

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>WACHS WATER SERVICES EMPLOYEES' SAVINGS & RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2008</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/2008</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/2008</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>WACHS WATER SERVICES</u> <u>801 ASBURY DRIVE</u> <u>BUFFALO GROVE, IL 60089</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>36-4377643</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>224-357-2600</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>541990</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>36-4377643</u>	2c Sponsor's telephone number <u>224-357-2600</u>	2d Business code (see instructions) <u>541990</u>	
2b Employer Identification Number (EIN) <u>36-4377643</u>					
2c Sponsor's telephone number <u>224-357-2600</u>					
2d Business code (see instructions) <u>541990</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/29/2011	DAN GALLAS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") WACHS WATER SERVICES 801 ASBURY DRIVE BUFFALO GROVE, IL 60089	3b Administrator's EIN 36-4377643 3c Administrator's telephone number 224-357-2600
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name WACHS UTILITY SERVICES	4b EIN 36-4377643 4c PN 001
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5 Total number of participants at the beginning of the plan year	5	169
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	126
b Retired or separated participants receiving benefits.....	6b	
c Other retired or separated participants entitled to future benefits.....	6c	14
d Subtotal. Add lines 6a , 6b , and 6c	6d	140
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	140
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	128
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	9

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2A 2E 2F 2G 2J 2K 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan WACHS WATER SERVICES EMPLOYEES' SAVINGS & RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 WACHS WATER SERVICES	D Employer Identification Number (EIN) 36-4377643	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

ALLIANCE PENSION CONSULTANTS, LLC

36-4389114

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 16	RECORDKEEPER	4624	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE PENSION CONSULTANTS, LLC	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ALGER	0.48% OF AVERAGE DAILY BALANCE OF ASSETS.	
13-2665689		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE PENSION CONSULTANTS, LLC	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ARTIO GLOBAL	0.38% OF AVERAGE DAILY BALANCE OF ASSETS.	
13-6174048		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE PENSION CONSULTANTS, LLC	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DREYFUS	RANGE OF 0.23% - 0.33% OF AVERAGE DAILY BALANCE OF ASSETS.	
13-5673135		

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE PENSION CONSULTANTS, LLC	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MUHLENKAMP	0.38% OF AVERAGE DAILY BALANCE OF ASSETS.	
25-1405412		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE PENSION CONSULTANTS, LLC	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OAKMARK	0.33% OF AVERAGE DAILY BALANCE OF ASSETS.	
04-3276558		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE PENSION CONSULTANTS, LLC	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
SCHWAB FUNDS	RANGE OF 0.02% - 0.25% OF AVERAGE DAILY BALANCE OF ASSETS.	
94-1737782		

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE PENSION CONSULTANTS, LLC	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
JANUS 43-1804048	0.32% OF AVERAGE DAILY BALANCE OF ASSETS.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE PENSION CONSULTANTS, LLC	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIMCO 840 NEWPORT CENTER DRIVE NEWPORT, CA 92260	0.38% OF AVERAGE DAILY BALANCE OF ASSETS.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE PENSION CONSULTANTS, LLC	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
THIRD AVENUE 622 THIRD AVENUE 32ND FLOOR NEW YORK, NY 10017	0.38% OF AVERAGE DAILY BALANCE OF ASSETS.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan WACHS WATER SERVICES EMPLOYEES' SAVINGS & RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 WACHS WATER SERVICES		
D Employer Identification Number (EIN) 36-4377643		

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		204596
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	227576	266076
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	101409	150726
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	10014	41871
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	902432	1073931
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1241431	1737200

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1241431	1737200
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	204596	
(B) Participants	2a(1)(B)	247273	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		451869
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	24	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	602	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		626
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	2112	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	14789	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		16901
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	20625	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	21224	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-599

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	19315	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		19315
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		95303
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		583415

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	78660	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		78660
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	4624	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	4361	
(4) Other	2i(4)	1	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		8986
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		87646

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		495769
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MANNING SILVERMAN & COMPANY

(2) EIN: 36-3682564

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		150000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>WACHS WATER SERVICES EMPLOYEES' SAVINGS & RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WACHS WATER SERVICES</u>	D Employer Identification Number (EIN) <u>36-4377643</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>42-1558009</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2010
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

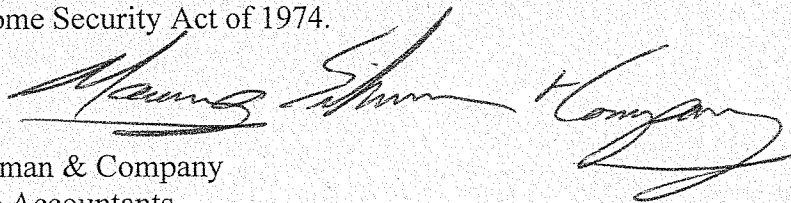
INDEPENDENT AUDITOR'S REPORT

Board of Directors and Trustees
Wachs Water Services
Employees' Savings & Retirement Plan
Buffalo Grove, Illinois

We were engaged to audit the accompanying statements of net assets available for benefits of Wachs Water Services Employees' Savings & Retirement Plan as of December 31, 2010 and 2009 and the related statements of changes in net assets available for benefits for the years ended December 31, 2010 and 2009 and the supplemental Schedule H, Line 4i-Schedule of Assets Held as of the year ended December 31, 2010. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 9, which was certified by Charles Schwab Trust Company, the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of December 31, 2010 and 2009, that the information provided to the Plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee or custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Manning Silverman & Company
Certified Public Accountants

July 18, 2011

"Thank you for the opportunity to serve you and for your referrals!"

WACHS WATER SERVICES EMPLOYEES' SAVINGS & RETIREMENT PLAN

Report on Audited Financial Statements and Supplementary Information

December 31, 2010 and 2009

**MANNING SILVERMAN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
(847) 459-8850**

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
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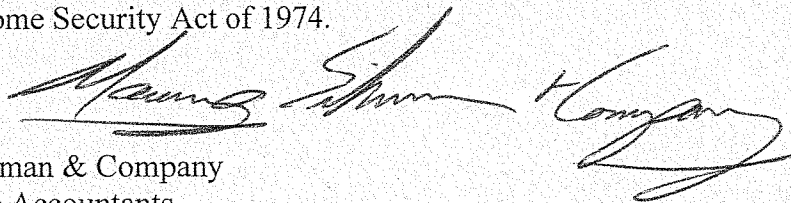
INDEPENDENT AUDITOR'S REPORT

Board of Directors and Trustees
Wachs Water Services
Employees' Savings & Retirement Plan
Buffalo Grove, Illinois

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Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee or custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Manning Silverman & Company
Certified Public Accountants

July 18, 2011

"Thank you for the opportunity to serve you and for your referrals!"

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Assets		
Investments		
Money Market Accounts	\$ 266,076	\$ 227,576
Corporate Common Stock	150,726	101,409
Interest in Registered Investment Companies	1,073,931	902,432
Employer Contribution Receivable	204,596	-
Loans to Participants	<u>41,871</u>	<u>10,014</u>
Total Assets	<u>\$ 1,737,200</u>	<u>\$ 1,241,431</u>
Liabilities and Net Assets Available for Benefits		
Liabilities	\$ -	\$ -
Net Assets	<u>1,737,200</u>	<u>1,241,431</u>
Total Liabilities and		
Net Assets Available for Benefits	<u>\$ 1,737,200</u>	<u>\$ 1,241,431</u>

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Additions		
Additions to Net Assets Attributed to:		
Net Appreciation in Fair Value of Investments	\$ 114,618	\$ 205,642
Net (Loss) on Sale of Investments	(599)	(542)
Interest/Dividends	16,925	17,547
Participant Loans Interest Income	<u>602</u>	<u>204</u>
Total Additions	131,546	222,851
Contributions		
Employers	204,596	-
Participants	<u>247,273</u>	<u>214,246</u>
Total Contributions	<u>451,869</u>	<u>214,246</u>
Total Additions and Contributions	<u>583,415</u>	<u>437,097</u>
Deductions		
Deductions from Net Assets Attributed to:		
Benefits Paid to Participants	78,660	19,868
Administrative Expenses	<u>8,986</u>	<u>5,057</u>
Total Deductions	<u>87,646</u>	<u>24,925</u>
Net Increase in Net Assets	<u>495,769</u>	<u>412,172</u>
Beginning Net Assets Available for Benefits	<u>1,241,431</u>	<u>829,259</u>
Ending Net Assets Available for Benefits	<u><u>\$ 1,737,200</u></u>	<u><u>\$ 1,241,431</u></u>

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009**

1. Description of Plan

The following description of the Wachs Water Services Employees' Savings and Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General – The Plan is a defined contribution profit sharing and 401(k) plan covering the eligible employees of Wachs Valve and Hydrant Services, LLC d/b/a Wachs Water Services (the Company).

Tax Status of the Plan – Effective April 13, 2006, the Plan adopted a standardized form of a volume submitter sponsored by SunGuard Corbel. The volume submitter has received an opinion letter from the Internal Revenue Service as to the prototype plan's qualified status. The volume submitter opinion letter has been relied upon by this Plan. The Plan has been amended and restated since receiving the determination letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable provisions of the Internal Revenue Code.

Amendment and Termination of the Plan – The Company has the right to amend the Plan at any time, however, any amendment which affects the rights, duties or responsibilities of the Trustee or Administrator may only be made with the Trustee's or Administrator's written consent. Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Participation – Employees are eligible to participate in the Plan upon completion of three months of service as long as they are not classified as an "Excluded Employee" (union employees, leased employees and nonresident aliens). For purposes of salary deferrals, the employee will actually enter the Plan on the next "Entry Date" after they are eligible (January 1st or July 1st).

Contributions – The Plan is funded by voluntary contributions of participants and discretionary matching and profit sharing contributions of the Company. Participants may contribute to the Plan, through regular payroll deductions, an amount subject to the limitations imposed by the Internal Revenue Code. The Company contributes a discretionary matching contribution equal to a uniform percentage of the amount of the eligible employees' contributions to the Plan. The Company will determine the uniform percentage each year. Participants may also roll over amounts representing distributions from other qualified employee benefit plans.

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010 AND 2009**

1. Description of Plan (Continued)

Participant Accounts – Each participant's account is credited with the participant's contribution, an allocation of the Company's discretionary matching and profit sharing contributions, and an allocation of Plan earnings. The Company's discretionary matching allocation is based on a percentage of the participant's contribution. The Company's discretionary profit sharing contribution is allocated to active employees as of the last day of the Plan year and is based on a ratio of each participant's compensation to total compensation for all participants. Plan earnings are allocated to participants' accounts in direct proportion to their respective account balances, based on the performance of participants' investment selections. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

Vesting – Participants are immediately vested in their contributions plus actual earnings thereon. The portion of the participants' accounts attributable to the Company's contributions becomes 20% vested after one year of service and continues to vest at a rate of 20% for each successive year until 100% vested after five years of service. In the event of death, disability or retirement at designated ages, participants become fully vested.

Investment Options – Participants must direct their salary deferral contributions and the Company's contributions into a variety of investment funds made available and determined by the Plan administrator. Participants may change their investment options at any time.

Participant Loans – Participants are permitted to take loans from the Plan up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balances. The loans are collateralized by the borrowers' respective vested account balances and bear interest at 3.25% to 5.00%. Principal and interest are paid through payroll deductions over a period not to exceed five years, unless for the purchase of a primary residence. Related interest income totaled \$602 and \$204 for the years ended December 31, 2010 and 2009, respectively.

Payment of Benefits – On termination of service, a participant may elect to receive a single, lump-sum payment equal to the value of his or her vested account balance, installments over a specified period of time, or a direct rollover distribution. Hardship withdrawals are also permitted by the Plan.

Forfeitures – As of December 31, 2010 and 2009, unallocated Plan assets resulting from forfeited non-vested accounts totaled \$15,616 and \$8,035, respectively. This amount will be used to reduce future discretionary Company contributions.

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010 AND 2009**

2. Summary of Significant Accounting Policies

Basis of Accounting – The financial statements of the Plan are prepared under the accrual method of accounting.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition – Investments are reported at fair value. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in orderly transactions between market participants at the measurement date. See note 4 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Unrealized gains or losses from appreciation or depreciation of investments are recognized as increases or decreases in net assets available for benefits.

Payment of Benefits – Benefits are recorded when paid.

Administrative Expenses – Administrative expenses of the Plan are paid by the Company and the Plan. Administrative expenses paid by the Company totaled approximately \$16,900 and \$16,800 for the years ended December 31, 2010 and 2009, respectively.

3. Investments

The following presents investments that represent 5% or more of the Plan's net assets as of December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Schwab Retirement Advantage Money Fund	\$ 226,675	\$ 182,289
Alger Capital Appreciation Institutional Fund	177,125	168,247
Schwab S&P 500 Index Fund	158,231	130,239
Artio International Equity Fund	135,051	125,021
Schwab International Index Fund	129,262	116,942
Dreyfus Bond Market Index	113,978	-
Dreyfus MidCap Index Fund	-	82,202
Oakmark Equity Income Fund	101,544	73,239
Muhlenkamp Fund	<u>79,782</u>	<u>70,529</u>
Total	<u>\$ 1,121,648</u>	<u>\$ 948,708</u>

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010 AND 2009**

The total investments that were held by Charles Schwab Trust Company as of December 31, 2010 and 2009 were \$1,737,200 and \$1,241,431, respectively. During 2010 and 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year), appreciated in value by \$114,618 and \$205,642, respectively.

4. Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level I measurements) and the lowest priority to unobservable inputs (Level III measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described as follows:

Level I – Inputs to the valuation methodology that are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level II – Inputs to the valuation methodology includes the following: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

Level III – Inputs to the valuation methodology that are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the net asset value ("NAV") of shares held by the plan at year end.

Common stocks, corporate debt and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010 AND 2009**

Money market funds: Valued at NAV of units held by the plan at year-end.

Participant loans: Valued at amortized cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets as of December 31, 2010:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
Mutual Funds	\$ 1,073,931	\$ -	\$ -	\$ 1,073,931
Money Market Funds	266,076	-	-	266,076
Common Stocks	150,726	-	-	150,726
Participant Loans	<u>-</u>	<u>-</u>	<u>41,871</u>	<u>41,871</u>
Total Investment Assets at Fair Value	<u>\$ 1,490,733</u>	<u>\$ -</u>	<u>\$ 41,871</u>	<u>\$ 1,532,604</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's assets as of December 31, 2009:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
Mutual Funds	\$ 902,432	\$ -	\$ -	\$ 902,432
Money Market Funds	227,576	-	-	227,576
Common Stocks	101,409	-	-	101,409
Participant Loans	<u>-</u>	<u>-</u>	<u>10,014</u>	<u>10,014</u>
Total Investment Assets at Fair Value	<u>\$ 1,231,417</u>	<u>\$ -</u>	<u>\$ 10,014</u>	<u>\$ 1,241,431</u>

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010 AND 2009**

The following table sets forth a summary of changes in the fair value of the Plan's Level III assets (participant loans) for the years ended December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Balance, Beginning of Year	\$ 10,014	\$ 2,061
New Loans	44,604	11,905
Repayments	<u>(12,747)</u>	<u>(3,952)</u>
Balance, End of Year	<u>\$ 41,871</u>	<u>\$ 10,014</u>

5. Matching Contributions

For the year ended December 31, 2010, the Company made discretionary matching contributions of 3.5% to all non-officer and 5.0% to officers participating employees in the Plan that totaled \$204,596 (net of forfeitures) and accrued no discretionary profit sharing contributions. The Company did not make a discretionary matching contribution or accrued discretionary profit sharing contribution for the year ended December 31, 2009.

6. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

7. Financial Investments with Off-Balance Sheet Risk

As of and during the years ended December 31, 2010 and 2009, the Plan held no direct investments in derivatives.

8. Related Party Transactions

Plan investments are managed by the Charles Schwab Trust Company. The Charles Schwab Trust Company is the custodian, as defined by the Plan; therefore, these transactions qualify as party-in-interest transactions. Administrative expenses paid to the related party were approximately \$9,000 and \$5,000 for the years ended December 31, 2010 and 2009, respectively.

**WACHS WATER SERVICES
EMPLOYEES' SAVINGS & RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010 AND 2009**

9. Information Certified by the Plan's Custodian

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Charles Schwab Trust Company, the custodian of the Plan, has certified to the completeness and accuracy of all investments reflected on the accompanying statements of net assets available for benefits as of December 31, 2010 and 2009, and the supplemental Schedule H, line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2010 and the related investment activity reflected in the statement of changes in net assets available for benefits for the years ended December 31, 2010 and 2009.

10. Amendments

On December 15, 2010, the Plan was amended to reflect the recent law changes regarding the HEART and WRERA provisions.

11. Subsequent Events

Subsequent events have been evaluated through July 18, 2011 which is the date the financial statements were available to be issued and there are no subsequent events requiring disclosure.

SUPPLEMENTAL SCHEDULE

WACHS WATER SERVICES EMPLOYEES' SAVINGS & RETIREMENT PLAN
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2010

EIN: 36-4377643

Plan Number: 001

(b) Identity of Issue	(c) Description of Investment	(d) Cost (1)	(e) Current Value
Mutual Funds			
Alger Capital Appreciation Institutional Fund	Interest in Registered Investment Company	\$ -	\$ 177,125
Artio International Equity Fund	Interest in Registered Investment Company	-	135,051
Dreyfus Bond Market Index Fund	Interest in Registered Investment Company	-	113,978
Dreyfus MidCap Index Fund	Interest in Registered Investment Company	-	46,636
Fairholme Fund	Interest in Registered Investment Company	-	62,128
Muhlenkamp Fund	Interest in Registered Investment Company	-	79,782
Oakmark Equity and Income Fund	Interest in Registered Investment Company	-	101,544
Perkins Small Cap Value Fund	Interest in Registered Investment Company	-	4,672
PIMCO Total Return Fund	Interest in Registered Investment Company	-	3,143
Schwab International Index Fund	Interest in Registered Investment Company	-	129,262
Schwab S&P 500 Index Fund	Interest in Registered Investment Company	-	158,231
Schwab Small-Cap Index	Interest in Registered Investment Company	-	62,379
		-	1,073,931
Short-Term Investments			
Schwab Investor Money Fund	Money Market Account	-	27,203
Schwab Money Market Fund	Money Market Account	-	12,198
Schwab Retirement Advantage Money Fund	Money Market Account	-	226,675
		-	266,076
Corporate Stock			
Abbott Labs	80 shares Common Stock	4,062	3,833
American Eagle Outfitters	160 shares Common Stock	1,498	2,341
Automatic Data Processing, Inc.	70 shares Common Stock	2,754	3,240
Bank New York Mellon Corp.	240 shares Common Stock	6,387	7,248
Becton Dickinson & Co.	50 shares Common Stock	3,456	4,226
Bed, Bath & Beyond, Inc.	130 shares Common Stock	3,305	6,389
Berkshire Hathaway Inc.	100 shares Common Stock	5,849	8,011
Biglari Holdings, Inc.	6 shares Common Stock	774	2,461
Boeing Co.	50 shares Common Stock	2,133	3,263
CVS Corp.	170 shares Common Stock	4,941	5,911
Carmax Inc.	170 shares Common Stock	1,340	5,420
Cemex S A Spons ADR Spon ADR	250 shares Common Stock	2,161	2,678
Coca-Cola Co.	40 shares Common Stock	1,811	2,631
ConocoPhillips	50 shares Common Stock	2,590	3,405
Diageo Plc New Spons ADR	40 shares Common Stock	2,270	2,973
Disney (Walt) Co.	120 shares Common Stock	2,723	4,501
Franklin Resources, Inc.	40 shares Common Stock	2,551	4,448
Home Depot Inc.	70 shares Common Stock	1,611	2,454
Johnson & Johnson	40 shares Common Stock	2,393	2,474
Lockheed Martin Corp.	50 shares Common Stock	3,775	3,496
Lowes Companies Inc.	350 shares Common Stock	7,187	8,778

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

**WACHS WATER SERVICES EMPLOYEES' SAVINGS & RETIREMENT PLAN
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

(Continued)

DECEMBER 31, 2010

EIN: 36-4377643

Plan Number: 001

(b) Identity of Issue	(c) Description of Investment	(d) Cost (1)	(e) Current Value
Medtronic, Inc.	90 shares Common Stock	3,001	3,338
Phillip Morris International	50 shares Common Stock	2,175	2,926
Proctor & Gamble	40 shares Common Stock	2,473	2,573
Private Bancorp Inc.	60 shares Common Stock	1,948	863
Quest Diagnostics Inc.	80 shares Common Stock	4,153	4,318
Red Robin Gourmet Burger	200 shares Common Stock	4,389	4,294
Robert Half International Inc.	160 shares Common Stock	3,331	4,896
Target Corporation	40 shares Common Stock	1,381	2,405
3M Co.	10 shares Common Stock	575	863
United Parcel Service, Inc.	60 shares Common Stock	3,310	4,355
WalMart Stores Inc.	160 shares Common Stock	8,293	8,629
Walgreen Co.	290 shares Common Stock	8,162	11,298
Wells Fargo & Co.	175 shares Common Stock	4,874	5,423
Accenture Plc	90 shares Common Stock	2,951	4,364
		<u>\$ 116,587</u>	<u>150,726</u>
Total Investments			<u>\$ 1,490,733</u>
Participant Loans	Participant Notes Receivable, Interest at 3.25% - 5.00%		<u>\$ 41,871</u>

(1) These investments are valued at fair market value.
Cost basis information is not available.

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Wachs Water Services Employees' Savings & Retirement Plan **EIN:** 36-4377643
Plan Sponsor's Name Wachs Water Services **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
*	Schwab Investor Money Fund	Money Market		12,198
*	Schwab Retirement Advtg Money Fund	Money Market		226,675
	Alger Cap Appreciation Instl	Mutual Fund		177,125
	Artio Intl Equity Fund	Mutual Fund		135,051
	Dreyfus Bond Market Index	Mutual Fund		113,978
	Dreyfus Midcap Index	Mutual Fund		46,636
	Muhlenkamp Fund	Mutual Fund		79,782

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Wachs Water Services Employees' Savings & Retirement Plan **EIN:** 36-4377643
Plan Sponsor's Name Wachs Water Services **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Oakmark Equity Income Fund	Mutual Fund		101,544
*	Schwab Intl Index Fund	Mutual Fund		129,262
*	Schwab S & P 500 Index Fund	Mutual Fund		158,231
*	Schwab Small Cap Index Fund	Mutual Fund		62,379
	Pimco Total Return D	Mutual Fund		3,143
*	Participant Loans	Interest Rates 3.25-6.5%		41,871
	Perkins Small cap Value T	Mutual Fund		4,672

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Wachs Water Services Employees' Savings & Retirement Plan **EIN:** 36-4377643
Plan Sponsor's Name Wachs Water Services **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Fairholme Fund	Mutual Fund		62,128
	Abbott Laboratories	Common Stock	4,062	3,833
	Accenture Plc Cl A	Common Stock	3,145	4,364
	Amern Eagle Outfirts New	Common Stock	4,311	2,341
	Automatic Data Processing	Common Stock	2,787	3,240
	Bank of NY Mellon CP New	Common Stock	7,268	7,248
	Becton Dickinson & Co	Common Stock	3,456	4,226

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Wachs Water Services Employees' Savings & Retirement Plan **EIN:** 36-4377643
Plan Sponsor's Name Wachs Water Services **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Bed Bath & Beyond	Common Stock	4,536	6,390
	Berkshire Hathaway B New	Common Stock	5,794	8,011
	Biglari Holdings Inc	Common Stock	1,802	2,461
	Boeing Co.	Common Stock	3,985	3,263
	CVS Caremark Corp	Common Stock	5,128	5,911
	Carmax Inc	Common Stock	3,604	5,420
	CEMEX SAB ADR	Common Stock	5,078	2,678

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Wachs Water Services Employees' Savings & Retirement Plan **EIN:** 36-4377643
Plan Sponsor's Name Wachs Water Services **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Coca Cola Company	Common Stock	1,713	2,631
	Conocophillips	Common Stock	3,003	3,405
	Diageo Plc New Adr	Common Stock	2,455	2,973
	Disney Walt Co	Common Stock	3,782	4,501
	Franklin Resources Inc	Common Stock	4,831	4,448
	Home Depot Inc	Common Stock	2,522	2,454
	Johnson & Johnson	Common Stock	2,483	2,474

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Wachs Water Services Employees' Savings & Retirement Plan **EIN:** 36-4377643
Plan Sponsor's Name Wachs Water Services **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Lockheed Martin Corp	Common Stock	3,775	3,496
	Lowes Companies Inc	Common Stock	7,895	8,778
	Medtronic Inc	Common Stock	3,001	3,338
	Philip Morris Intl Inc	Common Stock	2,078	2,927
	Privatebancorp Inc	Common Stock	2,002	863
	Procter & Gamble	Common Stock	2,252	2,573
	Quest Diagnostic Inc	Common Stock	3,962	4,318

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Wachs Water Services Employees' Savings & Retirement Plan **EIN:** 36-4377643
Plan Sponsor's Name Wachs Water Services **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Red Robin Gourmet Burger	Common Stock	4,389	4,294
	Robert Half Intl	Common Stock	5,400	4,896
	Target Corporation	Common Stock	1,641	2,405
	United Parcel Service B	Common Stock	4,283	4,355
	Wal-Mart Stores Inc	Common Stock	7,711	8,629
	Walgreen Company	Common Stock	8,961	11,298
	Wells Fargo & Co New	Common Stock	4,874	5,423

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Sponsor's Name	Wachs Water Services	PN:	001
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