

MADISON WATER UTILITY

Comparative Income Statement

| | Three Months Ended March 31 | |
|---------------------------------------|--------------------------------|-------------|
| | 2011 | 2010 |
| Operating Revenue | \$7,266,011 | \$6,863,551 |
| Operating Expenses: | | |
| Source of Supply | 4,500 | 11,438 |
| Pumping | 699,989 | 716,316 |
| Water Treatment | 124,562 | 134,685 |
| Transmission and Distribution | 821,924 | 719,899 |
| Customer Accounts | 93,118 | 125,768 |
| Administrative and General | 909,074 | 861,571 |
| Total Operation & Maintenance Expense | \$2,653,167 | \$2,569,677 |
| Depreciation | 1,161,675 | 1,123,375 |
| Payment in lieu of Taxes | 994,150 | 944,875 |
| Total Operating Expense | \$4,808,992 | \$4,637,927 |
| Operating Income | \$2,457,019 | \$2,225,624 |
| Interest Income | 100,994 | (408) |
| Other Income | (453) | (16,663) |
| Interest Expense | (1,022,900) | (932,500) |
| Net Income | \$1,534,660 | \$1,276,053 |

January - March 2011, 2010
Three Month Income Statement Summary:

| | | | |
|--|------|-------------|---------|
| Operating Revenue | up | \$402,460 | 5.86% |
| Pumpage Jan-Mar (2,371.3M v.2,338.9M) | up | 32.4mil gal | 1.39% |
| Operating Income | up | \$231,395 | 10.40% |
| Net Income | up | 258,607 | 20.27% |
| | | | |
| Transmission & Distribution | up | 102,025 | 14.17% |
| 6730-Maint of Mains | down | (68,832) | -38.80% |
| 6731-Main Leaks | up | 100,376 | 34.25% |
| 137 in 2011 versus 105 in 2010 | | | |
| 6750-Maint of Services | up | 42,562 | 32.82% |
| 6621-Operation of Hydnts for Water Sales | up | 15,329 | 211.76% |
| \$22,569 in 2011 from \$7,239 in 2010 | | | |
| 6640-Customer Installations | up | 9,798 | 17.06% |
| | | | |
| Customer Accounts | down | (32,650) | -25.96% |
| 9060-Water Conservation Expense | down | (29,757) | -80.00% |
| * Radio Ads \$28,242 in 2010 | | | |
| | | | |
| Administrative and General | up | 47,503 | 5.51% |
| 9261-Health Insurance | up | 20,026 | 5.40% |
| 9230-Outside Services Employed | up | 14,561 | 22.89% |
| * Exec/Team Coaching \$12,100 in 2011 | | | |
| * Board Governance \$1,500 in 2011 | | | |
| * Pfefferle matter \$994 in 2011 | | | |
| 9260-Pension Expense | up | 9,788 | 6.00% |
| | | | |
| Interest Income | up | 101,402 | 100.00% |
| 2011 Fed Agen Sec, 2010 Money Mrkt | | | |
| | | | |
| Interest Expense | up | 90,400 | 9.69% |
| * Increase in borrowing | | | |