



3015 (02-02-05)

ANNUAL REPORT

OF

Name: PADDOCK LAKE MUNICIPAL WATER UTILITY

Principal Office: 6969 236TH AVE
PADDOCK LAKE, WI 53168

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.

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
FINANCIAL SECTION	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.1)	F-07
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.2)	F-08
Net Nonutility Property (Accts. 121 & 122)	F-09
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-10
Materials and Supplies	F-11
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-12
Capital Paid in by Municipality (Acct. 200)	F-13
Bonds (Acct. 221)	F-14
Notes Payable & Miscellaneous Long-Term Debt	F-15
Taxes Accrued (Acct. 236)	F-16
Interest Accrued (Acct. 237)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Important Changes During the Year	F-20
Full-Time Employees (FTE)	F-21
Regulatory Liability - Pre-2003 Historical Accumulated Depreciation on Contributed Utility	F-22
Financial Section Footnotes	F-23
WATER OPERATING SECTION	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Property Tax Equivalent (Water)	W-07
Property Tax Equivalent (Water)	W-07
Water Utility Plant in Service --Plant Financed by Utility or Municipality--	W-08
Water Utility Plant in Service --Plant Financed by Contributions--	W-10
Source of Supply, Pumping and Purchased Water Statistics	W-12
Sources of Water Supply - Ground Waters	W-13
Sources of Water Supply - Surface Waters	W-14
Pumping & Power Equipment	W-15
Reservoirs, Standpipes & Water Treatment	W-16
Water Mains	W-17
Water Services	W-18
Meters	W-19
Hydrants and Distribution System Valves	W-20
Water Operating Section Footnotes	W-21

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: PADDOCK LAKE MUNICIPAL WATER UTILITY

Utility Address: 6969 236TH AVE
PADDOCK LAKE, WI 53168

When was utility organized? 7/14/1960

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: EMILY UHLENHAKE
Title: VILLAGE CLERK/TREASURER

Office Address:
6969 236TH AVENUE
PADDOCK LAKE, WI 53168

Telephone: (262) 843 - 2713

Fax Number: (262) 843 - 3409

E-mail Address: emily@paddocklake.net

Utility employee in charge of correspondence concerning this report:

Name: MIKE JOHNSON
Title: UTILITY OPERATION SUPERVISOR

Office Address:
6969 236TH AVENUE
PADDOCK LAKE, WI 53168

Telephone: (414) 843 - 2824

Fax Number: (414) 843 - 3409

E-mail Address:

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

Name: KATHRYN HOPPE, CPA
Title: PARTNER

Office Address: HOPPE & ORENDORFF, SC
3916 67TH STREET
KENOSHA, WI 53142

Telephone: (262) 657 - 7716 EXT

Fax Number: (262) 657 - 6191

E-mail Address: kathyh@handocpas.com

IDENTIFICATION AND OWNERSHIP

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

Name: JOSEPH RIESELNAN

Title: UTILITY COMMITTEE CHAIRMAN

Office Address:

6969 236TH AVE
PADDOCK ALKE, WI 53168

Telephone: (262) 843 - 2713

Are records of utility audited by individuals or firms, other than utility employee? NO

Fax Number: (262) 843 - 3409

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

Name: RICHARD GENTZ

Title: AUDITOR

Office Address: VILLANI, BECKER & LARSEN SC

6535 GREEN BAY ROAD
KENOSHA, WI 53142

Telephone: (262) 658 - 3313

Fax Number:

E-mail Address:

Date of most recent audit report: 4/26/2005

Period covered by most recent audit: THE YEAR ENDED DECEMBER 31, 2004

Names and titles of utility management including manager or superintendent:

Name: ERNEST MOONEY

Title: VILLAGE ADMINISTRATOR

Office Address:

6969 236TH AVENUE
PADDOCK LAKE, WI 53168

Telephone: (262) 843 - 2713

Fax Number: (262) 843 - 3409

E-mail Address: mooney@paddocklake.net

Name of utility commission/committee: PADDOCK LAKE BOARD OF TRUSTEES

Names of members of utility commission/committee:

- MR DAVID BUEHN, PRESIDENT
- MS KAREN HARRIS, TRUSTEE
- MR TOM LOIS, TRUSTEE
- MR JOSEPH RIESELMANN, TRUSTEE
- MR GERALD SORENSEN, TRUSTEE
- MR ARTHUR WARSHACK, TRUSTEE
- MS MARY YOUNG, TRUSTEE

Is sewer service rendered by the utility? NO

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

Date of Ordinance:

IDENTIFICATION AND OWNERSHIP

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

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

Firm Name:

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)	64,411	48,058	1
Operating Expenses:			
Operation and Maintenance Expense (401)	41,272	35,387	2
Depreciation Expense (403)	11,991	8,652	3
Amortization Expense (404)	0	0	4
Taxes (408)	785	697	5
Total Operating Expenses	54,048	44,736	
Net Operating Income	10,363	3,322	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	10,363	3,322	
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)	4,268	407	9
Miscellaneous Nonoperating Income (421)	1,978	1,384	10
Total Other Income	6,246	1,791	
Total Income	16,609	5,113	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(3,523)	(3,523)	11
Other Income Deductions (426)	4,296	4,280	12
Total Miscellaneous Income Deductions	773	757	
Income Before Interest Charges	15,836	4,356	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	11,839	3,198	13
Amortization of Debt Discount and Expense (428)	10,898	0	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	22,737	3,198	
Net Income	(6,901)	1,158	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	152,377	145,992	19
Balance Transferred from Income (433)	(6,901)	1,158	20
Miscellaneous Credits to Surplus (434)	0	5,227	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)	145,476	152,377	

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	64,411		64,411	1
Total (Acct. 400):	64,411	0	64,411	
Operation and Maintenance Expense (401):				
Derived	41,272		41,272	2
Total (Acct. 401):	41,272	0	41,272	
Depreciation Expense (403):				
Derived	11,991		11,991	3
Total (Acct. 403):	11,991	0	11,991	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	785		785	5
Total (Acct. 408):	785	0	785	
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:	10,363	0	10,363	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST INCOME	4,268	0	4,268	10
Total (Acct. 419):	4,268	0	4,268	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		1,500	1,500	11

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
INSTALLING WATER SERVICE	478	0	478 12
Total (Acct. 421):	478	1,500	1,978
TOTAL OTHER INCOME:	4,746	1,500	6,246

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(3,523)	[REDACTED]	(3,523) 13
NONE	0	0	0 14
Total (Acct. 425):	(3,523)	0	(3,523)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	4,296	4,296 15
NONE	0	0	0 16
Total (Acct. 426):	0	4,296	4,296
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(3,523)	4,296	773

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	11,839	[REDACTED]	11,839 17
Total (Acct. 427):	11,839	0	11,839
Amortization of Debt Discount and Expense (428):			
WATER SYSTEM REVENUE BOND ANTICIPATION NOTES	10,898	[REDACTED]	10,898 18
Total (Acct. 428):	10,898	0	10,898
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	[REDACTED]	0 20
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0	[REDACTED]	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:	22,737	0	22,737
NET INCOME:	(4,105)	(2,796)	(6,901)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	(32,047)	184,424	152,377 23
Total (Acct. 216):	(32,047)	184,424	152,377
Balance Transferred from Income (433):			
Derived	(4,105)	(2,796)	(6,901) 24
Total (Acct. 433):	(4,105)	(2,796)	(6,901)
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):	(36,152)	181,628	145,476

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

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

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	64,411	0	0	0	64,411	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	64,411	0	0	0	64,411	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	929,461	406,841	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	123,767	107,480	2
Net Utility Plant	805,694	299,361	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	0	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	0	6,526	8
Temporary Cash Investments (132)	0		9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	28,991	20,858	11
Other Accounts Receivable (143)	0	625	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	8,327	3,896	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	37,318	31,905	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	5,449	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	5,449	0	
Total Assets and Other Debits	848,461	331,266	

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)	0	0	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	145,476	152,377	23
Total Proprietary Capital	145,476	152,377	
LONG-TERM DEBT			
Bonds (221)	620,000	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	90,232	26
Total Long-Term Debt	620,000	90,232	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	4,711	130	28
Payables to Municipality (233)	13,303	21,473	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	1,550	110	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	19,564	21,713	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	63,421	66,944	36
Total Deferred Credits	63,421	66,944	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	848,461	331,266	

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	406,841	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)	666,270	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	263,191	0	0	0	3
Utility Plant Purchased or Sold (391)	0				4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	929,461	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)	40,823	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	82,944	0	0	0	12
Total Accumulated Provision	123,767	0	0	0	
Net Utility Plant	805,694	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)	28,832				28,832	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	11,991				11,991	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	11,991	0	0	0	11,991	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)	40,823	0	0	0	40,823	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	78,648				78,648	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	4,296				4,296	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	4,296	0	0	0	4,296	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)	82,944	0	0	0	82,944	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

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

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

Particulars (a)	Amount (b)	
Balance first of year	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					<u>0</u>	<u>0</u>

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

**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)				
WATER SYSTEM REVENUE BOND ANTICIPATION NOTES	16,347	10898	5,449	1
Total			<u><u>5,449</u></u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u><u>0</u></u>	

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	0 1
Changes during year (explain):	
NONE	2
Balance end of year	0

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)	
WATER SYSTEM REVENUE BOND ANTICIPATI	05/01/2005	05/01/2006	3.00%	620,000	1
Total Bonds (Account 221):				620,000	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
GENERAL OBLIGATION DEBT TO FINANCE WATER	12/17/2003	12/17/2005	3.15%	0	1
Total for Account 224				0	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	785	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>785</u>	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	740	7
PSC Remainder Assessment	45	8
Other (explain):		
NONE		9
Total payments and other debits	<u>785</u>	
Balance end of year	<u><u>0</u></u>	

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)					
WATER SYSTEM REVENUE BOND ANTICIPATION NOTES	0	11,839	10,289	1,550	1
Subtotal	0	11,839	10,289	1,550	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
N/P-WATER METERS	110		110	0	3
Subtotal	110	0	110	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	110	11,839	10,399	1,550	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	28,928	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
DUE FROM NON-REGULATED SEWER FUND	63	8
Total (Acct. 142):	28,991	
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):		
DELINQUENT WATER UTILITY BILLS ON TAX ROLL	8,327	12
Total (Acct. 145):	8,327	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	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)	
Payables to Municipality (233):		
INTERFUND CASH DEFICIENCY	13,303	16
Total (Acct. 233):	13,303	
Other Deferred Credits (253):		
Regulatory Liability	63,421	17
NONE		18
Total (Acct. 253):	63,421	

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)	405,710	0	0	0	405,710	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	34,827	0	0	0	34,827	4
Customer Advances for Construction					0	5
Regulatory Liability	65,182	0	0	0	65,182	6
NONE					0	7
Average Net Rate Base	305,701	0	0	0	305,701	
Net Operating Income	10,363	0	0	0	10,363	8
Net Operating Income as a percent of						
Average Net Rate Base	3.39%	N/A	N/A	N/A	3.39%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

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

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

Industry (a)	FTE (b)	
Water	0.2	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	66,944	0	0	0	66,944	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	3,523		0	0	3,523	3
Other (specify):						
NONE					0	4
Balance End of Year	63,421	0	0	0	63,421	

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.

THE \$8,327 IN ACCOUNT #145 IS UNPAID DELINQUENT WATER BILLS WHICH WERE PLACED ON THE TAX ROLL IN 2005 AND WILL BE COLLECTED BY KENOSHA COUNTY AND THEN REMITTED TO THE VILLAGE.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	62,628	46,974	1
Total Sales of Water	62,628	46,974	
Other Operating Revenues			
Forfeited Discounts (470)	1,783	929	2
Other Water Revenues (474)	0	155	3
Total Other Operating Revenues	1,783	1,084	
Total Operating Revenues	64,411	48,058	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	20,396	16,866	4
General Operating Expenses (680-690)	20,876	18,521	5
Total Operation and Maintenance Expenses	41,272	35,387	
Other Operating Expenses			
Depreciation Expense (403)	11,991	8,652	6
Amortization Expense (404)		0	7
Taxes (408)	785	697	8
Total Other Operating Expenses	12,776	9,349	
Total Operating Expenses	54,048	44,736	
NET OPERATING INCOME	10,363	3,322	

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	275	20,036	60,605	4
Commercial	3	747	1,840	5
Industrial				6
Total Metered Sales to General Customers (461)	278	20,783	62,445	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)				8
Other Sales to Public Authorities (464)	1	18	183	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
 Total Sales of Water	 279	 20,801	 62,628	

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)		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)	0	
Forfeited Discounts (470):		
Customer late payment charges	1,783	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	1,783	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		7
Other (specify):		
NONE		8
Total Other Water Revenues (474)	0	

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)	6,666	4,933	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	3,647	3,812	3
Chemicals (630)	662	0	4
Supplies and Expenses (640)	2,170	219	5
Repairs of Water Plant (650)	7,153	7,902	6
Transportation Expenses (660)	98	0	7
Total Plant Operation and Maintenance Expenses	20,396	16,866	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	3,002	3,168	8
Office Supplies and Expenses (681)	2,664	2,700	9
Outside Services Employed (682)	9,830	6,403	10
Insurance Expense (684)	4,393	4,788	11
Employees Pensions and Benefits (686)	921	1,432	12
Regulatory Commission Expenses (688)	0	0	13
Miscellaneous General Expenses (689)	66	30	14
Uncollectible Accounts (690)	0	0	15
Total General Operating Expenses	20,876	18,521	
Total Operation and Maintenance Expenses	41,272	35,387	

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		0	0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		0	0	
Social Security		740	620	3
PSC Remainder Assessment		45	77	4
Other (specify): NONE			0	5
Total tax expense		785	697	

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			Kenosha				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.179900				3
County tax rate	mills		3.911600				4
Local tax rate	mills		5.934300				5
School tax rate	mills		7.504400				6
Voc. school tax rate	mills		1.275900				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		18.806100				10
Less: state credit	mills		0.986300				11
Net tax rate	mills		17.819800				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		5.934300				14
Combined School Tax Rate	mills		8.780300				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		14.714600				17
Total Tax Rate	mills		18.806100				18
Ratio of Local and School Tax to Total	dec.		0.782438				19
Total tax net of state credit	mills		17.819800				20
Net Local and School Tax Rate	mills		13.942882				21
Utility Plant, Jan. 1	\$	406,841	406,841				22
Materials & Supplies	\$	0	0				23
Subtotal	\$	406,841	406,841				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	406,841	406,841				26
Assessment Ratio	dec.		1.042400				27
Assessed Value	\$	424,091	424,091				28
Net Local & School Rate	mills		13.942882				29
Tax Equiv. Computed for Current Year	\$	5,913	5,913				30
Tax Equivalent per 1994 PSC Report	\$	3,615					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	0					32 33
Tax equiv. for current year (see note 6)	\$	0					34

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	23,828		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	23,828	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	2,470	17,425	13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	468		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	2,938	17,425	
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 Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			23,828 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	23,828
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			19,895 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			468 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	20,363
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	238		26
Transmission and Distribution Mains (343)	2,861	478,019	27
Fire Mains (344)	0		28
Services (345)	1,143		29
Meters (346)	99,085	1,261	30
Hydrants (348)	859	19,000	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	104,186	498,280	
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)	4,639	5,415	36
Transportation Equipment (373)	9,559		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	14,198	5,415	
Total utility plant in service directly assignable	145,150	521,120	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	145,150	521,120	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			238 26
Transmission and Distribution Mains (343)			480,880 27
Fire Mains (344)			0 28
Services (345)			1,143 29
Meters (346)			100,346 30
Hydrants (348)			19,859 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	602,466
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)			10,054 36
Transportation Equipment (373)			9,559 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	19,613
Total utility plant in service directly assignable	0	0	666,270
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	666,270

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)	5,151		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	5,151	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	4,268		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	23,100		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	27,368	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			5,151 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	5,151
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			4,268 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			23,100 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	27,368
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	11,736		26
Transmission and Distribution Mains (343)	141,158		27
Fire Mains (344)	0		28
Services (345)	56,384	1,500	29
Meters (346)	0		30
Hydrants (348)	19,894		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	229,172	1,500	
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	261,691	1,500	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	261,691	1,500	

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)			11,736 26
Transmission and Distribution Mains (343)			141,158 27
Fire Mains (344)			0 28
Services (345)			57,884 29
Meters (346)			0 30
Hydrants (348)			19,894 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	230,672
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	263,191
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	263,191

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			1,761	1,761	1
February			1,641	1,641	2
March			1,822	1,822	3
April			1,910	1,910	4
May			2,130	2,130	5
June			3,279	3,279	6
July			3,409	3,409	7
August			2,771	2,771	8
September			2,439	2,439	9
October			1,913	1,913	10
November			1,639	1,639	11
December			1,675	1,675	12
Total annual pumpage	0	0	26,389	26,389	
Less: Water sold				20,801	13
Volume pumped but not sold				5,588	14
Volume sold as a percent of volume pumped				79%	15
Volume used for water production, water quality and system maintenance				901	16
Volume related to equipment/system malfunction				0	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				901	19
Volume pumped but unaccounted for				4,687	20
Percent of water lost				18%	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.)				181	24
Date of maximum: 7/19/2005					25
Cause of maximum:					26
Replaced approximately one sixth of the distribution system due to flushing.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				40	27
Date of minimum: 11/18/2005					28
Total KWH used for pumping for the year				40,280	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
6939 235TH AVE	#1 BG 090	136	12	46,400	Yes	1
6939 235TH AVE	#2 BG 089	141	6	19,600	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	#1	#2		1
Location	6939 235TH AVENUE	6939 235TH AVENUE		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	BRYON JACKSON	BRYON JACKSON		5
Year Installed	1958	1958		6
Type	VERTICAL TURBINE	VERTICAL TURBINE		7
Actual Capacity (gpm)	360	180		8
Pump Motor or Standby Engine Mfr	U.S. ELECTRIC	U S ELECTRIC		10
Year Installed	1958	1958		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	30	15		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	#1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R		3
Year constructed	1958		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	3		6
Total capacity in gallons (actual)	10,000		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.)	0.0000		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		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	4.000	4,171	0	0	0	4,171	1
M	D	6.000	8,545	0	0	0	8,545	2
P	D	6.000	1,801	0	0	0	1,801	3
M	D	8.000	853	0	0	0	853	4
Total Within Municipality			15,370	0	0	0	15,370	
Total Utility			15,370	0	0	0	15,370	

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	256	0	0	0	256	0	1
M	1.000	15	2	0	0	17	0	2
M	1.500	5	0	0	0	5	0	3
M	2.000		1			1	0	4
Total Utility		276	3	0	0	279	0	

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	273	2	0	3	278	11	1
1.000	1	0	0	0	1	0	2
1.500	2	0	0	2	4	0	3
2.000	0	1			1	0	4
3.000	0	1			1	0	5
Total:	276	4	0	5	285	11	

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	275	0	0	0	0	3	278	1
1.000	0	0	0	1	0	0	1	2
1.500	0	2	0	0	0	2	4	3
2.000	0	1	0	0	0	0	1	4
3.000	0	0	0	0	1	0	1	5
Total:	275	3	0	1	1	5	285	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

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

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	13	11			24	2
Total Fire Hydrants	13	11	0	0	24	
Flushing Hydrants						
	2				2	3
Total Flushing Hydrants	2	0	0	0	2	

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:	24
Number of distribution system valves end of year:	44
Number of distribution valves operated during year:	44

WATER OPERATING SECTION FOOTNOTES

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

If Public Fire Protection Service (463) Amount Billed is zero, please explain.

NO PUBLIC FIRE PROTECTION SERVICE CHARGES BECAUSE FIRE PROTECTION IS CONTRACTED FROM ANOTHER MUNICIPALITY.

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.

DURING 2005, THE VILLAGE IMPLEMENTED NEW ACCOUNTING AND UTILITY BILLING SOFTWARE. THE CONVERSION PROCESS FROM THE OLD GENERIC SOFTWARE TO THE MUNICIPALITY-SPECIFIC SOFTWARE WAS EXTENSIVE. THIS EVENT EXPLAINS THE CHANGES IN ACCOUNT #682. THE VILLAGE RELIED HEAVILY ON OUTSIDE PROFESSIONALS TO ASSIST WITH THE CONVERSION. THE ACCOUNT #682 EXPENSE LINE WILL AGAIN DECREASE IN 2006 WHEN THE NEW SOFTWARE INSTALLATION AND CONVERSION IS COMPLETED.

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.

THE VILLAGE BOARD PASSED A RESOLUTION ON MARCH 10, 2003, TO FORGIVE PROPERTY TAX EQUIVALENT FOR ALL FUTURE YEARS UNTIL RESCINDED BY THE BOARD.

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

If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$10,000, please explain. If applicable, provide construction authorization.

THE ADDITIONS TO ACCOUNT #321 ARE FOR A CHEMICAL FEED BUILDING THAT WAS BUILT IN 2005 AND PLACED IN SERVICE ON 12/8/05. THE UTILITY BEGAN CHLORINATION OF ITS WATER SYSTEM IN 2005.

If Plant in Service Additions, Accounts 316 or 343, are greater than zero AND Additions on the Mains schedule are zero, please explain.

ADDITIONS ON THE MAINS SCHEDULE ARE ZERO BECAUSE ALL FUNDS PUT INTO THE MAINS IN 2005 WERE FOR A COMPLETE REPAIR AND REHABILITATION OF EXISTING MAINS. NO NEW MAIN LINES WERE ADDED IN 2005.

Water Services (Page W-18)

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

THERE WERE THREE NEW SERVICES ADDED IN 2005 FOR A TOTAL COST OF \$1,500, ALL AT THE EXPENSE OF THE PROPERTY OWNERS. THE COSTS OF THESE ADDITIONS WERE CALCULATED BY THE VILLAGE ADMINSTRATOR BASED ON HIS EXPERIENCE FOR TIME AND MATERIALS TO TIE IN TO THE UTILITY'S MAIN LINE BY THE PROPERTY OWNERS' CONTRACTORS.

If Utility-Owned Service Not In Use at End of Year is reported as zero, please explain.

ALL UTILITY-OWNED SERVICES WERE IN USE AT THE END OF THE YEAR.

WATER OPERATING SECTION FOOTNOTES

Meters (Page W-19)

Explain all reported adjustments.

THE ADJUSTMENTS TO METERS IN COLUMN (e), BOTH 0.625" AND 3.0", ARE TO REPORT METERS IN STOCK AT 12/31/2005. THESE METERS WERE PURCHASED AND IN STOCK AT 12/31/2004, BUT INADVERTENTLY OMITTED FROM THIS SCHEDULE ON THE 2004 PSC REPORT. THESE FIVE IN-STOCK METERS HAVE ALSO BEEN ADDED TO COLUMN (n) OF THIS SCHEDULE.

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

THE VILLAGE BOARD HAS RESOLVED TO REPLACE THE METERS AFTER 20 YEARS RATHER THAN TESTING EVERY TEN YEARS.

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.

ELEVEN METERS WERE TESTED FOR ACCURACY IN 2005, AND ALL WERE WITHIN THE ACCEPTABLE RANGE.
