



3015 (02-02-05)

ANNUAL REPORT

OF

Name: VILLAGE OF HORTONVILLE WATER & SEWER UTILITIES

Principal Office: 118 N. MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

For the Year Ended: DECEMBER 31, 2005

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

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

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

SIGNATURE PAGE

I LYNNE MISCHKER of
(Person responsible for accounts)

Village of Hortonville Water & Sewer Utilities, 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) 05/01/2006
(Date)

CLERK/TREASURER
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: VILLAGE OF HORTONVILLE WATER & SEWER UTILITIES

Utility Address: 118 N. MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

When was utility organized? 9/1/1948

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: LYNNE MISCHKER
Title: CLERK/TREASURER

Office Address:
118 N. MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

Telephone: (920) 779 - 6011

Fax Number: (920) 779 - 6552

E-mail Address:

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

Name: KAREN KERBER
Title: CPA

Office Address: KERBER, ROSE & ASSOCIATES, S.C.
115 E FIFTH STREET
SHAWANO, WI 54166

Telephone: (715) 526 - 9400 EXT 302

Fax Number: (715) 524 - 2599

E-mail Address: kkerber@kerberrose.com

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

Name: ROGER RETZLAFF
Title: VILLAGE PRESIDENT

Office Address:
118 N MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

Telephone: (920) 779 - 6555

Fax Number: (920) 779 - 6552

E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name: KAREN KERBER

Title: CPA

Office Address: KERBER, ROSE & ASSOCIATES, S.C.
115 E FIFTH STREET
SHAWANO, WI 54166

Telephone: (715) 526 - 9400 EXT 302

Fax Number: (715) 524 - 2599

E-mail Address: kkerber@kerberrose.com

Date of most recent audit report: 4/30/2006

Period covered by most recent audit: DECEMBER 31, 2005

Names and titles of utility management including manager or superintendent:

Name: MR. RON AUSTRENG

Title: DIRECTOR OF PUBLIC WORKS

Office Address:

118 N. MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

Telephone: (920) 779 - 4086

Fax Number: (920) 779 - 6552

E-mail Address:

Name of utility commission/committee: VILLAGE BOARD

Names of members of utility commission/committee:

- MR CRAIG DREIER, TRUSTEE
- MR ANDREW GITTER, TRUSTEE
- MR WALLACE LENZNER, TRUSTEE
- MR LOUIS MCKELLAR, TRUSTEE
- MR THOMAS OLK, TRUSTEE
- MR ROGER RETZLAFF, PRESIDENT
- MR W. GEORGE WOJCIK, TRUSTEE

Is sewer service rendered by the utility? YES

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? YES

Date of Ordinance: 9/1/1948

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

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

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	373,075	753,276	1
Operating Expenses:			
Operation and Maintenance Expense (401)	194,769	383,053	2
Depreciation Expense (403)	43,659	128,580	3
Amortization Expense (404)	0	0	4
Taxes (408)	38,851	46,568	5
Total Operating Expenses	277,279	558,201	
Net Operating Income	95,796	195,075	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	95,796	195,075	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	30,486	44,468	9
Miscellaneous Nonoperating Income (421)	21,981	192,450	10
Total Other Income	52,467	236,918	
Total Income	148,263	431,993	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(7,836)	(90,904)	11
Other Income Deductions (426)	23,566	117,150	12
Total Miscellaneous Income Deductions	15,730	26,246	
Income Before Interest Charges	132,533	405,747	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	57,626	124,497	13
Amortization of Debt Discount and Expense (428)	3,007	15,475	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	60,633	139,972	
Net Income	71,900	265,775	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	695,184	2,235,028	19
Balance Transferred from Income (433)	71,900	265,775	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	767,084	2,500,803	

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	373,075		373,075	1
Total (Acct. 400):	373,075	0	373,075	
Operation and Maintenance Expense (401):				
Derived	194,769		194,769	2
Total (Acct. 401):	194,769	0	194,769	
Depreciation Expense (403):				
Derived	43,659		43,659	3
Total (Acct. 403):	43,659	0	43,659	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	38,851		38,851	5
Total (Acct. 408):	38,851	0	38,851	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	95,796	0	95,796	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST ON INVESTMENTS	2,986	0	2,986	10
INTEREST ON ADVANCE TO TIF #2	27,500	0	27,500	11
Total (Acct. 419):	30,486	0	30,486	

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water	█	21,981	21,981 12
Total (Acct. 421):	0	21,981	21,981
TOTAL OTHER INCOME:	30,486	21,981	52,467

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(7,836)	█	(7,836) 13
NONE	0	0	0 14
Total (Acct. 425):	(7,836)	0	(7,836)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	█	23,566	23,566 15
NONE	0	0	0 16
Total (Acct. 426):	0	23,566	23,566
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(7,836)	23,566	15,730

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	57,626	█	57,626 17
Total (Acct. 427):	57,626	0	57,626
Amortization of Debt Discount and Expense (428):			
AMORTIZATION OF DEBT DISCOUNTS FROM F-12	3,007	█	3,007 18
Total (Acct. 428):	3,007	0	3,007
Amortization of Premium on Debt--Cr. (429):			
NONE	0	█	0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	█	0 20
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0	█	0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	60,633	0	60,633
NET INCOME:	73,485	(1,585)	71,900
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	(376,289)	1,071,473	695,184 23
Total (Acct. 216):	(376,289)	1,071,473	695,184
Balance Transferred from Income (433):			
Derived	73,485	(1,585)	71,900 24
Total (Acct. 433):	73,485	(1,585)	71,900
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 25
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	(302,804)	1,069,888	767,084

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

- | |
|---|
| <p>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.</p> <p>2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).</p> |
|---|

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	373,075	0	0	0	373,075	1
Less: interdepartmental sales	1,030		0	0	1,030	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	372,045	0	0	0	372,045	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	3,728,262	11,064,119	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	696,535	4,110,472	2
Net Utility Plant	3,031,727	6,953,647	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	517,364	524,624	5
Other Investments (124)	0	0	6
Special Funds (125)	0	856,606	7
Total Other Property and Investments	517,364	1,381,230	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)		3,465	8
Temporary Cash Investments (132)		389,235	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	78,905	161,847	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	45,697	94,954	14
Materials and Supplies (150)	5,069	5,478	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	129,671	654,979	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	13,963	53,843	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	13,963	53,843	
Total Assets and Other Debits	3,692,725	9,043,699	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	1,607,961	2,175,378	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	767,084	2,500,803	23
Total Proprietary Capital	2,375,045	4,676,181	
LONG-TERM DEBT			
Bonds (221)	1,093,876	2,470,000	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	1,093,876	2,470,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	8,112	32,496	28
Payables to Municipality (233)	31,988	65,768	29
Customer Deposits (235)		0	30
Taxes Accrued (236)	354	36,293	31
Interest Accrued (237)	19,067	19,279	32
Other Current and Accrued Liabilities (238)	5,922		33
Total Current and Accrued Liabilities	65,443	153,836	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	158,361	1,743,682	36
Total Deferred Credits	158,361	1,743,682	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	3,692,725	9,043,699	

NET UTILITY PLANT

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

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	3,642,922	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	2,411,821	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	1,277,959	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)	38,482				8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	3,728,262	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	482,795	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	213,740	0	0	0	12
Total Accumulated Provision	696,535	0	0	0	
Net Utility Plant	3,031,727	0	0	0	

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	449,772				449,772	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	43,659				43,659	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	724				724	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	44,383	0	0	0	44,383	16
Debits during year						17
Book cost of plant retired	11,360				11,360	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	11,360	0	0	0	11,360	25
Balance end of year (110.1)	482,795	0	0	0	482,795	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	1.86%					28

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	190,174				190,174	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	23,566				23,566	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	23,566	0	0	0	23,566	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	213,740	0	0	0	213,740	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	36.00%					28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

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

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

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

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	5,069	5,478 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	5,069	5,478

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

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

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
1993 MORTGAGE REVENUE BONDS	1,496	428	1,483	1
2001 MORTGAGE REVENUE BONDS	1,016	428	11,131	2
2002 MORTGAGE REVENUE BONDS	495	428	1,349	3
Total			13,963	
Unamortized premium on debt (251)				
NONE				4
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	2,175,378	1
Changes during year (explain):		
SEWER DEREGULATED	(567,417)	2
Balance end of year	<u><u>1,607,961</u></u>	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
MORTGAGE REVENUE BOND	04/01/2001	09/01/2021	4.85%	1,025,626	1
Mortgage Revenue Refunding Bonds	07/02/2002	09/01/2010	2.50%	68,250	2
Total Bonds (Account 221):				1,093,876	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
--	------------------------------	------------------------------------	------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	36,293	1
Accruals:		
Charged water department expense	38,851	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	38,851	
Taxes paid during year:		
County, state and local taxes	68,647	6
Social Security taxes	5,971	7
PSC Remainder Assessment	172	8
Other (explain):		
NONE		9
Total payments and other debits	74,790	
Balance end of year	354	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE				0	1
MORTGAGE REVENUE BONDS/2001	18,211	54,546	54,634	18,123	2
MORTGAGE REVENUE REFUNDING BONDS/2002	1,068	3,080	3,204	944	3
Subtotal	19,279	57,626	57,838	19,067	
Advances from Municipality (223)					
NONE	0			0	4
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE	0			0	5
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	6
Subtotal	0	0	0	0	
Total	19,279	57,626	57,838	19,067	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
ADVANCE TO TIF DISTRICT	517,364	1
Total (Acct. 123):	517,364	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	78,521	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
MISCELLANEOUS RECEIVABLES	384	8
Total (Acct. 142):	78,905	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
SPECIAL ASSESSMENT RECEIVABLE	4,786	12
CUSTOMER ACCOUNTS RECEIVABLE ON TAX ROLL	31,774	13
INTEREST RECEIVABLE ON TIF #2 ADVANCE	9,137	14
Total (Acct. 145):	45,697	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
NONE		17
Total (Acct. 183):	0	
Payables to Municipality (233):		
DUE TO GENERAL FUND	31,988	18
Total (Acct. 233):	31,988	
Other Deferred Credits (253):		
Regulatory Liability	141,048	19
UNEARNED REVENUE ON WATER TOWER RENTALS	17,313	20
Total (Acct. 253):	158,361	

RETURN ON RATE BASE COMPUTATION

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

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	2,399,383	0	0	0	2,399,383	1
Materials and Supplies	5,273	0	0	0	5,273	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	466,283	0	0	0	466,283	4
Customer Advances for Construction					0	5
Regulatory Liability	144,966	0	0	0	144,966	6
NONE					0	7
Average Net Rate Base	1,793,407	0	0	0	1,793,407	
Net Operating Income	95,796	0	0	0	95,796	8
Net Operating Income as a percent of						
Average Net Rate Base	5.34%	N/A	N/A	N/A	5.34%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	2.6	1
Electric		2
Gas		3
Sewer		4

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year	148,884	0	0	0	148,884	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	7,836	0	0	0	7,836	3
Other (specify):						
NONE					0	4
Balance End of Year	141,048	0	0	0	141,048	

FINANCIAL SECTION FOOTNOTES

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

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$2,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Special Assessment Receivable - Reflects amounts owed to the Utility from customers for hooking up to the system.

Customer Accounts Receivable on Tax Roll - Represents amounts owed to the Utility from the Village for delinquent accounts placed on the 2005 tax roll.

Interst Receivable on TIF #2 Advance - Is the amount the TIF District owes to the Utility for the portion of the debt which is the TIF's responsibility.

Signature Page (Page ii)

General footnotes

ACCOUNTANTS' COMPILATION REPORT

Village of Hortonville Water and Sewer Utility
Hortonville, Wisconsin

We have compiled the financial information in the accompanying Municipal Utility Annual Report (prescribed form) of the Village of Hortonville Water and Sewer Utility as of December 31, 2005, and for the year then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We also have compiled the supplementary information presented in the Municipal Utility Annual Report.

Our compilation is 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 supplementary information referred to above, and accordingly, do not express an opinion or any other form of assurance on them. This financial information was compiled by us from financial statements for the same period that we previously audited, as indicated in our report April 30, 2006.

These financial statements and supplementary information 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. Accordingly, this financial information is not designed for those who are not informed about such differences.

KERBER, ROSE & ASSOCIATES, S.C.
April 30, 2006

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	326,442	314,926	1
Total Sales of Water	326,442	314,926	
Other Operating Revenues			
Forfeited Discounts (470)	3,025	845	2
Other Water Revenues (474)	43,608	43,462	3
Total Other Operating Revenues	46,633	44,307	
Total Operating Revenues	373,075	359,233	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	117,465	108,119	4
General Operating Expenses (680-690)	77,304	66,289	5
Total Operation and Maintenance Expenses	194,769	174,408	
Other Operating Expenses			
Depreciation Expense (403)	43,659	43,319	6
Amortization Expense (404)		0	7
Taxes (408)	38,851	38,456	8
Total Other Operating Expenses	82,510	81,775	
Total Operating Expenses	277,279	256,183	
NET OPERATING INCOME	95,796	103,050	

WATER OPERATING REVENUES - SALES OF WATER

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

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	927	40,213	156,849	4
Commercial	88	7,765	22,769	5
Industrial	25	2,439	7,639	6
Total Metered Sales to General Customers (461)	1,040	50,417	187,257	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		126,505	8
Other Sales to Public Authorities (464)	27	3,726	11,650	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)	1	4	1,030	12
Total Sales of Water	1,069	54,147	326,442	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------	----------------------------------	--	-------------------------

NONE

OTHER OPERATING REVENUES (WATER)

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

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	126,505	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	126,505	
Forfeited Discounts (470):		
Customer late payment charges	3,025	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	3,025	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	593	7
Other (specify):		
MISCELLANEOUS	3,265	8
RENT OF WATER TOWER FOR COMMUNICATIONS ANTENNAES	39,750	9
Total Other Water Revenues (474)	43,608	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	32,055	38,223	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	11,640	10,577	3
Chemicals (630)	23,246	18,859	4
Supplies and Expenses (640)	8,644	6,933	5
Repairs of Water Plant (650)	40,822	32,012	6
Transportation Expenses (660)	1,058	1,515	7
Total Plant Operation and Maintenance Expenses	117,465	108,119	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	34,311	32,421	8
Office Supplies and Expenses (681)	4,144	5,032	9
Outside Services Employed (682)	16,548	8,431	10
Insurance Expense (684)	3,368	2,789	11
Employees Pensions and Benefits (686)	16,103	16,123	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	2,830	1,493	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	77,304	66,289	
Total Operation and Maintenance Expenses	194,769	174,408	

TAXES (ACCT. 408 - WATER)

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

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent	CALCULATED	33,097	33,097	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department	CALCULATED	389	389	2
Net property tax equivalent		32,708	32,708	
Social Security	BASED ON ACTUAL PAYROLL	5,971	5,528	3
PSC Remainder Assessment	BASED ON REVENUES	172	220	4
Other (specify): NONE			0	5
Total tax expense		38,851	38,456	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Outagamie				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.181150				3
County tax rate	mills		4.345790				4
Local tax rate	mills		4.751770				5
School tax rate	mills		8.391690				6
Voc. school tax rate	mills		1.641440				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.156460				9
Total tax rate	mills		19.468300				10
Less: state credit	mills		1.137930				11
Net tax rate	mills		18.330370				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		4.751770				14
Combined School Tax Rate	mills		10.033130				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		14.784900				17
Total Tax Rate	mills		19.468300				18
Ratio of Local and School Tax to Total	dec.		0.759435				19
Total tax net of state credit	mills		18.330370				20
Net Local and School Tax Rate	mills		13.920717				21
Utility Plant, Jan. 1	\$	3,642,922	3,642,922				22
Materials & Supplies	\$	5,478	5,478				23
Subtotal	\$	3,648,400	3,648,400				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	3,648,400	3,648,400				26
Assessment Ratio	dec.		1.035480				27
Assessed Value	\$	3,777,845	3,777,845				28
Net Local & School Rate	mills		13.920717				29
Tax Equiv. Computed for Current Year	\$	52,590	52,590				30
Tax Equivalent per 1994 PSC Report	\$	22,794					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	33,097					32 33
Tax equiv. for current year (see note 6)	\$	33,097					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	1,911		4
Structures and Improvements (311)	34,191		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	118,451		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	154,553	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	32,356		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	32,356	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	1,270		23
Total Water Treatment Plant	1,270	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			1,911	4
Structures and Improvements (311)			34,191	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			118,451	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	154,553	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			0	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			32,356	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	32,356	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			1,270	23
Total Water Treatment Plant	0	0	1,270	

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	11,255		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	406,427		26
Transmission and Distribution Mains (343)	1,351,031	27,159	27
Fire Mains (344)	0		28
Services (345)	174,964	6,112	29
Meters (346)	78,001	348	30
Hydrants (348)	127,166	1,808	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	2,148,844	35,427	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	10,542	809	35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	8,272		37
Other General Equipment (379)	31,108		38
Other Tangible Property (390)	0		39
Total General Plant	49,922	809	
Total utility plant in service directly assignable	2,386,945	36,236	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	2,386,945	36,236	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			11,255 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			406,427 26
Transmission and Distribution Mains (343)	6,800		1,371,390 27
Fire Mains (344)			0 28
Services (345)	3,100		177,976 29
Meters (346)	560		77,789 30
Hydrants (348)	900		128,074 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	11,360	0	2,172,911
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			11,351 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			8,272 37
Other General Equipment (379)			31,108 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	50,731
Total utility plant in service directly assignable	11,360	0	2,411,821
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	11,360	0	2,411,821

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

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

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

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

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

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	0		26
Transmission and Distribution Mains (343)	995,897	12,664	27
Fire Mains (344)	0		28
Services (345)	159,043	5,995	29
Meters (346)	0		30
Hydrants (348)	101,037	3,323	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,255,977	21,982	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	1,255,977	21,982	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,255,977	21,982	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)			1,008,561 27
Fire Mains (344)			0 28
Services (345)			165,038 29
Meters (346)			0 30
Hydrants (348)			104,360 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	1,277,959
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	1,277,959
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	1,277,959

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

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

Sources of Water Supply					
Month	Purchased Water Gallons (000's)	Surface Water Gallons (000's)	Ground Water Gallons (000's)	Total Gallons All Methods (000's)	
(a)	(b)	(c)	(d)	(e)	
January			5,454	5,454	1
February			4,914	4,914	2
March			5,457	5,457	3
April			5,155	5,155	4
May			5,625	5,625	5
June			6,402	6,402	6
July			7,184	7,184	7
August			6,342	6,342	8
September			5,621	5,621	9
October			5,231	5,231	10
November			5,209	5,209	11
December			5,571	5,571	12
Total annual pumpage	0	0	68,165	68,165	
Less: Water sold				54,147	13
Volume pumped but not sold				14,018	14
Volume sold as a percent of volume pumped				79%	15
Volume used for water production, water quality and system maintenance				275	16
Volume related to equipment/system malfunction				377	17
Non-utility volume NOT included in water sales				1,500	18
Total volume not sold but accounted for				2,152	19
Volume pumped but unaccounted for				11,866	20
Percent of water lost				17%	21
If more than 25%, indicate causes:					22
If more than 25%, state what action has been taken to reduce water loss:					23
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				319	24
Date of maximum: 8/8/2005					25
Cause of maximum:					26
Normal seasonal high water demand					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				94	27
Date of minimum: 11/2/2005					28
Total KWH used for pumping for the year				113,552	29
If water is purchased: Vendor Name: NONE					30
Point of Delivery:					31

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
MILLER PARK/ W. MAIN ST	WELL NO. 1	340	10	78,000	Yes	1
ALONZO PARK/E. MAIN ST	WELL NO. 2	193	14	111,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	WELL NO. 1	WELL NO. 2		1
Location	HWY 45 / MILLER PARK	310 E. MAIN STREET		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	LAYNE	GOULD		5
Year Installed	1993	1994		6
Type	VERTICAL TURBINE	VERTICAL TURBINE		7
Actual Capacity (gpm)	280	300		8
Pump Motor or Standby Engine Mfr	GENERAL ELECTRIC	GENERAL ELECTRIC		10
Year Installed	1993	1994		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	30	40		13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	ET #1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1994		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	203		6
Total capacity in gallons (actual)	300,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.5800		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	Y		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	3.000	425	0	0	0	425	1
M	D	4.000	396	0	158	0	238	2
P	D	4.000	11	0	0	0	11	3
A	D	6.000	7,550	0	0	0	7,550	4
M	D	6.000	12,159	0	0	0	12,159	5
P	D	6.000	1,425	925	0	0	2,350	6
A	D	8.000	2,795	0	0	0	2,795	7
M	D	8.000	2,702	0	0	0	2,702	8
P	D	8.000	32,781	537	0	0	33,318	9
M	D	10.000	2,842	0	0	0	2,842	10
P	D	10.000	4,779	0	0	0	4,779	11
M	T	12.000	320	0	0	0	320	12
P	D	12.000	22,858	0	0	0	22,858	13
P	S	12.000	365	0	0	0	365	14
Total Within Municipality			91,408	1,462	158	0	92,712	
Total Utility			91,408	1,462	158	0	92,712	

WATER SERVICES

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

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	585	0	0	0	585	39	1
M	1.000	437	15	0	0	452	128	2
M	1.250	1	0	0	0	1		3
M	1.500	14	0	0	0	14	6	4
M	2.000	10	0	0	0	10	2	5
P	2.000	1	0	0	0	1		6
M	4.000	3	0	0	0	3		7
M	6.000	1	0	0	0	1		8
P	6.000	3	0	0	0	3		9
P	8.000	1	0	0	0	1	1	10
Total Utility		1,056	15	0	0	1,071	176	

METERS

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

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	1,059	0	14	0	1,045	25	1
1.000	14	0	0	0	14	0	2
1.500	11	1	0	0	12	0	3
2.000	15	0	0	0	15	0	4
3.000	1	0	0	0	1	0	5
4.000	1	0	0	0	1	0	6
Total:	1,101	1	14	0	1,088	25	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	927	67	21	16	0	14	1,045	1
1.000	0	10	2	1	0	1	14	2
1.500	0	7	0	3	0	2	12	3
2.000	0	5	3	5	1	1	15	4
3.000	0	0	0	1	0	0	1	5
4.000	0	0	0	1	0	0	1	6
Total:	927	89	26	27	1	18	1,088	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

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

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	1				1	1
Within Municipality	164	3			167	2
Total Fire Hydrants	165	3	0	0	168	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

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

Number of hydrants operated during year:	165
Number of distribution system valves end of year:	235
Number of distribution valves operated during year:	35

WATER OPERATING SECTION FOOTNOTES

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

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

Miscellaneous - Represents various small collections of water revenue during the year that were not classified elsewhere as they are general in nature.

Rent of Water Tower for Communications Antennas - Reflects the amounts received by the Utility for leasing of space on their water tower.

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Account 682 - Outside Services Employed

The increase is due to the Utility conducting water evaluation studies during 2005 that were not necessary in 2004.

Property Tax Equivalent (Water) - Part 2 (Page W-07)

If Lower Tax Equivalent authorized by municipality is greater than or equal to zero, please explain.

In a resolution adopted December 18, 1997, the Village froze the tax equivalent at the rate computed from 1996.

Property Tax Equivalent (Water) (Page W-07)

If Other Tax Rate - Local and/or Other Tax Rate - Non-Local are greater than zero, please explain.

The other tax rate represents the levy imposed by the Black Otter Lake District.

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

If Plant in Service Retirements, Account 345, are greater than zero AND Retirements on the Water Services schedule are zero, please explain.

The services were replaced and therefore there were no decreases in the total number of services.

If Plant in Service Retirements, Account 348, are greater than zero AND Retirements on the Hydrants and Distribution System Valves schedule are zero, please explain.

There was a replacement of one hydrant; therefore, no retirements are reflected.

Water Mains (Page W-17)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

A portion of the mains were paid from Utility funds and a portion was contributed by a developer.

WATER OPERATING SECTION FOOTNOTES

Water Services (Page W-18)

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

The 15 new services were contributed by a developer for the Villas at Grandview sub-division.

Meters (Page W-19)

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

All meters are tested at least once every 10 years and are replaced at least once every 20 years. The number is not necessarily consistent each year and fluctuates annually.

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes - All station meters are tested at least once every two years.
