



3014 (02-05-09)

ANNUAL REPORT

OF

Name: MUKWONAGO MUNICIPAL WATER UTILITY

Principal Office: 440 RIVER CREST COURT
P.O. BOX 206
MUKWONAGO, WI 53149

For the Year Ended: DECEMBER 31, 2009

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

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

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

GENERAL RULES FOR REPORTING

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

SIGNATURE PAGE

I PAUL J. MODERACKI of
(Person responsible for accounts)

Mukwonago Municipal Water Utility, certify that I
(Utility Name)

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

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

ADMINISTRATOR/CLERK/TREASURER
(Title)

SIGNATURE PAGE

Signature Page (Page ii)

General footnotes

ACCOUNTANTS' COMPILATION REPORT

Village Board
Village of Mukwonago
Waukesha and Walworth Counties, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balance sheets of the Mukwonago Water Utility, an enterprise fund of the Village of Mukwonago as of December 31, 2009 and 2008, and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the year ended December 31, 2009 in the accompanying prescribed form.

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

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

March 27, 2010
Milwaukee, Wisconsin

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MUKWONAGO MUNICIPAL WATER UTILITY**Utility Address:** 440 RIVER CREST COURT

P.O. BOX 206

MUKWONAGO, WI 53149

When was utility organized? 1/1/1913**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: MR PAUL J MODERACKI**Title:** VILLAGE ADMINISTRATOR**Office Address:**

440 RIVER CREST COURT

P.O. BOX 206

MUKWONAGO, WI 53149

Telephone: (262) 363 - 6420**Fax Number:** (262) 363 - 6425**Email Address:** pmoderacki@villageofmukwonago.com

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

Name: JOHN KNEPEL**Title:** PARTNER**Office Address:** BAKER TILLY VIRCHOW KRAUSE, LLP

115 S 84TH STREET, SUITE 400

MILWAUKEE, WI 53214

Telephone: (414) 777 - 5500**Fax Number:** (414) 777 - 5555**Email Address:** john.knepel@bakertilly.com

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

Name: ARNOLD FICKAU JR**Title:** CHAIRPERSON**Office Address:**

440 RIVER CREST COURT

P.O. BOX 206

MUKWONAGO, WI 53149

Telephone: (262) 363 - 6420**Fax Number:** (262) 363 - 6425**Email Address:**

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

YES

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

Name: JOHN KNEPEL**Title:** PARTNER**Office Address:** BAKER TILLY VIRCHOW KRAUSE, LLP

115 S 84TH STREET, SUITE 400

MILWAUKEE, WI 53214

Telephone: (414) 777 - 5500**Fax Number:** (414) 777 - 5555**Email Address:** john.knepel@bakertilly.com

IDENTIFICATION AND OWNERSHIP

Date of most recent audit report: 3/31/2010

Period covered by most recent audit: 1/1/2009 THRU 12/31/09

Names and titles of utility management including manager or superintendent:

Name: MR. IVAN T. ZAREMBA

Title: SUPERINTENDENT

Office Address:

440 RIVER CREST COURT
P.O. BOX 206
MUKWONAGO, WI 53149

Telephone: (262) 363 - 6439

Fax Number: (262) 363 - 6952

Email Address: waterdept@villageofmukwonago.com

Name of utility commission/committee: PUBLIC WORKS COMMITTEE

Names of members of utility commission/committee:

MR DALE FENNEL
MR ARNOLD FICKAU, JR, CHAIRPERSON
MR DENNIS O'BRYAN

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: [REDACTED]

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

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

Firm Name: NONE

Contact Person:

Title:

Telephone:

Fax Number:

Email Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	1,503,862	1,523,525	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	511,305	443,845	2
Depreciation Expense (403)	257,803	253,025	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	315,471	273,752	5
Total Operating Expenses	1,084,579	970,622	
Net Operating Income	419,283	552,903	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	419,283	552,903	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	25,177	72,263	10
Miscellaneous Nonoperating Income (421)	83,538	32,958	11
Total Other Income	108,715	105,221	
Total Income	527,998	658,124	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(22,490)	(22,490)	12
Other Income Deductions (426)	98,054	90,487	13
Total Miscellaneous Income Deductions	75,564	67,997	
Income Before Interest Charges	452,434	590,127	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	254,340	269,566	14
Amortization of Debt Discount and Expense (428)	7,155	8,822	15
Amortization of Premium on Debt--Cr. (429)	1,369	1,932	16
Interest on Debt to Municipality (430)	0	0	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0	0	19
Total Interest Charges	260,126	276,456	
Net Income	192,308	313,671	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	8,805,112	8,491,441	20
Balance Transferred from Income (433)	192,308	313,671	21
Miscellaneous Credits to Surplus (434)	43,204	0	22
Miscellaneous Debits to Surplus--Debit (435)	43,204	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	8,997,420	8,805,112	

DETAILS OF INCOME STATEMENT ACCOUNTS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	1,503,862	0	1,503,862	1
Total (Acct. 400):	1,503,862	0	1,503,862	
Operation and Maintenance Expense (401-402):				
Derived	511,305	0	511,305	2
Total (Acct. 401-402):	511,305	0	511,305	
Depreciation Expense (403):				
Derived	257,803	0	257,803	3
Total (Acct. 403):	257,803	0	257,803	
Amortization Expense (404-407):				
Derived	0	0	0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	315,471	0	315,471	5
Total (Acct. 408):	315,471	0	315,471	
Revenues from Utility Plant Leased to Others (412):				
NONE			0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE			0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	419,283	0	419,283	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0	0	0	8
Total (Acct. 415-416):	0	0	0	
Income from Nonutility Operations (417):				
NONE			0	9
Total (Acct. 417):	0	0	0	
Nonoperating Rental Income (418):				
NONE			0	10
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST AND DIVIDEND INCOME	25,177		25,177	11
Total (Acct. 419):	25,177	0	25,177	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		75,474	75,474	12
Total (Acct. 421):	0	75,474	75,474	

DETAILS OF INCOME STATEMENT ACCOUNTS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
OTHER INCOME				
Miscellaneous Nonoperating Income (421):				
SUNDRY	8,064		8,064	13
Total (Acct. 421):	8,064	0	8,064	
TOTAL OTHER INCOME:	33,241	75,474	108,715	
MISCELLANEOUS INCOME DEDUCTIONS				
Miscellaneous Amortization (425):				
Regulatory Liability (253) Amortization	(22,490)	0	(22,490)	14
NONE			0	15
Total (Acct. 425):	(22,490)	0	(22,490)	
Other Income Deductions (426):				
Depreciation Expense on Contributed Plant - Water	0	98,054	98,054	16
Total (Acct. 426):	0	98,054	98,054	
Other Income Deductions (426):				
NONE			0	17
Total (Acct. 426):	0	0	0	
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(22,490)	98,054	75,564	
INTEREST CHARGES				
Interest on Long-Term Debt (427):				
Derived	254,340	0	254,340	18
Total (Acct. 427):	254,340	0	254,340	
Amortization of Debt Discount and Expense (428):				
CURRENT YEAR AMORTIZATION	7,155		7,155	19
Total (Acct. 428):	7,155	0	7,155	
Amortization of Premium on Debt--Cr. (429):				
CURRENT YEAR AMORTIZATION	1,369		1,369	20
Total (Acct. 429):	1,369	0	1,369	
Interest on Debt to Municipality (430):				
Derived	0	0	0	21
Total (Acct. 430):	0	0	0	
Other Interest Expense (431):				
Derived	0	0	0	22
Total (Acct. 431):	0	0	0	
Interest Charged to Construction--Cr. (432):				
NONE			0	23
Total (Acct. 432):	0	0	0	
TOTAL INTEREST CHARGES:	260,126	0	260,126	
NET INCOME:	214,888	(22,580)	192,308	

DETAILS OF INCOME STATEMENT ACCOUNTS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
EARNED SURPLUS				
Unappropriated Earned Surplus (Beginning of Year) (216):				
Derived	3,440,393	5,364,719	8,805,112	24
Total (Acct. 216):	3,440,393	5,364,719	8,805,112	
Balance Transferred from Income (433):				
Derived	214,888	(22,580)	192,308	25
Total (Acct. 433):	214,888	(22,580)	192,308	
Miscellaneous Credits to Surplus (434):				
PRIOR YEAR REVENUE INCORRECTLY REPORTED AS CONTRIBL	43,204		43,204	26
Total (Acct. 434):	43,204	0	43,204	
Miscellaneous Debits to Surplus--Debit (435):				
PRIOR YEAR REVENUE INCORRECTLY REPORTED AS CONTRIBL		43,204	43,204	27
Total (Acct. 435)--Debit:	0	43,204	43,204	
Appropriations of Surplus--Debit (436):				
Detail appropriations to (from) account 215			0	28
Total (Acct. 436)--Debit:	0	0	0	
Appropriations of Income to Municipal Funds--Debit (439):				
NONE			0	29
Total (Acct. 439)--Debit:	0	0	0	
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	3,698,485	5,298,935	8,997,420	

DETAILS OF INCOME STATEMENT ACCOUNTS

Details of Income Statement Accounts (Page F-02)

If amount of Miscellaneous Credits to Surplus (Acct 434) exceeds \$5,000, please explain fully.
Prior year revenue incorrectly reported as contributed capital.

If amount of Miscellaneous Debits to Surplus (Acct 435) exceeds \$5,000, please explain fully.
Prior year revenue incorrectly reported as contributed capital.

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
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	1,503,862	0	0	0	1,503,862	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 -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	1,503,862	0	0	0	1,503,862	

