



3013 (02-02-05)

ANNUAL REPORT

OF

Name: RACINE WATER UTILITY

Principal Office: 800 CENTER ST RM 227
RACINE, WI 53403-1481

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: RACINE WATER UTILITY

Utility Address: 800 CENTER ST RM 227
RACINE, WI 53403-1481

When was utility organized? 4/29/1886

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: THOMAS J BUNKER

Title: GENERAL MANAGER

Office Address:

800 CENTER ST RM 227
RACINE, WI 53403-1481

Telephone: (262) 636 - 9430

Fax Number: (262) 636 - 3933

E-mail Address: tom.bunker@cityofracine.org

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

Name:

Title:

Office Address:

Telephone:

Fax Number:

E-mail Address:

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

Name: N OWEN DAVIES

Title: PRESIDENT - RACINE WATERWORKS COMMISSION

Office Address:

1620 DEANE BLVD.
RACINE, WI 53403

Telephone: (262) 634 - 0321

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: JAMES L. BURDICK

Title: CPA

Office Address: CLIFTON GUNDERSON LLP
222 MAIN STREET
P.O. BOX 1347
RACINE, WI 53401

Telephone: (262) 637 - 9351

Fax Number: (262) 637 - 0734

E-mail Address: jimburdick@cliftoncpa.com

Date of most recent audit report: 12/31/2004

Period covered by most recent audit: 1/01/2004 THROUGH 12/31/2004

Names and titles of utility management including manager or superintendent:

Name: KEITH E HAAS

Title: CHIEF OF OPERATIONS

Office Address:
800 CENTER ST RM 227
RACINE, WI 53403-1481

Telephone: (262) 636 - 9434

Fax Number: (262) 636 - 3933

E-mail Address: keith.haas@cityofracine.org

Name: KENNETH M SCOLARO

Title: ADMINISTRATIVE MANAGER

Office Address:
800 CENTER ST RM 227
RACINE, WI 53403-1481

Telephone: (262) 636 - 9433

Fax Number: (262) 636 - 3933

E-mail Address: ken.scolaro@cityofracine.org

Name: MIKE KOSTERMAN

Title: PLANT SUPERINTENDENT

Office Address:
100 HUBBARD STREET
RACINE, WI 53402

Telephone: (262) 636 - 9534

Fax Number: (262) 636 - 9542

E-mail Address:

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: THOMAS J BUNKER

Title: GENERAL MANAGER

Office Address:

800 CENTER STREET
RACINE, WI 53403-1481

Telephone: (262) 636 - 9430

Name of utility commission/committee: BOARD OF WATER WORKS COMMISSIONERS

Names of members of utility commission/committee:

- MR BRIAN L ANDERSON, CITIZEN
- MR GARY BECKER, MAYOR
- MR N. OWEN DAVIES, CITIZEN
- MR THOMAS FRIEDEL, ALDERMAN
- MR RONALD D HART, ALDERMAN
- MR JOHN ROTE, CITIZEN
- MR MICHAEL STAECK, CITIZEN

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: [REDACTED]

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)	13,697,057	13,297,929	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	7,617,634	7,517,772	2
Depreciation Expense (403)	1,766,827	1,673,347	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	1,665,121	1,630,563	5
Total Operating Expenses	11,049,582	10,821,682	
Net Operating Income	2,647,475	2,476,247	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	2,647,475	2,476,247	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	372,238	119,397	10
Miscellaneous Nonoperating Income (421)	4,564,830	2,135,642	11
Total Other Income	4,937,068	2,255,039	
Total Income	7,584,543	4,731,286	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(163,368)	0	12
Other Income Deductions (426)	366,022	291,035	13
Total Miscellaneous Income Deductions	202,654	291,035	
Income Before Interest Charges	7,381,889	4,440,251	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	1,796,392	1,260,945	14
Amortization of Debt Discount and Expense (428)	101,839	117,028	15
Amortization of Premium on Debt--Cr. (429)	27,121	0	16
Interest on Debt to Municipality (430)	53,708	8,685	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	135,255	470,487	19
Total Interest Charges	1,789,563	916,171	
Net Income	5,592,326	3,524,080	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	58,349,989	37,360,365	20
Balance Transferred from Income (433)	5,592,326	3,524,080	21
Miscellaneous Credits to Surplus (434)	0	17,724,084	22
Miscellaneous Debits to Surplus--Debit (435)	0	58,540	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	200,000	200,000	25
Total Unappropriated Earned Surplus End of Year (216)	63,742,315	58,349,989	

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 Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	13,697,057		13,697,057	1
Total (Acct. 400):	13,697,057	0	13,697,057	
Operation and Maintenance Expense (401-402):				
Derived	7,617,634		7,617,634	2
Total (Acct. 401-402):	7,617,634	0	7,617,634	
Depreciation Expense (403):				
Derived	1,766,827		1,766,827	3
Total (Acct. 403):	1,766,827	0	1,766,827	
Amortization Expense (404-407):				
Derived	0		0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	1,665,121		1,665,121	5
Total (Acct. 408):	1,665,121	0	1,665,121	
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:	2,647,475	0	2,647,475	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Income from Nonutility Operations (417):				
NONE	0		0	9
Total (Acct. 417):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	10
Total (Acct. 418):	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 Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Interest and Dividend Income (419):			
INTEREST EARNED FROM INVESTMENTS	372,238	0	372,238 11
Total (Acct. 419):	372,238	0	372,238
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water	██████████	4,564,830	4,564,830 12
NONE	0	0	0 13
Total (Acct. 421):	0	4,564,830	4,564,830
TOTAL OTHER INCOME:	372,238	4,564,830	4,937,068
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(163,368)	██████████	(163,368) 14
NONE	0	0	0 15
Total (Acct. 425):	(163,368)	0	(163,368)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	██████████	366,022	366,022 16
NONE	0	0	0 17
Total (Acct. 426):	0	366,022	366,022
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(163,368)	366,022	202,654
INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	1,796,392	██████████	1,796,392 18
Total (Acct. 427):	1,796,392	0	1,796,392
Amortization of Debt Discount and Expense (428):			
WATERWORKS REVENUE BONDS	101,839	██████████	101,839 19
Total (Acct. 428):	101,839	0	101,839
Amortization of Premium on Debt--Cr. (429):			
WATERWORKS REVENUE BONDS	27,121	██████████	27,121 20
Total (Acct. 429):	27,121	0	27,121
Interest on Debt to Municipality (430):			
Derived	53,708	██████████	53,708 21
Total (Acct. 430):	53,708	0	53,708

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 Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Other Interest Expense (431):			
Derived	0		0 22
Total (Acct. 431):	0	0	0
Interest Charged to Construction--Cr. (432):			
MEMBRANE PROJECT	135,255		135,255 23
Total (Acct. 432):	135,255	0	135,255
TOTAL INTEREST CHARGES:	1,789,563	0	1,789,563
NET INCOME:	1,393,518	4,198,808	5,592,326
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	38,781,298	19,568,691	58,349,989 24
Total (Acct. 216):	38,781,298	19,568,691	58,349,989
Balance Transferred from Income (433):			
Derived	1,393,518	4,198,808	5,592,326 25
Total (Acct. 433):	1,393,518	4,198,808	5,592,326
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 26
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 27
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 28
Total (Acct. 436)--Debit:	0	0	0
Appropriations of Income to Municipal Funds--Debit (439):			
APPROPRIATION OF INCOME TO CITY OF RACINE	200,000	0	200,000 29
Total (Acct. 439)--Debit:	200,000	0	200,000
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	39,974,816	23,767,499	63,742,315

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):					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	13,697,057	0	0	0	13,697,057	1	
Less: interdepartmental sales	0		0	0	0	2	
Less: interdepartmental rents	0	0		0	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	56,107				56,107	5	
Other Increases or (Decreases) to Operating Revenues - Specify:							
NONE						0	6
Revenues subject to Wisconsin Remainder Assessment	13,640,950	0	0	0	13,640,950		

DISTRIBUTION OF TOTAL PAYROLL

1. Amounts charged to Utility Financed and to Contributed Plant accounts should be combined and reported in plant or accumulated depreciation accounts.
2. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
3. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
4. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	2,669,333		2,669,333	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses	179,869		179,869	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts	137,475		137,475	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant	1,702		1,702	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts	85,507		85,507	19
Total Payroll	3,073,886	0	3,073,886	

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	62.3	1
Electric		2
Gas		3
Sewer		4

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (101-107)	119,849,225	99,330,221	1
Less: Accumulated Provision for Depreciation and Amortization (111-116)	22,937,883	24,214,079	2
Net Utility Plant	96,911,342	75,116,142	
Utility Plant Acquisition Adjustments (117-118)			3
Other Utility Plant Adjustments (119)			4
Total Net Utility Plant	96,911,342	75,116,142	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	5
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	6
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	7
Other Investments (124)	0	0	8
Special Funds (125-128)	5,992,187	3,500,458	9
Total Other Property and Investments	5,992,187	3,500,458	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	6,900,843	4,983,580	10
Special Deposits (132-134)	0	0	11
Working Funds (135)	1,400	1,400	12
Temporary Cash Investments (136)	25,981,781	27,140,580	13
Notes Receivable (141)	0	0	14
Customer Accounts Receivable (142)	3,156,865	3,007,986	15
Other Accounts Receivable (143)	3,648,883	1,666,047	16
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	80,000	35,000	17
Receivables from Municipality (145)	1,220,551	1,204,775	18
Materials and Supplies (151-163)	246,609	207,972	19
Prepayments (165)	7,445	47,996	20
Interest and Dividends Receivable (171)	74,774	45,214	21
Accrued Utility Revenues (173)			22
Miscellaneous Current and Accrued Assets (174)			23
Total Current and Accrued Assets	41,159,151	38,270,550	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	382,691	484,531	24
Other Deferred Debits (182-186)	942,150	987,638	25
Total Deferred Debits	1,324,841	1,472,169	
Total Assets and Other Debits	145,387,521	118,359,319	

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	26
Appropriated Earned Surplus (215)			27
Unappropriated Earned Surplus (216)	63,742,315	58,349,989	28
Total Proprietary Capital	63,742,315	58,349,989	
LONG-TERM DEBT			
Bonds (221-222)	71,903,880	54,809,850	29
Advances from Municipality (223)	953,875	975,594	30
Other Long-Term Debt (224)	0	0	31
Total Long-Term Debt	72,857,755	55,785,444	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	32
Accounts Payable (232)	1,278,499	475,932	33
Payables to Municipality (233)	1,370,044	1,388,335	34
Customer Deposits (235)			35
Taxes Accrued (236)	1,449,101	1,419,548	36
Interest Accrued (237)	596,400	422,590	37
Matured Long-Term Debt (239)			38
Matured Interest (240)			39
Tax Collections Payable (241)			40
Miscellaneous Current and Accrued Liabilities (242)	541,210	492,477	41
Total Current and Accrued Liabilities	5,235,254	4,198,882	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	448,209	25,004	42
Customer Advances for Construction (252)			43
Other Deferred Credits (253)	3,103,988	0	44
Total Deferred Credits	3,552,197	25,004	
OPERATING RESERVES			
Property Insurance Reserve (261)			45
Injuries and Damages Reserve (262)			46
Pensions and Benefits Reserve (263)			47
Miscellaneous Operating Reserves (265)			48
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	145,387,521	118,359,319	

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	99,330,221	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 (101.1)	75,051,966	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	30,010,571	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant in Process of Reclassification (103)					5
Utility Plant Leased to Others (104)					6
Property Held for Future Use (105)					7
Completed Construction not Classified (106)					8
Construction Work in Progress (107)	14,786,688				9
Total Utility Plant	119,849,225	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 (111.1)	18,926,402	0	0	0	10
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (111.2)	4,011,481	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant Leased to Others (112)					12
Accumulated Provision for Depreciation of Property Held for Future Use (113)					13
Accumulated Provision for Amortization of Utility Plant in Service (114)					14
Accumulated Provision for Amortization of Utility Plant Leased to Others (115)					15
Accumulated Provision for Amortization of Property Held for Future Use (116)					16
Total Accumulated Provision	22,937,883	0	0	0	
Net Utility Plant	96,911,342	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 111.1)**

Depreciation Accruals (Credits) during the year (111.1):

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 (111.1)	20,655,688				20,655,688	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	1,766,827				1,766,827	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	90,075				90,075	6
Accruals charged other						7
accounts (specify):						8
Vehicles & Power Op Equipment	176,729				176,729	9
Salvage	51,016				51,016	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	2,084,647	0	0	0	2,084,647	16
Debits during year						17
Book cost of plant retired	457,807				457,807	18
Cost of removal	1,702				1,702	19
Other debits (specify):						20
Est Reg Liab(253): Docket 05-US-10	3,267,356				3,267,356	
Low Lift Pumps 02 - 26.17% to contr	36,314				36,314	
Engine Gen Equip 03 -26.17% to con	19,654				19,654	23
Engine Gen Struc 03 -26.17% to cont	31,100				31,100	24
Total debits	3,813,933	0	0	0	3,813,933	25
Balance end of year (111.1)	18,926,402	0	0	0	18,926,402	26

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 111.2)

Depreciation Accruals (Credits) during the year (111.1):

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 (111.1)	3,558,391				3,558,391	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	366,022				366,022	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				0	10
Other credits (specify):						11
Low Lift Pumps 02 - 26.17% to Contr	36,314				36,314	12
Engine Gen Equip 03 -26.17% to con	19,654				19,654	13
Engine Gen Struc 03 -26.17% to cont	31,100				31,100	14
					0	15
Total credits	453,090	0	0	0	453,090	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal	0				0	19
Other debits (specify):						20
					0	
					0	
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (111.1)	4,011,481	0	0	0	4,011,481	26

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):	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	35,000	1
Additions:		
Provision for uncollectibles during year	56,107	2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	56,107	
Deductions:		
Accounts written off during the year: Utility Customers	11,107	5
Accounts written off during the year: Others		6
Total accounts written off	11,107	
Balance end of year	80,000	

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 (151)					0	0
Fuel stock expenses (152)					0	0
Plant mat. & oper. sup. (154)					0	0
Total Electric Utility					<u>0</u>	<u>0</u>

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility (154)	246,609	207,972
Sewer utility (154)		0
Heating utility (154)		0
Gas utility (154)		0
Merchandise (155)		0
Other materials & supplies (156)		0
Stores expense (163)		0
Total Materials and Supplies	<u>246,609</u>	<u>207,972</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)				
WATERWORKS REFUNDING BONDS - 2001	90,601	428	317,561	1
WATERWORKS REVENUE BONDS - 1993	4,193	428	4,193	2
WATERWORKS REVENUE BONDS - 1995	3,930	428	11,790	3
WATERWORKS REVENUE BONDS - 1999	1,150	428	16,244	4
WATERWORKS REVENUE BONDS - 2001	1,964	428	32,903	5
Total			382,691	
Unamortized premium on debt (251)				
WATERWORKS BOND ANTICIPATION NOTES - 2003	23,337	429	1,667	6
WATERWORKS REVENUE BONDS - 2004	3,784	429	446,542	7
Total			448,209	

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):	
Balance end of year	0 2

BONDS (ACCTS. 221 AND 222)

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)	
REVENUE BONDS - 1993	05/01/1993	09/01/2005	5.25%	170,000	1
REVENUE BONDS - 1995	02/01/1995	09/01/2007	6.00%	525,000	2
REVENUE BONDS - 1999	02/10/1999	05/01/2018	2.64%	9,499,817	3
REFUNDING BONDS - 2001	04/15/2001	09/01/2015	4.00%	5,795,000	4
REVENUE BONDS - 2001	10/01/2001	09/01/2021	4.92%	11,010,000	5
BOND ANTICIPATION NOTES - 2003	11/07/2003	01/25/2005	2.13%	16,665,000	6
REVENUE BONDS - 2004	11/01/2004	09/01/2024	4.66%	22,140,000	7
REVENUE BONDS - 2005	12/22/2004	05/01/2024	2.37%	6,099,063	8
Total Bonds (Account 221):				71,903,880	
Total Reacquired Bonds (Account 222)				0	9

Net amount of bonds outstanding December 31: 71,903,880

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)	
Advances (223)					
CITY OF RACINE UNFUNDED PENSION BOND	11/07/2003	06/01/2023	5.39%	953,875	1
Total for Account 223				953,875	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	1,419,548	1
Accruals:		
Charged water department expense	1,665,121	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
Property tax equivalent on shared meters with sewer utility	24,735	5
Total Accruals and other credits	1,689,856	
Taxes paid during year:		
County, state and local taxes	1,419,548	6
Social Security taxes	225,057	7
PSC Remainder Assessment	15,698	8
Other (explain):		
NONE		9
Total payments and other debits	1,660,303	
Balance end of year	1,449,101	

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)					
REVENUE BONDS - 2004	0	143,480	(10,749)	154,229	1
REVENUE BONDS - 1993	5,817	14,750	17,450	3,117	2
REVENUE BONDS - 1995	13,778	38,235	41,335	10,678	3
REVENUE BONDS - 1999	44,241	255,680	258,122	41,799	4
BOND ANTICIPATION NOTES - 2003	83,513	524,417	490,700	117,230	5
REVENUE BONDS - 2005		3,606	0	3,606	6
REVENUE BONDS - 2001	180,273	535,570	540,820	175,023	7
REFUNDING BONDS - 2001	94,968	280,654	284,904	90,718	8
Subtotal	422,590	1,796,392	1,622,582	596,400	
Advances from Municipality (223)					
UNFUNDED PENSION LIABILITY	0	53,708	53,708	0	9
Subtotal	0	53,708	53,708	0	
Other Long-Term Debt (224)					
NONE	0			0	10
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	11
Subtotal	0	0	0	0	
Total	422,590	1,850,100	1,676,290	596,400	

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	
Sinking Funds (125):		
BOND REDEMPTION & RESERVE FUNDS	5,992,187	3
Total (Acct. 125):	5,992,187	
Depreciation Fund (126):		
NONE		4
Total (Acct. 126):	0	
Other Special Funds (128):		
NONE		5
Total (Acct. 128):	0	
Interest Special Deposits (132):		
NONE		6
Total (Acct. 132):	0	
Other Special Deposits (134):		
NONE		7
Total (Acct. 134):	0	
Notes Receivable (141):		
NONE		8
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	3,156,865	9
Electric		10
Sewer (Regulated)		11
Other (specify):		
NONE		12
Total (Acct. 142):	3,156,865	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	593,094	13
Merchandising, jobbing and contract work	717,416	14
Other (specify):		
FEDERAL EPA MEMBRANE CONSTRUCTION GRANT	2,338,373	15
Total (Acct. 143):	3,648,883	

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)
Receivables from Municipality (145):		
MUNICIPAL FIRE PROTECTION	1,220,551	16
Total (Acct. 145):	1,220,551	
Prepayments (165):		
PREPAID POSTAGE	7,445	17
Total (Acct. 165):	7,445	
Extraordinary Property Losses (182):		
NONE		18
Total (Acct. 182):	0	
Preliminary Survey and Investigation Charges (183):		
NONE		19
Total (Acct. 183):	0	
Clearing Accounts (184):		
NONE		20
Total (Acct. 184):	0	
Temporary Facilities (185):		
NONE		21
Total (Acct. 185):	0	
Miscellaneous Deferred Debits (186):		
UNFUNDED PENSION EXPENSE	942,150	22
Total (Acct. 186):	942,150	
Payables to Municipality (233):		
ACCRUED PAYROLL, SEWER COLLECT, ANNUAL SLUDGE	1,370,044	23
Total (Acct. 233):	1,370,044	
Other Deferred Credits (253):		
Regulatory Liability	3,103,988	24
NONE		25
Total (Acct. 253):	3,103,988	

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 (101.1)	74,482,025	0	0	0	74,482,025	1	
Materials and Supplies	227,290	0	0	0	227,290	2	
Other (specify):						0	3
Less Average:							
Reserve for Depreciation (111.1)	19,834,579	0	0	0	19,834,579	4	
Customer Advances for Construction					0	5	
Regulatory Liability	1,551,994	0	0	0	1,551,994	6	
					0	7	
Average Net Rate Base	53,322,742	0	0	0	53,322,742		
Net Operating Income	2,647,475	0	0	0	2,647,475	8	
Net Operating Income as a percent of Average Net Rate Base							
	4.97%	N/A	N/A	N/A	4.97%		

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

**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	3,267,356	0	0	0	3,267,356	2
Other (specify):						
NONE					0	3
Deduct charges:						
Miscellaneous Amortization (425)	163,368				163,368	4
Other (specify):						
NONE					0	5
Balance End of Year	3,103,988	0	0	0	3,103,988	

FINANCIAL SECTION FOOTNOTES

Interest Accrued (Acct. 237) (Page F-18)

General footnotes

Our new 2004 bond issue amounting to \$22,140,000 closed on November 1, 2004. The settlement date on this issue was November 5, 2005 resulting in accrued interest of \$10,749. Our auditors stated that this should not be recorded as interest revenue, but rather reduce the interest expense on this issue. The interest accrued at year end is \$154,229. The interest accrued during the year was also the \$154,229 less the \$10,749 received from the bond proceeds as accrued interest.

Balance Sheet End-of-Year Account Balances (Page F-19)

Miscellaneous Deferred Debits (Acct 186): amortization requires PSC authorization. Provide date of authorization.

A request to Defer and Amortize a 2003 Payment to the Wisconsin Retirement Fund for Prior Service Obligation was granted by the PSC on 6/15/2004 per Bruce Manthey.

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$10,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

The 2004 Municipal Fire Protection amounting to \$1,220,551 was paid by the City of Racine in early 2005. (145)

The Racine Water Utility has been awarded EPA grants in 2002, 2003, and 2004 for help with construction cost for our membrane project. Since construction actually began in 2004, our auditors requested that a receivable be posted on our books since the grant was approved. The grant funds have been received in early 2005. (143)

At December 31, 2004 the Water Utility owed the Wastewater Utility \$470,484 for December cash receipts from customer accounts and \$567,493 for the annual sludge backwash invoice. Also because the City of Racine processes the Utility's payroll, a balance was due to the city for some December payrolls that had been processed. These along with smaller items make up the \$1,370,044 total payable to Municipality at yearend. (233)

The \$717,416 includes charges for new taps made to contractors, charges for repairs to hydrants that were made, and the large item includes \$429,655 from the City of Racine for the last payment of land sold by the Utility to the City back in 2003. (143)

The \$593,094 is made-up of misc. items owed from the Wastewater Utility. The largest single item amounting to \$494,407 is the annual shared expenses that includes salaries, supplies, and equipment that benefited both Utilities, but was paid in full by the Water Utility in 2004. The Wastewater will payback this amount to the Water Utility in early 2005. (143)

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	13,285,436	12,830,678	1
Total Sales of Water	13,285,436	12,830,678	
Other Operating Revenues			
Forfeited Discounts (470)	195,782	176,913	2
Miscellaneous Service Revenues (471)	0	0	3
Rents from Water Property (472)	114,837	117,811	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	101,002	172,527	6
Total Other Operating Revenues	411,621	467,251	
Total Operating Revenues	13,697,057	13,297,929	
Operation and Maintenance Expenses			
Source of Supply Expense (600-617)	0	0	7
Pumping Expenses (620-633)	1,004,008	976,631	8
Water Treatment Expenses (640-652)	1,704,505	1,692,140	9
Transmission and Distribution Expenses (660-678)	2,026,910	1,980,961	10
Customer Accounts Expenses (901-905)	320,035	279,152	11
Sales Expenses (910)	0	0	12
Administrative and General Expenses (920-932)	2,562,176	2,588,888	13
Total Operation and Maintenance Expenses	7,617,634	7,517,772	
Other Operating Expenses			
Depreciation Expense (403)	1,766,827	1,673,347	14
Amortization Expense (404-407)		0	15
Taxes (408)	1,665,121	1,630,563	16
Total Other Operating Expenses	3,431,948	3,303,910	
Total Operating Expenses	11,049,582	10,821,682	
NET OPERATING INCOME	2,647,475	2,476,247	

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	27,924	1,923,272	4,755,205	4
Commercial	2,963	937,039	1,748,685	5
Industrial	306	2,905,647	3,942,324	6
Total Metered Sales to General Customers (461)	31,193	5,765,958	10,446,214	
Private Fire Protection Service (462)	485		208,472	7
Public Fire Protection Service (463)	4		1,293,651	8
Other Sales to Public Authorities (464)	126	285,678	316,628	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)	16	780,752	1,020,471	11
Interdepartmental Sales (467)				12
Total Sales of Water	31,824	6,832,388	13,285,436	

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)	
CALEDONIA UTILITY DISTRICT #1	Rapids & Greenbay; 3Mile & Douglas	193,191	242,185	1
NORTH PARK SANITATION DISTRICT	3Mi & Douglas; Charles; N Main	347,834	458,696	2
STURTEVANT WATER UTILITY	CTH "H" & STH "20"	239,727	319,590	3
Total		780,752	1,020,471	

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)	1,220,551	1
Wholesale fire protection billed	73,100	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)	1,293,651	
Forfeited Discounts (470):		
Customer late payment charges	195,782	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	195,782	
Miscellaneous Service Revenues (471):		
NONE		7
Total Miscellaneous Service Revenues (471)	0	
Rents from Water Property (472):		
LAND RENTAL TO RACINE YACHT CLUB & CELLULAR ANTENNAS ON TANKS	114,837	8
Total Rents from Water Property (472)	114,837	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	85,924	10
Other (specify): MISC. INSURANCE PROCEEDS	7,308	11
LABORATORY TEST FEES	7,770	12
Total Other Water Revenues (474)	101,002	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
SOURCE OF SUPPLY EXPENSES			
Operation Supervision and Engineering (600)	0		1
Operation Labor and Expenses (601)	0		2
Purchased Water (602)	0		3
Miscellaneous Expenses (603)	0		4
Rents (604)	0		5
Maintenance Supervision and Engineering (610)	0		6
Maintenance of Structures and Improvements (611)	0		7
Maintenance of Collecting and Impounding Reservoirs (612)	0		8
Maintenance of Lake, River and Other Intakes (613)	0		9
Maintenance of Wells and Springs (614)	0		10
Maintenance of Infiltration Galleries and Tunnels (615)	0		11
Maintenance of Supply Mains (616)	0		12
Maintenance of Miscellaneous Water Source Plant (617)	0		13
Total Source of Supply Expenses	0	0	
PUMPING EXPENSES			
Operation Supervision and Engineering (620)	40,381	33,412	14
Fuel for Power Production (621)	0		15
Power Production Labor and Expenses (622)	0		16
Fuel or Power Purchased for Pumping (623)	517,527	523,125	17
Pumping Labor and Expenses (624)	242,300	225,809	18
Expenses Transferred--Credit (625)	0		19
Miscellaneous Expenses (626)	53,482	57,695	20
Rents (627)	0		21
Maintenance Supervision and Engineering (630)	64,048	69,862	22
Maintenance of Structures and Improvements (631)	32,647	15,630	23
Maintenance of Power Production Equipment (632)	4,958	10,058	24
Maintenance of Pumping Equipment (633)	48,665	41,040	25
Total Pumping Expenses	1,004,008	976,631	
WATER TREATMENT EXPENSES			
Operation Supervision and Engineering (640)	40,354	35,222	26
Chemicals (641)	216,841	232,137	27

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
WATER TREATMENT EXPENSES			
Operation Labor and Expenses (642)	1,124,008	1,121,622	28
Miscellaneous Expenses (643)	60,555	63,202	29
Rents (644)		0	30
Maintenance Supervision and Engineering (650)	63,924	69,746	31
Maintenance of Structures and Improvements (651)	61,113	58,873	32
Maintenance of Water Treatment Equipment (652)	137,710	111,338	33
Total Water Treatment Expenses	1,704,505	1,692,140	
TRANSMISSION AND DISTRIBUTION EXPENSES			
Operation Supervision and Engineering (660)	268,548	260,044	34
Storage Facilities Expenses (661)	22,389	25,840	35
Transmission and Distribution Lines Expenses (662)	303	294	36
Meter Expenses (663)	104,847	97,641	37
Customer Installations Expenses (664)	101,340	81,747	38
Miscellaneous Expenses (665)	60,892	49,196	39
Rents (666)		0	40
Maintenance Supervision and Engineering (670)	145,251	143,449	41
Maintenance of Structures and Improvements (671)		0	42
Maintenance of Distribution Reservoirs and Standpipes (672)	160,212	142,276	43
Maintenance of Transmission and Distribution Mains (673)	782,396	785,691	44
Maintenance of Fire Mains (674)		0	45
Maintenance of Services (675)	312,451	317,884	46
Maintenance of Meters (676)	42,054	53,076	47
Maintenance of Hydrants (677)	26,227	23,823	48
Maintenance of Miscellaneous Plant (678)		0	49
Total Transmission and Distribution Expenses	2,026,910	1,980,961	
CUSTOMER ACCOUNTS EXPENSES			
Supervision (901)		0	50
Meter Reading Labor (902)	82,096	90,095	51
Customer Records and Collection Expenses (903)	181,832	178,718	52
Uncollectible Accounts (904)	56,107	10,339	53

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
CUSTOMER ACCOUNTS EXPENSES			
Miscellaneous Customer Accounts Expenses (905)		0	54
Total Customer Accounts Expenses	320,035	279,152	
SALES EXPENSES			
Sales Expenses (910)		0	55
Total Sales Expenses	0	0	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (920)	138,254	153,482	56
Office Supplies and Expenses (921)	7,156	6,618	57
Administrative Expenses Transferred--Credit (922)		0	58
Outside Services Employed (923)	379,239	531,999	59
Property Insurance (924)	53,128	42,309	60
Injuries and Damages (925)	139,273	142,973	61
Employee Pensions and Benefits (926)	1,485,014	1,329,087	62
Regulatory Commission Expenses (928)	31,293	20,823	63
Duplicate Charges--Credit (929)	75,940	88,631	64
Miscellaneous General Expenses (930)	14,439	11,760	65
Rents (931)	20,700	20,219	66
Maintenance of General Plant (932)	369,620	418,249	67
Total Administrative and General Expenses	2,562,176	2,588,888	
Total Operation and Maintenance Expenses	7,617,634	7,517,772	

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		1,449,101	1,419,548	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		24,735	24,622	2
Net property tax equivalent		1,424,366	1,394,926	
Social Security		225,057	220,299	3
PSC Remainder Assessment		15,698	15,338	4
Other (specify): NONE			0	5
Total tax expense		<u>1,665,121</u>	<u>1,630,563</u>	

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			Racine				1
SUMMARY OF TAX RATES							
State tax rate	mills		0.206200				2
County tax rate	mills		3.666300				3
Local tax rate	mills		12.243400				4
School tax rate	mills		7.853300				5
Voc. school tax rate	mills		1.451000				6
Other tax rate - Local	mills		0.000000				7
Other tax rate - Non-Local	mills		0.000000				8
Total tax rate	mills		25.420200				9
Less: state credit	mills		1.002800				10
Net tax rate	mills		24.417400				11
PROPERTY TAX EQUIVALENT CALCULATION							
Local Tax Rate	mills		12.243400				12
Combined School Tax Rate	mills		9.304300				13
Other Tax Rate - Local	mills		0.000000				14
Total Local & School Tax	mills		21.547700				15
Total Tax Rate	mills		25.420200				16
Ratio of Local and School Tax to Total	dec.		0.847661				17
Total tax net of state credit	mills		24.417400				18
Net Local and School Tax Rate	mills		20.697666				19
Utility Plant, Jan. 1	\$	99,330,221	99,330,221				20
Materials & Supplies	\$	207,972	207,972				21
Subtotal	\$	99,538,193	99,538,193				22
Less: Plant Outside Limits	\$	27,315,263	27,315,263				23
Taxable Assets	\$	72,222,930	72,222,930				24
Assessment Ratio	dec.		0.969398				25
Assessed Value	\$	70,012,764	70,012,764				26
Net Local & School Rate	mills		20.697666				27
Tax Equiv. Computed for Current Year	\$	1,449,101	1,449,101				28
Tax Equivalent per 1994 PSC Report	\$	1,075,080					29
Any lower tax equivalent as authorized by municipality (see note 6)	\$						30
Tax equiv. for current year (see note 6)	\$	1,449,101					31

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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, 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)	2,204,376		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	36,217		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	2,240,593	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	1,616,397	28,077	13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	2,314,943		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	5,581,265		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	9,512,605	28,077	
WATER TREATMENT PLANT			
Land and Land Rights (330)	1,088,698		21
Structures and Improvements (331)	18,413,158	546,172	22
Water Treatment Equipment (332)	9,095,302	131,609	23
Total Water Treatment Plant	28,597,158	677,781	

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)			2,204,376	7
Wells and Springs (314)			0	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			36,217	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	2,240,593	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			1,644,474	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)		(446,687)	1,868,256	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)		(550,216)	5,031,049	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	(996,903)	8,543,779	
WATER TREATMENT PLANT				
Land and Land Rights (330)			1,088,698	21
Structures and Improvements (331)		(1,243,996)	17,715,334	22
Water Treatment Equipment (332)			9,226,911	23
Total Water Treatment Plant	0	(1,243,996)	28,030,943	

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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, 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)	17,115	1,329,198	24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	1,901,333	58,156	26
Transmission and Distribution Mains (343)	21,064,839	1,086,491	27
Fire Mains (344)	0		28
Services (345)	1,310,989	194,746	29
Meters (346)	3,382,066	162,189	30
Hydrants (348)	1,654,473	49,929	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	29,330,815	2,880,709	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	736,869		34
Office Furniture and Equipment (391)	146,601		35
Computer Equipment (391.1)	962,156	55,503	36
Transportation Equipment (392)	903,411	17,982	37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	548,165	31,002	39
Laboratory Equipment (395)	90,877	4,814	40
Power Operated Equipment (396)	655,147	108,450	41
Communication Equipment (397)	187,687	34,270	42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	4,230,913	252,021	
Total utility plant in service directly assignable	73,912,084	3,838,588	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	73,912,084	3,838,588	

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)			1,346,313 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			1,959,489 26
Transmission and Distribution Mains (343)	108,310		22,043,020 27
Fire Mains (344)			0 28
Services (345)	1,734		1,504,001 29
Meters (346)	66,420		3,477,835 30
Hydrants (348)	6,803		1,697,599 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	183,267	0	32,028,257
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			736,869 34
Office Furniture and Equipment (391)			146,601 35
Computer Equipment (391.1)	167,624		850,035 36
Transportation Equipment (392)	24,549		896,844 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)	5,092		574,075 39
Laboratory Equipment (395)			95,691 40
Power Operated Equipment (396)	77,275		686,322 41
Communication Equipment (397)			221,957 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	274,540	0	4,208,394
Total utility plant in service directly assignable	457,807	(2,240,899)	75,051,966
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	457,807	(2,240,899)	75,051,966

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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, 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)	315,000		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	315,000	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	0	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	334,946		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	334,946	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)			315,000	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	315,000	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			0	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)		446,687	446,687	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)		550,216	550,216	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	996,903	996,903	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)		1,243,996	1,578,942	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	1,243,996	1,578,942	

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 \$100,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, 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	538,162	24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	0		26
Transmission and Distribution Mains (343)	19,475,416	3,653,003	27
Fire Mains (344)	0		28
Services (345)	1,347,552	200,085	29
Meters (346)	0		30
Hydrants (348)	1,654,170	251,338	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	22,477,138	4,642,588	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	0		35
Computer Equipment (391.1)	0		36
Transportation Equipment (392)	0		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	0	0	
Total utility plant in service directly assignable	23,127,084	4,642,588	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	23,127,084	4,642,588	

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)			538,162 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)			23,128,419 27
Fire Mains (344)			0 28
Services (345)			1,547,637 29
Meters (346)			0 30
Hydrants (348)			1,905,508 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	27,119,726
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			0 35
Computer Equipment (391.1)			0 36
Transportation Equipment (392)			0 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	2,240,899	30,010,571
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	0	2,240,899	30,010,571

ACCUMULATED PROVISION FOR DEPRECIATION - WATER
--Plant Financed by Utility or Municipality--

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
 2. If more than one depreciation rate is used, report the average rate in column (c).

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	
SOURCE OF SUPPLY PLANT				
Structures and Improvements (311)	0			1
Collecting and Impounding Reservoirs (312)	0			2
Lake, River and Other Intakes (313)	878,361	2.30%	50,700	3
Wells and Springs (314)	0			4
Infiltration Galleries and Tunnels (315)	0			5
Supply Mains (316)	36,216	1.50%		6
Other Water Source Plant (317)	0			7
Total Source of Supply Plant	914,577		50,700	
PUMPING PLANT				
Structures and Improvements (321)	615,075	2.80%	45,652	8
Boiler Plant Equipment (322)	0			9
Other Power Production Equipment (323)	672,162	4.40%	92,030	10
Steam Pumping Equipment (324)	0			11
Electric Pumping Equipment (325)	2,239,234	3.30%	175,103	12
Diesel Pumping Equipment (326)	0			13
Hydraulic Pumping Equipment (327)	0			14
Other Pumping Equipment (328)	0			15
Total Pumping Plant	3,526,471		312,785	
WATER TREATMENT PLANT				
Structures and Improvements (331)	2,687,805	2.50%	451,606	16
Water Treatment Equipment (332)	3,311,588	2.70%	247,350	17
Total Water Treatment Plant	5,999,393		698,956	
TRANSMISSION AND DISTRIBUTION PLANT				
Structures and Improvements (341)	0			18
Distribution Reservoirs and Standpipes (342)	1,128,569	1.60%	30,887	19
Transmission and Distribution Mains (343)	4,735,185	1.20%	258,648	20
Fire Mains (344)	0			21
Services (345)	914,559	2.20%	30,964	22
Meters (346)	406,116	6.30%	216,087	23
Hydrants (348)	495,920	1.60%	26,817	24

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Utility or Municipality--

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
311					0	1
312					0	2
313				(49,030)	880,031	3
314					0	4
315					0	5
316					36,216	6
317					0	7
	0	0	0	(49,030)	916,247	
321					660,727	8
322					0	9
323				(19,654)	744,538	10
324					0	11
325				(36,314)	2,378,023	12
326					0	13
327					0	14
328					0	15
	0	0	0	(55,968)	3,783,288	
331				(83,235)	3,056,176	16
332					3,558,938	17
	0	0	0	(83,235)	6,615,114	
341					0	18
342					1,159,456	19
343	108,310	158		(2,771,891)	2,113,474	20
344					0	21
345	1,734			(175,979)	767,810	22
346	66,420		8,691		564,474	23
348	6,803	1,544		(218,321)	296,069	24

ACCUMULATED PROVISION FOR DEPRECIATION - WATER
--Plant Financed by Utility or Municipality--

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
 2. If more than one depreciation rate is used, report the average rate in column (c).

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	
TRANSMISSION AND DISTRIBUTION PLANT				
Other Transmission and Distribution Plant (349)	0			25
Total Transmission and Distribution Plant	7,680,349		563,403	
GENERAL PLANT				
Structures and Improvements (390)	407,331	4.30%	31,687	26
Office Furniture and Equipment (391)	72,886	5.80%	8,502	27
Computer Equipment (391.1)	863,451	15.00%	135,913	28
Transportation Equipment (392)	557,099	13.30%	119,717	29
Stores Equipment (393)	0			30
Tools, Shop and Garage Equipment (394)	286,254	5.80%	32,545	31
Laboratory Equipment (395)	45,566	5.80%	5,410	32
Power Operated Equipment (396)	201,714	8.50%	57,013	33
Communication Equipment (397)	100,597	8.30%	17,000	34
SCADA Equipment (397.1)	0			35
Miscellaneous Equipment (398)	0			36
Other Tangible Property (399)	0			37
Total General Plant	2,534,898		407,787	
Total accum. prov. directly assignable	20,655,688		2,033,631	
Common Utility Plant Allocated to Water Department	0			38
Total accum. prov. for depreciation	20,655,688		2,033,631	

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Utility or Municipality--

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)
349					0 25
	<u>183,267</u>	<u>1,702</u>	<u>8,691</u>	<u>(3,166,191)</u>	<u>4,901,283</u>
390					439,018 26
391					81,388 27
391.1	167,624				831,740 28
392	24,549		7,325		659,592 29
393					0 30
394	5,092				313,707 31
395					50,976 32
396	77,275		35,000		216,452 33
397					117,597 34
397.1					0 35
398					0 36
399					0 37
	<u>274,540</u>	<u>0</u>	<u>42,325</u>	<u>0</u>	<u>2,710,470</u>
	<u>457,807</u>	<u>1,702</u>	<u>51,016</u>	<u>(3,354,424)</u>	<u>18,926,402</u>
					0 38
	<u>457,807</u>	<u>1,702</u>	<u>51,016</u>	<u>(3,354,424)</u>	<u>18,926,402</u>

ACCUMULATED PROVISION FOR DEPRECIATION - WATER

--Plant Financed by Contributions--

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
 2. If more than one depreciation rate is used, report the average rate in column (c).

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	
SOURCE OF SUPPLY PLANT				
Structures and Improvements (311)	0			1
Collecting and Impounding Reservoirs (312)	0			2
Lake, River and Other Intakes (313)	56,275	2.30%	7,245	3
Wells and Springs (314)	0			4
Infiltration Galleries and Tunnels (315)	0			5
Supply Mains (316)	0			6
Other Water Source Plant (317)	0			7
Total Source of Supply Plant	56,275		7,245	
PUMPING PLANT				
Structures and Improvements (321)	0			8
Boiler Plant Equipment (322)	0			9
Other Power Production Equipment (323)	0	4.40%	9,827	10
Steam Pumping Equipment (324)	0			11
Electric Pumping Equipment (325)	0	3.30%	9,078	12
Diesel Pumping Equipment (326)	0			13
Hydraulic Pumping Equipment (327)	0			14
Other Pumping Equipment (328)	0			15
Total Pumping Plant	0		18,905	
WATER TREATMENT PLANT				
Structures and Improvements (331)	60,509	2.50%	23,924	16
Water Treatment Equipment (332)	0			17
Total Water Treatment Plant	60,509		23,924	
TRANSMISSION AND DISTRIBUTION PLANT				
Structures and Improvements (341)	0			18
Distribution Reservoirs and Standpipes (342)	0			19
Transmission and Distribution Mains (343)	2,995,593	1.20%	255,623	20
Fire Mains (344)	0			21
Services (345)	203,239	2.20%	31,847	22
Meters (346)	0			23
Hydrants (348)	242,775	1.60%	28,478	24

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Contributions--

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
311					0	1
312					0	2
313					63,520	3
314					0	4
315					0	5
316					0	6
317					0	7
	0	0	0	0	63,520	
321					0	8
322					0	9
323				19,654	29,481	10
324					0	11
325				36,314	45,392	12
326					0	13
327					0	14
328					0	15
	0	0	0	55,968	74,873	
331				31,100	115,533	16
332					0	17
	0	0	0	31,100	115,533	
341					0	18
342					0	19
343					3,251,216	20
344					0	21
345					235,086	22
346					0	23
348					271,253	24

ACCUMULATED PROVISION FOR DEPRECIATION - WATER
--Plant Financed by Contributions--

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
 2. If more than one depreciation rate is used, report the average rate in column (c).

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)
TRANSMISSION AND DISTRIBUTION PLANT			
Other Transmission and Distribution Plant (349)	0		25
Total Transmission and Distribution Plant	3,441,607		315,948
GENERAL PLANT			
Structures and Improvements (390)	0		26
Office Furniture and Equipment (391)	0		27
Computer Equipment (391.1)	0		28
Transportation Equipment (392)	0		29
Stores Equipment (393)	0		30
Tools, Shop and Garage Equipment (394)	0		31
Laboratory Equipment (395)	0		32
Power Operated Equipment (396)	0		33
Communication Equipment (397)	0		34
SCADA Equipment (397.1)	0		35
Miscellaneous Equipment (398)	0		36
Other Tangible Property (399)	0		37
Total General Plant	0		0
Total accum. prov. directly assignable	3,558,391		366,022
Common Utility Plant Allocated to Water Department	0		38
Total accum. prov. for depreciation	3,558,391		366,022

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)
--Plant Financed by Contributions--

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)
349					0 25
	0	0	0	0	3,757,555
390					0 26
391					0 27
391.1					0 28
392					0 29
393					0 30
394					0 31
395					0 32
396					0 33
397					0 34
397.1					0 35
398					0 36
399					0 37
	0	0	0	0	0
	0	0	0	87,068	4,011,481
					0 38
	0	0	0	87,068	4,011,481

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		637,303		637,303	1
February		632,863		632,863	2
March		655,164		655,164	3
April		656,884		656,884	4
May		697,683		697,683	5
June		765,771		765,771	6
July		889,373		889,373	7
August		888,363		888,363	8
September		820,557		820,557	9
October		705,697		705,697	10
November		608,210		608,210	11
December		599,645		599,645	12
Total annual pumpage	0	8,557,513	0	8,557,513	
Less: Water sold				6,832,388	13
Volume pumped but not sold				1,725,125	14
Volume sold as a percent of volume pumped				80%	15
Volume used for water production, water quality and system maintenance				523,985	16
Volume related to equipment/system malfunction				50,000	17
Non-utility volume NOT included in water sales				1,000	18
Total volume not sold but accounted for				574,985	19
Volume pumped but unaccounted for				1,150,140	20
Percent of water lost				13%	21
If more than 15%, 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.)				34,567	23
Date of maximum: 7/28/2004					24
Cause of maximum:					25
Air conditioning and lawn watering					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				14,484	26
Date of minimum: 11/26/2004					27
Total KWH used for pumping for the year				8,521,068	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)
-------------------------	--	----------------------------------	--	---	--

NONE

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)	
LAKE MICHIGAN	1928	1	6,400	29	36	1
LAKE MICHIGAN	1971	1	4,100	23	54	2
LAKE MICHIGAN	1886	1	6,000	39	24	3

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	#10	#11	#12	1
Location	CLEAR WELL	CLEAR WELL	CLEAR WELL	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	WORTHINGTON	WORTHINGTON	WORTHINGTON	5
Year Installed	1933	1933	1933	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	8,222	13,042	17,296	8
Pump Motor or Standby Engine Mfr	G.E.	G.E.	G.E.	9 10
Year Installed	1933	1933	1933	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	540	740	950	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	#2	#3	#4	14
Location	SUCTION WELL	SUCTION WELL	SUCTION WELL	15
Purpose	P	P	P	16
Destination	T	T	T	17
Pump Manufacturer	ALLIS CHALMERS	ALLIS CHALMERS	ALLIS CHALMERS	18
Year Installed	2001	2001	2002	19
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	20
Actual Capacity (gpm)	14,153	16,095	14,408	21
Pump Motor or Standby Engine Mfr	U.S. MOTORS	U.S. MOTORS	U.S. MOTORS	22 23
Year Installed	2001	2001	2002	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	300	300	300	26

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	#5	#9	B-1	1
Location	SUCTION WELL	CLEAR WELL	BASIN SLUDGE	2
Purpose	P	P	P	3
Destination	T	D	T	4
Pump Manufacturer	ALLIS CHALMERS	PATTERSON	MOYNO	5
Year Installed	1958	1980	1991	6
Type	CENTRIFUGAL	CENTRIFUGAL	OTHER	7
Actual Capacity (gpm)	15,695	20,418	300	8
Pump Motor or Standby Engine Mfr	ALLIS CHALMERS	IDEAL	RELIANCE ELEC.	9 10
Year Installed	1958	1980	1991	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	250	1,250	30	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	B-2	B-3	B-4	14
Location	BASIN SLUDGE	RETENTION BASIN	RETENTION BASIN	15
Purpose	P	P	P	16
Destination	T	T	T	17
Pump Manufacturer	MOYNO	FLYGT	FLYGT	18
Year Installed	1991	1994	1994	19
Type	OTHER	SUBMERSIBLE	SUBMERSIBLE	20
Actual Capacity (gpm)	300	750	750	21
Pump Motor or Standby Engine Mfr	RELIANCE ELEC.	RELIANCE ELEC.	RELIANCE ELEC.	22 23
Year Installed	1991	1994	1994	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	30	20	20	26

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	F-1	F-2	F-29	1
Location	BACKWASH	BACKWASH	SMALL BACKWASH	2
Purpose	P	P	P	3
Destination	T	T	T	4
Pump Manufacturer	ALLIS CHAM.	ALLIS CHAM.	ALLIS CHAM.	5
Year Installed	1958	1958	1936	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	10,876	10,876	1,500	8
Pump Motor or Standby Engine Mfr	ALLIS CHAM.	ALLIS CHAM.	WESTINGHOUSE	9 10
Year Installed	1958	1958	1936	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	300	300	25	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	F-3	F-30	F-4	14
Location	BACKWASH	SMALL BACKWASH	SURFACE WASH	15
Purpose	P	P	P	16
Destination	T	T	T	17
Pump Manufacturer	ALLIS CHALM	AMER. WELL	ALLIS CHAM.	18
Year Installed	1990	1945	1958	19
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	20
Actual Capacity (gpm)	10,876	2,000	1,333	21
Pump Motor or Standby Engine Mfr	G.E.	G.E.	ALLIS CHAM.	22 23
Year Installed	1990	1945	1958	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	300	40	100	26

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	S-1	S-2	S-3	1
Location	STAND PIPE	STAND PIPE	STAND PIPE	2
Purpose	B	B	B	3
Destination	D	D	D	4
Pump Manufacturer	INGERSOLL-DRESSER	INGERSOLL-DRESSER	INGERSOLL-DRESSER	5
Year Installed	1999	1999	1999	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	2,550	2,513	2,464	8
Pump Motor or Standby Engine Mfr	U.S. ELECTRICAL	U.S. ELECTRICAL	U.S. ELECTRICAL	9 10
Year Installed	1999	1999	1999	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	100	100	100	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	S-4	S-5	S-6	14
Location	STAND PIPE	STAND PIPE	STAND PIPE	15
Purpose	B	B	B	16
Destination	D	D	D	17
Pump Manufacturer	GOULDS	GOULDS	GOULDS	18
Year Installed	1981	1981	1981	19
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	20
Actual Capacity (gpm)	2,452	2,539	2,499	21
Pump Motor or Standby Engine Mfr	WESTINGHOUSE	WESTINGHOUSE	WESTINGHOUSE	22 23
Year Installed	1981	1981	1981	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	100	100	100	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	CLEARWELL- WEST	CLEARWELL-CENTER	CLEARWELL-EAST	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	R	R	3
Year constructed	1921	1939	1958	4
Primary material (earthen, steel, concrete, other)	CONCRETE	CONCRETE	CONCRETE	5
Elevation difference in feet (See Headnote 3.)	10	10	10	6
Total capacity in gallons (actual)	825,400	563,700	1,368,600	7
WATER TREATMENT PLANT				8
Disinfection, type of equipment (gas, liquid, powder, other)	GAS	GAS	GAS	9
Points of application (wellhouse, central facilities, booster station, other)	CENTRAL FACILITIES	CENTRAL FACILITIES	CENTRAL FACILITIES	10
Filters, type (gravity, pressure, other, none)	GRAVITY	GRAVITY	GRAVITY	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	12.0000	8.0000	20.0000	12
Is a corrosion control chemical used (yes, no)?	Y	Y	Y	13
Is water fluoridated (yes, no)?	Y	Y	Y	14

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	COOLIDGE AVE	EAST SHORE CLEARWELL	PERRY AVE	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	R	S	3
Year constructed	1958	1928	1931	4
Primary material (earthen, steel, concrete, other)	STEEL	CONCRETE	STEEL	5
Elevation difference in feet (See Headnote 3.)	155	10	71	6
Total capacity in gallons (actual)	1,500,000	2,338,300	2,750,000	7
WATER TREATMENT PLANT				8
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER	OTHER	OTHER	9
Points of application (wellhouse, central facilities, booster station, other)	OTHER	CENTRAL FACILITIES	OTHER	10
Filters, type (gravity, pressure, other, none)	NONE	OTHER	OTHER	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	8.0000	12.0000	8.0000	12
Is a corrosion control chemical used (yes, no)?	N	Y	N	13
Is water fluoridated (yes, no)?	N	Y	N	14

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	REGENCY MALL	SUMMIT AVE	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET	3
Year constructed	1982	1958	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	141	135	6
Total capacity in gallons (actual)	2,000,000	1,500,000	7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER	OTHER	9
Points of application (wellhouse, central facilities, booster station, other)	OTHER	OTHER	10
Filters, type (gravity, pressure, other, none)	NONE	NONE	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	8.0000	8.0000	12
Is a corrosion control chemical used (yes, no)?	N	N	13
Is water fluoridated (yes, no)?	N	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	3.000	2,279	0	0	0	2,279
M	D	4.000	7,048	0	0	0	7,048
M	D	6.000	611,930	0	779	0	611,151
M	D	8.000	447,049	734	0	0	447,783
M	D	10.000	11,183	0	0	0	11,183
M	D	12.000	219,227	1,161	0	0	220,388
P	D	16.000	73,867	0	0	0	73,867
M	D	18.000	663	0	0	0	663
M	D	20.000	8,952	0	0	0	8,952
M	D	24.000	11,253	0	0	0	11,253
P	T	24.000	23,499	0	0	0	23,499
M	D	30.000	8,234	799	1,953	0	7,080
P	T	30.000	28,872	0	0	0	28,872
P	T	36.000	11,000	0	0	0	11,000
P	T	48.000	1,300	490	25	0	1,765
Total Within Municipality			1,466,356	3,184	2,757	0	1,466,783
M	D	3.000	619	0	0	0	619
M	D	4.000	274	0	0	0	274
M	D	6.000	52,145	0	0	0	52,145
M	D	8.000	239,605	13,613	0	0	253,218
M	D	10.000	696	0	0	0	696
M	D	12.000	150,795	4,023	0	0	154,818
M	D	15.000	13,001	0	0	0	13,001
M	D	16.000	44,676	6,877	0	0	51,553
M	D	20.000	833	13,326	0	0	14,159
P	T	20.000	11,479	0	0	0	11,479
M	D	24.000	19,974	522	0	0	20,496
P	T	24.000	12,828	0	0	0	12,828
Total Outside of Municipality			546,925	38,361	0	0	585,286
Total Utility			2,013,281	41,545	2,757	0	2,052,069

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	0.500	159	0	0	0	159		1
L	0.500	4,597	0	5	0	4,592		2
L	0.750	281	0	0	0	281		3
M	0.750	18,825	0	19	0	18,806	15	4
L	1.000	30	0	0	0	30		5
M	1.000	5,780	271	1	0	6,050	19	6
L	1.250	25	0	0	0	25		7
M	1.250	82	0	0	0	82		8
L	1.500	5	0	0	0	5		9
M	1.500	491	6	0	0	497	15	10
M	2.000	422	13	0	0	435	10	11
M	3.000	64	0	0	0	64	2	12
M	4.000	177	3	3	0	177		13
M	6.000	179	10	0	0	189	2	14
M	8.000	133	4	0	0	137		15
M	10.000	4	0	0	0	4		16
M	12.000	23	0	0	0	23		17
M	16.000	2	0	0	0	2		18
Total Utility		31,279	307	28	0	31,558	63	

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	27,059	499	543	0	27,015	538	1
0.750	2,706	430	39	0	3,097	29	2
1.000	843	70	24	0	889	20	3
1.250	3	0	0	0	3	0	4
1.500	505	31	15	0	521	12	5
2.000	439	36	10	0	465	7	6
3.000	104	4	5	0	103	8	7
4.000	56	4	5	0	55	3	8
6.000	27	0	3	0	24	1	9
8.000	4	0	0	0	4	0	10
10.000	10	0	0	0	10	0	11
12.000	4	0	0	0	4	0	12
Total:	31,760	1,074	644	0	32,190	618	

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	25,139	1,432	47	9	0	388	27,015	1
0.750	2,543	309	29	3	0	213	3,097	2
1.000	360	405	62	14	2	46	889	3
1.250	0	2	0	1	0	0	3	4
1.500	31	411	41	20	0	18	521	5
2.000	6	347	66	26	2	18	465	6
3.000	0	54	23	26	0	0	103	7
4.000	0	14	20	21	0	0	55	8
6.000	0	5	9	8	2	0	24	9
8.000	0	1	2	0	1	0	4	10
10.000	0	0	3	0	7	0	10	11
12.000	0	1	1	0	2	0	4	12
Total:	28,079	2,981	303	128	16	683	32,190	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

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

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	1,048	84	1		1,131	1
Within Municipality	1,934	18	15		1,937	2
Total Fire Hydrants	2,982	102	16	0	3,068	
Flushing Hydrants						
	310		2		308	3
Total Flushing Hydrants	310	0	2	0	308	

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: 349
 Number of distribution system valves end of year: 5,944
 Number of distribution valves operated during year: 1,405

WATER OPERATING SECTION FOOTNOTES

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

Please explain amounts in Account 474 in excess of \$10,000, including like items grouped. Please provide, for example, a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

The return on net investment in meters charged to our wastewater utility is calculated by finding the net average meters on the water utility's books, times the allowed PSC rate of return, and then times the percent share of meters used by the wastewater utility. In this case amounting to \$85,924.

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 15%, but not less \$10,000, please explain.

Acct. (928) Regulatory Commission Expenses include only expenses charged by the PSC and our Rate Consultant for Rate Case Work. In early 2004 a rate case was approved in April that was nearly contested, and in late 2004 a new rate case was submitted which due to a new retail water agreement has involved much more work. Total expenses in 2004 \$ 31,293

Acct. (904) Uncollectible Accounts. In 2003 the auditors suggested we lower the allowance for uncollectible accounts to \$35,000, than in 2004 they suggested we increase the allowance to \$80,000. This allowance is mainly used to write off damages to hydrants and water taps for contractors. With our City Attorney helping in collection efforts, I don't expect to write off much.

Acct. (923) Outside Services Employed. The expenditures between 2003 and 2004 decreased significantly due to the new water retail agreement being signed in May of 2004. The Utility had hired consultants and legal experts to draft and negotiate an agreement in 2003 with it finally being signed in 2004.

Acct. (652) Maint. of Water Treat. Equip. This increase is due to our own staff spending more time maintaining this equipment. Our employees code time cards based on the areas they work in. One employee who previously worked in our meter dept. was also moved to the maintenance dept.

Acct. (664) Customer Installations This increase is due to our own staff spending more time installing new customers in the many new developments in our area.

Acct. (665) Misc. Expenses Maps & Records. This account is a salary account used by our engineers who are working on our distribution system. With the maps being converted to a GIS system, our staff has been putting in more hours in this area.

Acct. (631) Pumping Maint. This increase is due to our own staff spending more time maintaining the pumps than the year before. One employee who previously worked in our meter dept. was also moved to the maintenance dept.

Acct. (676) Maint. of Meters This account decreased due to our Badger Meter Access Plus system working much better than in previous years. Most problems with this system require a specialized telephone consultant to be called in to solve problems. There were less problems in 2004 compared to 2003.

Acct. (924) Property Insurance Due to new buildings being added such as the new engine generator building, our insurance cost have risen. This will continue to rise as the new membrane building will be added in 2005.

WATER OPERATING SECTION FOOTNOTES

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 \$100,000, please explain.
If applicable, provide construction authorization.**

Acct. (396) Power Operated Equipment In 2004 the Utility replaced it's old Case 621 front end loader with a new one costing \$ 108,450.

Acct. (332) Water Treatment Equip. Some of the new major equipment added in 2004 include six auto chlorine valves for \$34,200, flocculators for our basins #4 & #5 \$26,250, boiler conversion to accept fuel oil as well as natrual gas \$39,679, and intruder chemical mixer for \$ 9,650.

Acct. (340) Land and Land Rights In 2004 the Utility purchased 50 acres of farm land for \$1,600,000. An estimated 15 acres of the 50 will be used to construct a new booster station. The remaining estimated 35 acres will be sold. 56.64% or \$272,068 of the estimated 15 acres is to be paid by the new connection charge and was placed in contributed land.

Acct. (331) Structures and Improv. Major items added in 2004 include new roof on the filter plant for \$240,098, private storm & sewer lines at the plant for \$150,616, Munters industrial dehumidifiers for \$56,100, and insulation of a 30" raw water line for \$33,955.

If Retirements for Accounts OTHER than 316, 343, 345, 346 or 348 exceed \$100,000, please explain.

Acct. (391.1) Computer Equipment In 2004 the Utility updated it's computer network system which included wireless connections, new server & hardware, switches, and software. The old network installed in 1996 for \$ 123,054 was replaced and taken off the books. Also some upgrading to the old network amounting to \$41,312 done in 1999 was also removed from the books.

If Adjustments for any account are nonzero, please explain.

Acct. (323) Other Power Production Equip. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the engine generators placed on the books in 2003 will be paid for by these new connection charges over time. This 26.17% or \$446,687 is being moved from utility plant to contributed plant.

Acct. (325) Electric Pumping Equip. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the low lift pump project placed on the books in 2002 will be paid for by these new connection charges over time. This 26.17% or \$550,216 is being moved from utility plant to contributed plant.

Acct. (331) Structures & Improv. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the engine generator building placed on the books in 2003 will be paid for by these new connection charges over time. This 26.17% or \$1,243,996 is being moved from utility plant to contributed plant.

WATER OPERATING SECTION FOOTNOTES

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

If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$100,000, please explain.

Acct. (340) Land and Land Rights In 2004 the Utility purchased 50 acres of farm land for \$1,600,000. An estimated 15 acres of the 50 will be used to construct a new booster station. The remaining estimated 35 acres will be sold. 56.64% or \$272,068 of the estimated 15 acres is to be paid by the new connection charge and was placed in contributed land. Also additional land was purchased for \$266,093 for a second booster station on HWY 20. 100% of this land and construction of the booster station will be paid for by the new connection charges over time.

If Adjustments for any account are nonzero, please explain.

Acct. (323) Other Power Production Equip. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the engine generators placed on the books in 2003 will be paid for by these new connection charges over time. This 26.17% or \$446,687 is being moved from utility plant to contributed plant.

Acct. (325) Electric Pumping Equip. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the low lift pump project placed on the books in 2002 will be paid for by these new connection charges over time. This 26.17% or \$550,216 is being moved from utility plant to contributed plant.

Acct. (331) Structures & Improv. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the engine generator building placed on the books in 2003 will be paid for by these new connection charges over time. This 26.17% or \$1,243,996 is being moved from utility plant to contributed plant.

WATER OPERATING SECTION FOOTNOTES

Accumulated Provision for Depreciation - Water --Plant Financed by Utility or Municipality-- (Page W-12)

If Adjustments for any account are nonzero, please explain.

Acct. (323) Other Power Production Equip. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the engine generators placed on the books in 2003 will be paid for by these new connection charges over time. \$19,654 of depreciation expense from 2003 is being moved from Utility to contributed.

Acct. (313) Lake, River and Other Intakes The PSC issued a supplemental decision dated 9/9/2004 on 05-US-105 reclassifying depreciation associated with contributed plant from the historical reserve to a deferred regulatory liability account. This required a \$49,030 adjustment in this account.

Acct. (345) Services The PSC issued a supplemental decision dated 9/9/2004 on 05-US-105 reclassifying depreciation associated with contributed plant from the historical reserve to a deferred regulatory liability account. This required a \$175,979 adjustment in this account.

Acct. (343) Mains The PSC issued a supplemental decision dated 9/9/2004 on 05-US-105 reclassifying depreciation associated with contributed plant from the historical reserve to a deferred regulatory liability account. This required a \$2,771,891 adjustment in this account.

Acct. (348) Hydrants The PSC issued a supplemental decision dated 9/9/2004 on 05-US-105 reclassifying depreciation associated with contributed plant from the historical reserve to a deferred regulatory liability account. This required a \$218,321 adjustment in this account.

Acct. (325) Electric Pumping Equip. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the low lift pump project placed on the books in 2002 will be paid for by these new connection charges over time. \$36,314 of depreciation expense from 2002 & 2003 is being moved from Utility to contributed.

Acct. (331) Structures & Improv. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the engine generator building placed on the books in 2003 will be paid for by these new connection charges over time. \$31,100 of depreciation expense from 2003 is being moved from Utility to contributed. Also, the PSC issued a supplemental decision dated 9/9/2004 on 05-US-105 reclassifying depreciation associated with contributed plant from the historical reserve to a deferred regulatory liability account. This required a \$52,135 adjustment in this account.

WATER OPERATING SECTION FOOTNOTES

Accumulated Provision for Depreciation - Water --Plant Financed by Contributions-- (Page W-14)

If Adjustments for any account are nonzero, please explain.

Acct. (323) Other Power Production Equip. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the engine generators placed on the books in 2003 will be paid for by these new connection charges over time. \$19,654 of depreciation expense from 2003 is being moved from Utility to contributed.

Acct. (325) Electric Pumping Equip. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the low lift pump project placed on the books in 2002 will be paid for by these new connection charges over time. \$36,314 of depreciation expense from 2002 & 2003 is being moved from Utility to contributed.

Acct. (331) Structures & Improv. In 2004 the Utility signed a new retail water agreement that has a connection charge for new development that pays for projects that have or will be built for future growth. 26.17% of the engine generator building placed on the books in 2003 will be paid for by these new connection charges over time. \$31,100 of depreciation expense from 2003 is being moved from Utility to contributed.

Water Mains (Page W-21)

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

Water mains added during the year were part of the water utility's capital improvement program with financing from current year revenue, prior year surplus, or long term debt. Water mains added also include mains installed and financed by developers, who turn them over as contributions-on-aid.

Water Services (Page W-22)

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

The majority of additional services were installed and financed by developers, who then turned them over as contributions-in-aid. Our cost basis for these services is an estimate based on our cost to install a particular size service for a particular year. For the few that are not handled as above, the property owner is invoiced directly for actual cost.

Meters (Page W-23)

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

Our Utility just went to the twenty year replacement cycle a few years ago. We were at a 7 to 10 year replacement cycle. Therefore we have a very small amount that are even older than 1/1/1990 or 15 years. Actually only 70 out of the 31,507 in service or .23% are older than 15 years. 2010 will be the first year in which many meters will reach the 20 year life.

If 2-inch or greater meters are reported as residential, please explain.

There are a few homes in Racine that are very large and have elaborate lawn sprinkling systems that require a larger meter and service than most residential residence.

WATER OPERATING SECTION FOOTNOTES

Meters (Page W-23)

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, our five station meters are maintained and calibrated once every year.
