	**143,859**	**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**
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					**0**	**6**
Revenues subject to Wisconsin Remainder Assessment	**143,859**	**0**	**0**	**0**	**143,859**	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,660,232	1,655,364	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	557,107	518,130	2
Net Utility Plant	**1,103,125**	**1,137,234**	
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
Special Funds (125)	20,661	40,471	7
Total Other Property and Investments	**20,661**	**40,471**	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	22,625	18,046	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	20,490	20,128	11
Other Accounts Receivable (143)	0	7,961	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	500	500	13
Receivables from Municipality (145)	80,081	66,614	14
Materials and Supplies (150)	5,674	7,485	15
Prepayments (165)	742	1,266	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	**129,112**	**121,000**	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	25,856	0	20
Total Deferred Debits	**25,856**	**0**	
Total Assets and Other Debits	**1,278,754**	**1,298,705**	

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	**21**
Appropriated Earned Surplus (215)			**22**
Unappropriated Earned Surplus (216)	340,974	326,573	**23**
Total Proprietary Capital	**393,749**	**379,348**	
LONG-TERM DEBT			
Bonds (221)	83,000	89,000	**24**
Advances from Municipality (223)	62,892	65,000	**25**
Other long-Term Debt (224)	565,000	565,000	**26**
Total Long-Term Debt	**710,892**	**719,000**	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	**27**
Accounts Payable (232)	7,337	13,667	**28**
Payables to Municipality (233)	0	10,380	**29**
Customer Deposits (235)			**30**
Taxes Accrued (236)	0	0	**31**
Interest Accrued (237)	6,398	6,498	**32**
Other Current and Accrued Liabilities (238)			**33**
Total Current and Accrued Liabilities	**13,735**	**30,545**	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	**34**
Customer Advances for Construction (252)			**35**
Other Deferred Credits (253)	160,378	169,812	**36**
Total Deferred Credits	**160,378**	**169,812**	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			**37**
Total Operating Reserves	**0**	**0**	
Total Liabilities and Other Credits	**1,278,754**	**1,298,705**	

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	1,655,364	0	0	0	**1**
(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	957,465	0	0	0	**2**
Utility Plant in Service - Contributed Plant (100.2)	702,767	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**
Total Utility Plant	1,660,232	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	321,856	0	0	0	**11**
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	235,251	0	0	0	**12**
Total Accumulated Provision	557,107	0	0	0	
Net Utility Plant	1,103,125	0	0	0	

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

Depreciation Accruals (Credits) during the year (110.1):
1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
   If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	294,782				**294,782**	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	27,074				**27,074**	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	**27,074**	**0**	**0**	**0**	**27,074**	16
Debits during year						17
Book cost of plant retired	0				**0**	18
Cost of removal					**0**	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	**0**	**0**	**0**	**0**	**0**	25
Balance end of year (110.1)	**321,856**	**0**	**0**	**0**	**321,856**	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

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

Depreciation Accruals (Credits) during the year (110.1):
1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
   If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	223,348				**223,348**	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	11,903				**11,903**	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	**11,903**	**0**	**0**	**0**	**11,903**	16
Debits during year						17
Book cost of plant retired	0				**0**	18
Cost of removal					**0**	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	**0**	**0**	**0**	**0**	**0**	25
Balance end of year (110.1)	**235,251**	**0**	**0**	**0**	**235,251**	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

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

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

Particulars (a)	Amount (b)	
Balance first of year	500	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	**0**	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	**0**	
Balance end of year	**500**	

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year	
Electric utility total	**0**	**0**	**1**
Water utility	5,674	7,485	**2**
Sewer utility		0	**3**
Gas utility		0	**4**
Merchandise		0	**5**
Other materials & supplies		0	**6**
Total Materials and Supplies	**5,674**	**7,485**	

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: Amount (b)	Written Off During Year: Account Charged or Credited (c)	Balance End of Year (d)	
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	**52,775**	

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)	
MORTAGE REVENUE BONDS	10/30/1981	09/01/2016	5.00%	83,000	1
			Total Bonds (Account 221):	**83,000**	

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 (223)					
LOAN FROM MUNICIPALITY	01/01/2001	04/16/2002	0.00%	62,892	1
Total for Account 223				**62,892**	
Other Long-Term Debt (224)					
BOND ANTICIPATION NOTES	07/01/2003	07/01/2008	3.55%	565,000	2
Total for Account 224				**565,000**	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	29,561	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
PAYROLL TAXES	1,142	5
Total Accruals and other credits	**30,703**	
Taxes paid during year:		
County, state and local taxes	29,561	6
Social Security taxes	1,142	7
PSC Remainder Assessment		8
Other (explain):		
NONE		9
Total payments and other debits	**30,703**	
Balance end of year	**0**	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
MORTAGE REVENUE BONDS	1,498	4,336	4,450	**1,384**	**1**
Subtotal	**1,498**	**4,336**	**4,450**	**1,384**	
Advances from Municipality (223)					
DUE TO MUNICIPALITY	0			**0**	**2**
Subtotal	**0**	**0**	**0**	**0**	
Other long-Term Debt (224)					
BOND ANTICIPATION NOTES	5,000	20,071	20,057	**5,014**	**3**
Subtotal	**5,000**	**20,071**	**20,057**	**5,014**	
Notes Payable (231)					
NONE	0			**0**	**4**
Subtotal	**0**	**0**	**0**	**0**	
Total	**6,498**	**24,407**	**24,507**	**6,398**	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	**0**	
Other Investments (124):		
NONE		2
Total (Acct. 124):	**0**	
Special Funds (125):		
BOND REDEMPTION ACCOUNT	11,582	3
BOND CONSTRUCTION ACCOUNT	9,079	4
Total (Acct. 125):	**20,661**	
Notes Receivable (141):		
NONE		5
Total (Acct. 141):	**0**	
Customer Accounts Receivable (142):		
Water	20,375	6
Electric		7
Sewer (Regulated)		8
Other (specify):		
ACCRUED INTEREST INCOME	115	9
Total (Acct. 142):	**20,490**	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		10
Merchandising, jobbing and contract work		11
Other (specify):		
NONE		12
Total (Acct. 143):	**0**	
Receivables from Municipality (145):		
DUE FROM SEWER FUND	80,081	13
Total (Acct. 145):	**80,081**	
Prepayments (165):		
PREPAID INSURANCES	742	14
Total (Acct. 165):	**742**	
Extraordinary Property Losses (182):		
NONE		15
Total (Acct. 182):	**0**	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
TESTING FOR NEW WELL	25,856	**16**
Total (Acct. 183):	**25,856**	
Payables to Municipality (233):		
NONE		**17**
Total (Acct. 233):	**0**	
Other Deferred Credits (253):		
Regulatory Liability	160,378	**18**
NONE		**19**
Total (Acct. 253):	**160,378**	

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 (100.1)	955,031	0	0	0	**955,031**	**1**
Materials and Supplies	6,579	0	0	0	**6,579**	**2**
Other (specify):						
NONE					**0**	**3**
Less Average:						
Reserve for Depreciation (110.1)	308,319	0	0	0	**308,319**	**4**
Customer Advances for Construction					**0**	**5**
Regulatory Liability	165,095	0	0	0	**165,095**	**6**
NONE					**0**	**7**
Average Net Rate Base	**488,196**	**0**	**0**	**0**	**488,196**	
Net Operating Income	25,669	0	0	0	**25,669**	**8**
Net Operating Income as a percent of Average Net Rate Base	**5.26%**	**N/A**	**N/A**	**N/A**	**5.26%**	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

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

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	169,812	0	0	0	**169,812**	**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	**160,378**	**0**	**0**	**0**	**160,378**	

FINANCIAL SECTION FOOTNOTES

Balance Sheet (Page F-05)

General footnotes

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

BOARD OF COMMISSIONERS
MONTREAL MUNICIPAL WATER SYSTEM
MONTREAL, WI

WE HAVE COMPILED THE ACCOMPANYING BALANCE SHEET, STATEMENT OF INCOME AND EXPENSES ANC CHANGES IN RETAINED EARNINGS, AND STATISTICAL INFORMATION OF THE MONTREAL MUNICIPAL WATER SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2006, INCLUDED IN THE PRESCRIBED FORMAT BY PSC, IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES ISSUED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.

OUR COMPILIATION WERE LIMITED TO PRESENTING IN THE FORM PERSCRIBED BY THE WISCONSIN PUBLIC SERVICE COMMISSION INFORMATION THAT IS THE REPRESENTAION OF MANAGMENT. WE HAVE NOT AUDITED OR REVIEWED THE ACCOMPANYING FINANCIAL STATEMENTS NOR STATISTICAL INFORMATION REFERRED TO ABOVE AND, ACCORDINGLY, DO NOT EXPRESS AN OPINION OR ANY FORM OF ASSURANCE ON THEM.

ROGER J KOLEHMAINEN CPA PC
MAY 15, 2007

Balance Sheet End-of-Year Account Balances (Page F-18)

General footnotes

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

BOARD OF COMMISSIONERS
MONTREAL MUNICIPAL WATER UTILITY
MONTREAL, WI

WE HAVE COMPILED AND ACCOMPANYING BALANCE SHEET, STATEMENT OF INCOME AND EXPENSES AND CHANGES IN RETAINED EARNINGS, AND STATISTICAL INFORMATION OF THE MONTREAL MUNICIPAL WATER SYSTEM FOR THE YEAR ENDED DECEMBER 31, 2006, INCLUDED IN THE PRESCRIBED FORMAT BY PSC, IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES ISSUED THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.

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ROGER J KOLEHMAINEN CPA PC
MAY 15, 2007

FINANCIAL SECTION FOOTNOTES

Balance Sheet End-of-Year Account Balances (Page F-18)

Other Deferred Debits (Acct 183): amortization requires PSC authorization. Provide date of authorization.

NEW WELL EXPLORATION PROJECT BEING UNDERTAKEN. COSTS ARE BEING INCURRED. RESULTS ARE PENDING AS TO WHETHER EFFORTS ARE SUCCESSFUL.

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.

THE WATER FUND HAS BEEN MAKING DEBT SERVICE PAYMENTS ON BEHALF OF SEWER FUND FOR THE CURRENT PERIOD. MAJORITY OF MONIES DUE TO WATER FUND FROM THE SEWER FUND ARE FROM PRIOR PERIODS.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	140,423	119,314	**1**
Total Sales of Water	**140,423**	**119,314**	
Other Operating Revenues			
Forfeited Discounts (470)	295	482	**2**
Other Water Revenues (474)	3,141	0	**3**
Total Other Operating Revenues	**3,436**	**482**	
Total Operating Revenues	**143,859**	**119,796**	
Operation and Maintenenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	38,957	47,452	**4**
General Operating Expenses (680-690)	22,598	29,777	**5**
Total Operation and Maintenenance Expenses	**61,555**	**77,229**	
Other Operating Expenses			
Depreciation Expense (403)	27,074	24,248	**6**
Amortization Expense (404)		0	**7**
Taxes (408)	29,561	29,010	**8**
Total Other Operating Expenses	**56,635**	**53,258**	
Total Operating Expenses	**118,190**	**130,487**	
NET OPERATING INCOME	**25,669**	**(10,691)**	

WATER OPERATING REVENUES - SALES OF WATER

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

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	**0**	**0**	**0**	
Metered Sales to General Customers (461)				
Residential	459	13,764	55,101	4
Commercial				5
Industrial				6
Total Metered Sales to General Customers (461)	**459**	**13,764**	**55,101**	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		39,527	8
Other Sales to Public Authorities (464)	4	3,060	12,251	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)	2	17,738	33,544	11
Interdepartmental Sales (467)				12
Total Sales of Water	**466**	**34,562**	**140,423**	

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	8,141	17,544	1
TOWN OF PENCE	CITY LIMIT	9,597	16,000	2
Total		**17,738**	**33,544**	

OTHER OPERATING REVENUES (WATER)

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

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	39,527	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	**39,527**	
Forfeited Discounts (470):		
Customer late payment charges	295	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	**295**	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		7
Other (specify):		
SERVICES RENDERED	3,141	8
Total Other Water Revenues (474)	**3,141**	

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)	11,559	11,637	**1**
Purchased Water (610)		0	**2**
Fuel or Power Purchased for Pumping (620)	14,311	10,446	**3**
Chemicals (630)	2,938	1,660	**4**
Supplies and Expenses (640)	5,389	22,785	**5**
Repairs of Water Plant (650)	4,760	924	**6**
Transportation Expenses (660)		0	**7**
Total Plant Operation and Maintenance Expenses	**38,957**	**47,452**	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	3,367	4,742	**8**
Office Supplies and Expenses (681)	1,138	794	**9**
Outside Services Employed (682)	7,026	13,594	**10**
Insurance Expense (684)	524	618	**11**
Employees Pensions and Benefits (686)	8,499	7,472	**12**
Regulatory Commission Expenses (688)		0	**13**
Miscellaneous General Expenses (689)	2,044	2,557	**14**
Uncollectible Accounts (690)		0	**15**
Total General Operating Expenses	**22,598**	**29,777**	
Total Operation and Maintenance Expenses	**61,555**	**77,229**	

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		29,561	27,907	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		**29,561**	**27,907**	
Social Security		0	986	3
PSC Remainder Assessment		0	117	4
Other (specify): NONE			0	5
Total tax expense		**29,561**	**29,010**	

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		0.298550				3
County tax rate	mills		7.065370				4
Local tax rate	mills		6.565110				5
School tax rate	mills		16.569580				6
Voc. school tax rate	mills		1.663440				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		**32.162050**				10
Less: state credit	mills		2.259440				11
Net tax rate	mills		**29.902610**				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		**6.565110**				14
Combined School Tax Rate	mills		**18.233020**				15
Other Tax Rate - Local	mills		**0.000000**				16
Total Local & School Tax	mills		**24.798130**				17
Total Tax Rate	mills		**32.162050**				18
Ratio of Local and School Tax to Total	dec.		**0.771037**				19
Total tax net of state credit	mills		**29.902610**				20
Net Local and School Tax Rate	mills		**23.056018**				21
Utility Plant, Jan. 1	$	**1,655,364**	1,655,364				22
Materials & Supplies	$	**7,485**	7,485				23
Subtotal	$	**1,662,849**	**1,662,849**				24
Less: Plant Outside Limits	$	**0**	0				25
Taxable Assets	$	**1,662,849**	**1,662,849**				26
Assessment Ratio	dec.		0.771037				27
Assessed Value	$	**1,282,118**	**1,282,118**				28
Net Local & School Rate	mills		**23.056018**				29
Tax Equiv. Computed for Current Year	$	**29,561**	**29,561**				30
Tax Equivalent per 1994 PSC Report	$	21,107					31
Any lower tax equivalent as authorized							32
by municipality (see note 6)	$						33
Tax equiv. for current year (see note 6)	$	**29,561**					34

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over $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)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	**0**	**0**	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	20,647		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	18,973		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	**39,620**	**0**	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	14,592		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	151,171		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	**165,763**	**0**	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	10,357		22
Water Treatment Equipment (332)	54,632		23
Total Water Treatment Plant	**64,989**	**0**	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			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)			20,647	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			18,973	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	39,620	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			14,592	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			151,171	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	165,763	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			10,357	22
Water Treatment Equipment (332)			54,632	23
Total Water Treatment Plant	0	0	64,989	

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)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		**24**
Structures and Improvements (341)	0		**25**
Distribution Reservoirs and Standpipes (342)	36,457		**26**
Transmission and Distribution Mains (343)	435,332		**27**
Fire Mains (344)	0		**28**
Services (345)	43,207		**29**
Meters (346)	73,840	4,868	**30**
Hydrants (348)	72,481		**31**
Other Transmission and Distribution Plant (349)	0		**32**
Total Transmission and Distribution Plant	**661,317**	**4,868**	
GENERAL PLANT			
Land and Land Rights (370)	0		**33**
Structures and Improvements (371)	0		**34**
Office Furniture and Equipment (372)	3,386		**35**
Computer Equipment (372.1)	0		**36**
Transportation Equipment (373)	5,645		**37**
Other General Equipment (379)	11,877		**38**
Other Tangible Property (390)	0		**39**
Total General Plant	**20,908**	**0**	
Total utility plant in service directly assignable	**952,597**	**4,868**	
Common Utility Plant Allocated to Water Department	0		**40**
Total utility plant in service	**952,597**	**4,868**	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			**0**	**24**
Structures and Improvements (341)			**0**	**25**
Distribution Reservoirs and Standpipes (342)			**36,457**	**26**
Transmission and Distribution Mains (343)			**435,332**	**27**
Fire Mains (344)			**0**	**28**
Services (345)			**43,207**	**29**
Meters (346)			**78,708**	**30**
Hydrants (348)			**72,481**	**31**
Other Transmission and Distribution Plant (349)			**0**	**32**
Total Transmission and Distribution Plant	**0**	**0**	**666,185**	
GENERAL PLANT				
Land and Land Rights (370)			**0**	**33**
Structures and Improvements (371)			**0**	**34**
Office Furniture and Equipment (372)			**3,386**	**35**
Computer Equipment (372.1)			**0**	**36**
Transportation Equipment (373)			**5,645**	**37**
Other General Equipment (379)			**11,877**	**38**
Other Tangible Property (390)			**0**	**39**
Total General Plant	**0**	**0**	**20,908**	
Total utility plant in service directly assignable	**0**	**0**	**957,465**	
Common Utility Plant Allocated to Water Department			**0**	**40**
Total utility plant in service	**0**	**0**	**957,465**	

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)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	**0**	**0**	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	57,858		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	21,974		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	**79,832**	**0**	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	**0**	**0**	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	**0**	**0**	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			57,858	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			21,974	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	79,832	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			0	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			0	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	0	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over $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)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	42,224		26
Transmission and Distribution Mains (343)	454,423		27
Fire Mains (344)	0		28
Services (345)	48,710		29
Meters (346)	0		30
Hydrants (348)	77,578		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	**622,935**	**0**	
GENERAL PLANT			
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
Total General Plant	**0**	**0**	
Total utility plant in service directly assignable	**702,767**	**0**	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	**702,767**	**0**	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			0	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			42,224	26
Transmission and Distribution Mains (343)			454,423	27
Fire Mains (344)			0	28
Services (345)			48,710	29
Meters (346)			0	30
Hydrants (348)			77,578	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	0	0	622,935	
GENERAL PLANT				
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
Total General Plant	0	0	0	
Total utility plant in service directly assignable	0	0	702,767	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	0	0	702,767	

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.

Month (a)	Sources of Water Supply: Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)	Total Gallons All Methods (000's) (e)	
January			1,028	**1,028**	1
February			965	**965**	2
March			1,056	**1,056**	3
April			1,127	**1,127**	4
May			3,456	**3,456**	5
June			1,880	**1,880**	6
July			2,121	**2,121**	7
August			2,310	**2,310**	8
September			1,743	**1,743**	9
October			1,608	**1,608**	10
November			970	**970**	11
December			1,008	**1,008**	12
Total annual pumpage	**0**	**0**	**19,272**	**19,272**	
Less: Water sold				34,562	13
Volume pumped but not sold				**(15,290)**	14
Volume sold as a percent of volume pumped				**179%**	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				**(15,290)**	20
Percent of water lost				**-79%**	21
If more than 25%, indicate causes: WELL FLOW METERS ARE RECORDING LESS IN VOLUME THAN ACTUAL SALES.					22
If more than 25%, state what action has been taken to reduce water loss:					23
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				251	24
Date of maximum: 5/30/2006					25
Cause of maximum: SUPPLYING MUNICIPAL ACCOUNTS FOR RESALE. PRODUCTION INCREASED.					26
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				33	27
Date of minimum: 5/3/2006					28
Total KWH used for pumping for the year				116,421	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
BLANK 3	3	46	16	70,000	Yes	1
BLANK 4	4	46	16	70,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

	Intakes				
Location (a)	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)	
NONE					1

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	3	4		1
Location	BLANK 3	BLANK 4		2
Purpose	P	P		3
Destination	R	R		4
Pump Manufacturer	LAYNE NW	LAYNE NW		5
Year Installed	1976	1976		6
Type	VERTICAL TURBINE	VERTICAL TURBINE		7
Actual Capacity (gpm)	449	198		8
Pump Motor or				9
Standby Engine Mfr	SQUARE D	SQUARE D		10
Year Installed	1976	1976		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	50	30		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or				22
Standby Engine Mfr				23
Year Installed				24
Type				25
Horsepower				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

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

WATER MAINS

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

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	1.000	546	0	0	0	**546**	**1**
M	D	1.250	176	0	0	0	**176**	**2**
M	D	1.500	500	0	0	0	**500**	**3**
M	D	2.000	910	0	0	0	**910**	**4**
M	D	4.000	10,267	0	0	0	**10,267**	**5**
M	D	6.000	38,605	0	0	0	**38,605**	**6**
M	D	8.000	13,644	0	0	0	**13,644**	**7**
M	D	10.000	140	0	0	0	**140**	**8**
M	D	14.000	150	0	0	0	**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	489	9	0	0	498	19	1
M	1.500	8	0	0	0	8		2
Total Utility		**497**	**9**	**0**	**0**	**506**	**19**	

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	489	0	0	0	**489**	0	**1**
0.750	12	0	1	0	**11**	0	**2**
1.000	1	0	0	0	**1**	0	**3**
1.500	3	0	0	0	**3**	0	**4**
6.000	1	1	0	0	**2**	0	**5**
Total:	**506**	**1**	**1**	**0**	**506**	**0**	

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	459	13	0	1	0	16	**489**	**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:	**459**	**27**	**0**	**2**	**2**	**16**	**506**	

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				94	**2**
Total Fire Hydrants	**94**	**0**	**0**	**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:	25

WATER OPERATING SECTION FOOTNOTES

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

Please explain amounts in Account 474 in excess of $2,000, including like items grouped. Please provide, for example, a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

WATER TURN ON AND TURN OFF FEES BESIDES REPAIR WORKED BILLED TO HOMEOWNERS.

Water Operation & Maintenance Expenses (Page W-05)

If Fuel or Power Purchased for Pumping (620), divided by the Total kWh Used for Pumping on the Source of Supply, Pumping and Purchased Water Statistics schedule, is less than 3 cents or greater than 12 cents, please explain.

GENERAL ELECTRIC COSTS RELATE TO ADDITIONAL PUMPING IN SUPPORT OF SALES INCREASES. ALSO COST OF ENERGY INCREASED AS WELL.

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.

GENERAL REPAIRS AND MAINTENANCE EXPENSES DECREASED IN TOTAL. CONTRACT COSTS INCREASED BUT SUPPLIES DECREASED FROM PRIOR YEAR. MORE FAVORABLE TREND.

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

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

MINOR AMOUNTS. NOT MATERIAL TO REPORT SEPERATELY FROM FRINGE BENEFIT CHARGES POSTED IN ACCOUNTING RECORDS.

Pumping and Purchased Water Statistics (Page W-12)

General footnotes

WELL METER REPORTS REFLECT WATER PRODUCTION SUBSTANTIALLY LESS THAN WATER SALES. IF HAS BEEN SUGGESTED THAT A NEW FLOW METER WAS NOT CALIBERATED AT THE TIME OF BEING INSTALLED. THE PREPARER RECOMMENDED THAT THE ENGINEERING FIRM RETAINED BY THE CITY REEVALUATE THE READINGS IN ATTEMPTING TO ASCERTAIN BASIS FOR DIFFERENCES AND TO DEVISE A CORRECTIVE ACTION PLAN.

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

WELL METER REPORTED WATER PRODUCTION SUBSTANTIALLY LESS THAN WATER SALES AND POTENTIAL WATER LOSSES FOR MUNICIPAL PURPOSES. DUE TO A NEW FLOW METER BEING INSTALLED AND PURPORTED NOT CALIBERATED, AND NEW WATER OPERATOR EMPLOYEE, LOSSES WILL NEED TO BE INVESTIGATED BY PROFESSIONAL PERSONNEL.

If Water Sold equals Total Annual Pumpage, please explain 0 utility-use or unaccounted-for water.

RECORDS RETAINED INDICATE ONLY ESTIMATES OF POSSIBLE WATER LOSSES WHICH WOULD ONLY CREATE A GREATER DIFFERENCE BETWEEN WATER PUMPED, SOLD AND LOST.

Water Services (Page W-18)

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

NO OUTSIDE BORROWING. SERVICES SEPERATED TO ALLOW FOR ADDITIONAL CUSTOMERS.

If Services Additions are greater than zero AND Additions on both of the Plant in Service schedules (Account 345) are zero, please explain.

SEPARATION OF SERVICE WITHOUT INCURRING MAJOR CAPITAL OUTLAY COST.

WATER OPERATING SECTION FOOTNOTES

Meters (Page W-19)

Explain all reported adjustments.

BILLING REPORTS INDICATE A CHANGE IN METER SIZE.

If Tested During Year column total is zero, please explain.

CITY HAS NOT ADOPTED ANY TESTING PROCEDURES NOR IS PROVIDING ADEQUATE DOCUMENTATION IN DETERMING EXTEND TO TESTING ACTUALLY PERFORMED.

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.

METER SIZE RECLASSIFIED.

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

AS PREVIOUSLY STATED, THE CITY HAS NOT ADOPTED A FORMAL WORK PLAN TO TEST METERS. FURTHERMORE, A NEW WATER OPERATOR HAS BEEN HIRED AFTER YEAR END AND COULD NOT PROVIDE INSIGHT AS TO THE PREVIOUS WORKER ACCOMPLISHMENTS.

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.

THERE IS NO EVIDENCE OF STATION METERS BEING TESTED EVERY TWO YEARS. NEW EMPLOYEE WAS NOT INFORMED AS TO THE PRIOR WORKER ACCOMPLISHMENTS.

Hydrants and Distribution System Valves (Page W-20)

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

NO FORMAL OPERATING OR FLUSHING PROCEDURES ARE IN PLACE TO DOCUMENT OR TO ALLOW FOR AN ACCURATE COUNT.