



3015 (02-02-05)

ANNUAL REPORT

OF

Name: DOWNSVILLE SANITARY DISTRICT NO. 1

Principal Office: P.O. BOX 37
DOWNSVILLE, WI 54735-0037

For the Year Ended: DECEMBER 31, 2004

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.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: DOWNSVILLE SANITARY DISTRICT NO. 1

Utility Address: P.O. BOX 37
DOWNSVILLE, WI 54735-0037

When was utility organized? 2/24/1978

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MRS MARLYS SEIPEL

Title: DEPUTY CLERK

Office Address:

P.O. BOX 37
DOWNSVILLE, WI 54735-0037

Telephone: (715) 283 - 4441

Fax Number:

E-mail Address:

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

Name: STEVE PALECEK

Title: SENIOR ACCOUNTANT

Office Address: WIPFLI LLP

3703 OAKWOOD HILLS PARKWAY
P.O. BOX 690
EAU CLAIRE, WI 54702-0690

Telephone: (715) 858 - 6654

Fax Number: (715) 832 - 2345

E-mail Address: spalecek@wipfli.com

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

Name: MARK SMITH

Title: PRESIDENT

Office Address:

P.O. BOX 37
DOWNSVILLE, WI 54735-0037

Telephone:

Fax Number:

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:

Title:

Office Address: WIPFLI LLP
3703 OAKWOOD HILLS PARKWAY
P.O. BOX 690
EAU CLAIRE, WI 54702-0690

Telephone: (715) 832 - 3407

Fax Number: (715) 832 - 2345

E-mail Address:

Date of most recent audit report: 2/2/2005

Period covered by most recent audit: JANUARY 1, 2004 TO DECEMBER 31, 2004

Names and titles of utility management including manager or superintendent:

Name: TONY OLSON

Title: UTILITY SUPERINTENDENT

Office Address:
P.O. BOX 37
DOWNSVILLE, WI 54735-0037

Telephone: (715) 664 - 8577

Fax Number:

E-mail Address:

Name of utility commission/committee: BOARD OF COMMISSIONERS

Names of members of utility commission/committee:

MR JAMES CARDIFF, COMMISSIONER
MR MARK SMITH, PRESIDENT
MR JEFF THIBADO, COMMISSIONER

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: 2/24/1978

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)	44,739	43,805	1
Operating Expenses:			
Operation and Maintenance Expense (401)	22,785	30,651	2
Depreciation Expense (403)	3,560	3,634	3
Amortization Expense (404)	0	0	4
Taxes (408)	864	1,014	5
Total Operating Expenses	27,209	35,299	
Net Operating Income	17,530	8,506	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	17,530	8,506	
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)	604	408	9
Miscellaneous Nonoperating Income (421)	4,390	172,498	10
Total Other Income	4,994	172,906	
Total Income	22,524	181,412	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(16,653)	0	11
Other Income Deductions (426)	21,757	19,661	12
Total Miscellaneous Income Deductions	5,104	19,661	
Income Before Interest Charges	17,420	161,751	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	9,180	12,065	13
Amortization of Debt Discount and Expense (428)	63	62	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	9,243	12,127	
Net Income	8,177	149,624	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	309,964	(247,342)	19
Balance Transferred from Income (433)	8,177	149,624	20
Miscellaneous Credits to Surplus (434)	0	407,682	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)	318,141	309,964	

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	44,739		44,739	1
Total (Acct. 400):	44,739	0	44,739	
Operation and Maintenance Expense (401):				
Derived	22,785		22,785	2
Total (Acct. 401):	22,785	0	22,785	
Depreciation Expense (403):				
Derived	3,560		3,560	3
Total (Acct. 403):	3,560	0	3,560	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	864		864	5
Total (Acct. 408):	864	0	864	
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:	17,530	0	17,530	
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	604	0	604	10
Total (Acct. 419):	604	0	604	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	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):			
NONREGULATED SEWER DEPARTMENT INCOME	4,390	0	4,390 12
Total (Acct. 421):	4,390	0	4,390
TOTAL OTHER INCOME:	4,994	0	4,994

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(7,479)		(7,479) 13
AMORTIZATION OF PRE 2003 A/D ON CONTRIBUTED CAI	0	(9,174)	(9,174) 14
Total (Acct. 425):	(7,479)	(9,174)	(16,653)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		11,682	11,682 15
DEPRECIATION EXPENSE ON CONTRIBUTED PLANT - SE	0	10,075	10,075 16
Total (Acct. 426):	0	21,757	21,757
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(7,479)	12,583	5,104

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	9,180		9,180 17
Total (Acct. 427):	9,180	0	9,180
Amortization of Debt Discount and Expense (428):			
AMORTIZATION OF DEBT ISSUE COSTS	63		63 18
Total (Acct. 428):	63	0	63
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:	9,243	0	9,243
NET INCOME:	20,760	(12,583)	8,177
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	(240,535)	550,499	309,964 23
Total (Acct. 216):	(240,535)	550,499	309,964
Balance Transferred from Income (433):			
Derived	20,760	(12,583)	8,177 24
Total (Acct. 433):	20,760	(12,583)	8,177
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
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 28
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	(219,775)	537,916	318,141

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	44,739	0	0	0	44,739	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	44,739	0	0	0	44,739	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	620,522	619,874	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	207,093	341,141	2
Net Utility Plant	413,429	278,733	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	643,390	637,161	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	310,682	479,377	4
Net Nonutility Property	332,708	157,784	
Investment in Municipality (123)	834	1,550	5
Other Investments (124)	0	0	6
Special Funds (125)	15,741	15,624	7
Total Other Property and Investments	349,283	174,958	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	48,201	42,639	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	9,757	10,250	11
Other Accounts Receivable (143)	13,326	12,657	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	15,488	15,488	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	86,772	81,034	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	878	941	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	878	941	
Total Assets and Other Debits	850,362	535,666	

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)	318,141	309,964	23
Total Proprietary Capital	318,141	309,964	
LONG-TERM DEBT			
Bonds (221)	149,000	156,000	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	55,000	55,000	26
Total Long-Term Debt	204,000	211,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	3,188	10,943	28
Payables to Municipality (233)	4,560	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	(45)	(156)	31
Interest Accrued (237)	4,107	3,915	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	11,810	14,702	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	316,411	0	36
Total Deferred Credits	316,411	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	850,362	535,666	

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	619,874	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)	105,721	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	500,207	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)	14,594				8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	620,522	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)	35,314	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	171,779	0	0	0	12
Total Accumulated Provision	207,093	0	0	0	
Net Utility Plant	413,429	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)	181,044				181,044	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	3,560				3,560	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	286				286	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	3,846	0	0	0	3,846	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
Est Reg Liab(253): Docket 05-US-10€	149,576				149,576	21
					0	22
					0	23
					0	24
Total debits	149,576	0	0	0	149,576	25
Balance end of year (110.1)	35,314	0	0	0	35,314	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	2.65%					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)	160,097				160,097	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	11,682				11,682	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	11,682	0	0	0	11,682	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)	171,779	0	0	0	171,779	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	2.65%					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	637,161	6,229		643,390	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	637,161	6,229	0	643,390	
Less accum. prov. depr. & amort. (122)	479,377	14,793	183,488	310,682	3
Net Nonutility Property	157,784	(8,564)	(183,488)	332,708	

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		0 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	0	0

**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)				
RECDS \$108,000 40yr Sewer revenue bond	34	428	480	1
RECDS \$132,000 40yr Water revenue bond	28	428	398	2
Total			878	
Unamortized premium on debt (251)				
NONE				3
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	0 1
Changes during year (explain):	
NONE	2
Balance end of year	<u><u>0</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)	
RECDS \$132,000 WATER 40-YEAR BOND	09/08/1978	08/01/2018	5.00%	82,000	1
RECDS \$108,000 Sewer 40-Year Bond	09/08/1978	08/01/2018	5.00%	67,000	2
Total Bonds (Account 221):				149,000	

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)					
\$55,000 PROMISSORY NOTE PAYABLE	07/08/2003	07/08/2006	2.95%	55,000	1
Total for Account 224				55,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	(156)	1
Accruals:		
Charged water department expense	864	2
Charged electric department expense		3
Charged sewer department expense	821	4
Other (explain):		
None		5
Total Accruals and other credits	<u>1,685</u>	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	1,642	7
PSC Remainder Assessment	43	8
Other (explain):		
Withholding taxes overpaid in 2003 recouped in 2004	(111)	9
Total payments and other debits	<u>1,574</u>	
Balance end of year	<u>(45)</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)					
RECDS Sewer Bond	1,396	3,437	3,500	1,333	1
RECDS Water Bond	1,708	4,217	4,300	1,625	2
Subtotal	3,104	7,654	7,800	2,958	
Advances from Municipality (223)					
NONE	0			0	3
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
\$55,000 PROMISORY NOTE	811	1,526	1,188	1,149	4
Subtotal	811	1,526	1,188	1,149	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	3,915	9,180	8,988	4,107	

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):		
DELINQUENT WATER AND SEWER BILLS DUE FROM TOWN	834	1
Total (Acct. 123):	834	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
RESERVED SAVINGS ACCOUNT	15,741	3
Total (Acct. 125):	15,741	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	7,111	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
SPECIAL ASSESSMENT FOR WELL PROJECT	2,646	8
Total (Acct. 142):	9,757	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	13,326	9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	13,326	
Receivables from Municipality (145):		
2004 PUBLIC FIRE PROTECTION	15,488	12
Total (Acct. 145):	15,488	
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):		
LOAN FOR SEWER ROOF REPLACEMENT	4,560	16
Total (Acct. 233):	4,560	
Other Deferred Credits (253):		
Regulatory Liability	142,097	17
PRE-2003 ACCUMULATED DEPRECIATION ON CONTRIBUTED PLANT	174,314	18
Total (Acct. 253):	316,411	

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)	135,408	0	0	0	135,408	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	108,179	0	0	0	108,179	4
Customer Advances for Construction					0	5
Regulatory Liability	71,048	0	0	0	71,048	6
NONE					0	7
Average Net Rate Base	(43,819)	0	0	0	(43,819)	
Net Operating Income	17,530	0	0	0	17,530	8
Net Operating Income as a percent of Average Net Rate Base						
	N/A	N/A	N/A	N/A	N/A	N/A

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	0.5	1
Electric		2
Gas		3
Sewer	0.5	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					0	1
Add credits during year:						
Establish Regulatory Liability 1/1/04	149,576	0	0	0	149,576	2
Other (specify): NONE					0	3
Deduct charges:						
Miscellaneous Amortization (425)	7,479				7,479	4
Other (specify): NONE					0	5
Balance End of Year	142,097	0	0	0	142,097	

FINANCIAL SECTION FOOTNOTES

Taxes Accrued (Acct. 236) (Page F-16)

General footnotes

During the year the District inadvertantly overpaid the State withholding taxes. This amount will be recouped during 2005.

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.

A/C #143 Done

A/C #145 Done

A/C #233 During the year the district replaced the roof at the sewer utility, this was financed trough a loan from the Town of Dunn.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	43,848	43,195	1
Total Sales of Water	43,848	43,195	
Other Operating Revenues			
Forfeited Discounts (470)	96	81	2
Other Water Revenues (474)	795	529	3
Total Other Operating Revenues	891	610	
Total Operating Revenues	44,739	43,805	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	13,971	16,469	4
General Operating Expenses (680-690)	8,814	14,182	5
Total Operation and Maintenance Expenses	22,785	30,651	
Other Operating Expenses			
Depreciation Expense (403)	3,560	3,634	6
Amortization Expense (404)		0	7
Taxes (408)	864	1,014	8
Total Other Operating Expenses	4,424	4,648	
Total Operating Expenses	27,209	35,299	
NET OPERATING INCOME	17,530	8,506	

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	1	1	45	2
Industrial				3
Total Unmetered Sales to General Customers (460)	1	1	45	
Metered Sales to General Customers (461)				
Residential	71	3,159	16,567	4
Commercial	14	3,269	9,287	5
Industrial				6
Total Metered Sales to General Customers (461)	85	6,428	25,854	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		15,488	8
Other Sales to Public Authorities (464)	4	791	2,461	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
 Total Sales of Water	91	7,220	43,848	

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)	15,488	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)	15,488	
Forfeited Discounts (470):		
Customer late payment charges	96	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	96	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	260	7
Other (specify): MISCELLANEOUS	535	8
Total Other Water Revenues (474)	795	

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)	8,675	10,955	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	2,240	2,162	3
Chemicals (630)		0	4
Supplies and Expenses (640)	3,056	2,932	5
Repairs of Water Plant (650)	0	420	6
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	13,971	16,469	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	1,988	1,960	8
Office Supplies and Expenses (681)	1,476	2,294	9
Outside Services Employed (682)	1,777	6,199	10
Insurance Expense (684)	3,270	3,442	11
Employees Pensions and Benefits (686)		0	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	303	287	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	8,814	14,182	
Total Operation and Maintenance Expenses	22,785	30,651	

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	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		0	2
Net property tax equivalent		0	0
Social Security		821	947
PSC Remainder Assessment		43	67
Other (specify): NONE			0
Total tax expense		864	1,014

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)	19,956		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	19,956	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	9,728		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	11,513		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	21,241	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	59,374		23
Total Water Treatment Plant	59,374	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)			19,956 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	19,956
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			9,728 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			11,513 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	21,241
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)		(59,374)	0 23
Total Water Treatment Plant	0	(59,374)	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)	24,755		26
Transmission and Distribution Mains (343)	19,336		27
Fire Mains (344)	0		28
Services (345)	5,007		29
Meters (346)	11,378		30
Hydrants (348)	2,859		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	63,335	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	212		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	977		38
Other Tangible Property (390)	0		39
Total General Plant	1,189	0	
Total utility plant in service directly assignable	165,095	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	165,095	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)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			24,755 26
Transmission and Distribution Mains (343)			19,336 27
Fire Mains (344)			0 28
Services (345)			5,007 29
Meters (346)			11,378 30
Hydrants (348)			2,859 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	63,335
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			212 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			977 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	1,189
Total utility plant in service directly assignable	0	(59,374)	105,721
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	(59,374)	105,721

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)	58,220		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	58,220	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	62,695		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	23,441		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	86,136	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)			58,220 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	58,220
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			62,695 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			23,441 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	86,136
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)		59,374	59,374 23
Total Water Treatment Plant	0	59,374	59,374

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)	51,362		26
Transmission and Distribution Mains (343)	220,769		27
Fire Mains (344)	0		28
Services (345)	9,811		29
Meters (346)	0		30
Hydrants (348)	14,535		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	296,477	0	
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	440,833	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	440,833	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)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			51,362 26
Transmission and Distribution Mains (343)			220,769 27
Fire Mains (344)			0 28
Services (345)			9,811 29
Meters (346)			0 30
Hydrants (348)			14,535 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	296,477
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	59,374	500,207
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	59,374	500,207

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			653	653	1
February			582	582	2
March			847	847	3
April			710	710	4
May			869	869	5
June			872	872	6
July			1,217	1,217	7
August			852	852	8
September			766	766	9
October			708	708	10
November			551	551	11
December			572	572	12
Total annual pumpage	0	0	9,199	9,199	
Less: Water sold				7,220	13
Volume pumped but not sold				1,979	14
Volume sold as a percent of volume pumped				78%	15
Volume used for water production, water quality and system maintenance				427	16
Volume related to equipment/system malfunction				352	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				779	19
Volume pumped but unaccounted for				1,200	20
Percent of water lost				13%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				55	23
Date of maximum: 7/24/2004					24
Cause of maximum:					25
Leak discovered, was fixed and lines needed to be flushed					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				10	26
Date of minimum: 9/15/2004					27
Total KWH used for pumping for the year				23,528	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

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)	
CORNER OF HWY 25 AND CTY RD 1	1	265	10	403,200	No	1
CREASER STREET	2	150	8	126,720	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 1	WELL 2		1
Location	WELL 1	WELL 2		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	TONKA	GRUNDFOS		5
Year Installed	1991	2000		6
Type	VERTICAL TURBINE	SUBMERSIBLE		7
Actual Capacity (gpm)	88	100		8
Pump Motor or Standby Engine Mfr	FRANKLIN	WESTINGHOUSE		10
Year Installed	1991	1978		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	7	20		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)	ET		3
Year constructed	1978		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	138		6
Total capacity in gallons (actual)	50,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)			9
Points of application (wellhouse, central facilities, booster station, other)			10
Filters, type (gravity, pressure, other, none)			11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			12
Is a corrosion control chemical used (yes, no)?			13
Is water fluoridated (yes, no)?			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25

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	6.000	14	0	0	0	14	1
P	D	6.000	11,427	0	0	0	11,427	2
M	D	8.000	78	0	0	0	78	3
P	D	8.000	2,062	0	0	0	2,062	4
Total Within Municipality			13,581	0	0	0	13,581	
Total Utility			13,581	0	0	0	13,581	

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	72	0	0	0	72	6	1
M	1.000	2	0	0	0	2	0	2
M	1.500	2	0	0	0	2	0	3
M	2.000	3	0	0	0	3	0	4
Total Utility		79	0	0	0	79	6	

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)	
0.750	93	0	0	0	93	5	1
1.000	4	0	0	0	4	0	2
1.500	4	0	0	0	4	0	3
2.000	2	0	0	0	2	0	4
Total:	103	0	0	0	103	5	

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)	
0.750	71	9	0	2	0	11	93	1
1.000	0	2	0	1	0	1	4	2
1.500	0	2	0	1	0	1	4	3
2.000	0	1	0	0	0	1	2	4
Total:	71	14	0	4	0	14	103	

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	22				22	2
Total Fire Hydrants	22	0	0	0	22	
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:	22
Number of distribution system valves end of year:	28
Number of distribution valves operated during year:	21

WATER OPERATING SECTION FOOTNOTES

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.

A/C #682 During 2003 the utility relocated its water lines that were previously attached to the STH 25 bridge, therefore they incurred a large amount of expense. The current year expense of \$1,777 is comparable to the 2002 expense of \$1,383.

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

If Adjustments for any account are nonzero, please explain.

The adjustment for \$59,374 was inadvertently left off of the 2003 adjustments for 05-US-105. This amount was questioned by the PSC with a letter dated December 7, 2004 and was responded to on December 13, 2004 via e-mail.

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

If Adjustments for any account are nonzero, please explain.

The adjustment for \$59,374 was inadvertently left off of the 2003 adjustments for 05-US-105. This amount was questioned by the PSC with a letter dated December 7, 2004 and was responded to on December 13, 2004 via e-mail.

Meters (Page W-19)

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

The District varies the number of meters 1" or smaller it tests from year to year, but ensures that all meters are tested at least every 10 years. For example in 2002 the District tested 12 meters 1" and smaller, in 2003 9 were tested, and now in 2004 5 were tested. At this rate, the District will be able to test all of their 97 meters 1" and less within the 10 year window.

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
