



3015 (02-02-05)

ANNUAL REPORT

OF

Name: BAYFIELD WATER AND SEWER UTILITY

Principal Office: 125 SOUTH FIRST STREET
P.O. BOX 1170
BAYFIELD, WI 54814-1170

For the Year Ended: DECEMBER 31, 2005

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

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

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

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: BAYFIELD WATER AND SEWER UTILITY

Utility Address: 125 SOUTH FIRST STREET

P.O. BOX 1170

BAYFIELD, WI 54814-1170

When was utility organized? 1/1/1981

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: LINDA M GOODLET

Title: TREASURER

Office Address:

CITY OF BAYFIELD

P.O. BOX 1170

BAYFIELD, WI 54814

Telephone: (715) 779 - 5712

Fax Number: (715) 779 - 5094

E-mail Address: citytreasurer@charter.net

Utility employee in charge of correspondence concerning this report:

Name: MR DON THOMAS

Title: WATER/SEWER OPERATOR

Office Address:

125 SOUTH FIRST STREET

P.O. BOX 1170

BAYFIELD, WI 54814

Telephone: (715) 779 - 5731

Fax Number: (715) 779 - 5094

E-mail Address: CITYWS@CHARTER.NET

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

Name: MARK A VAN VLACK

Title: CPA

Office Address: MAITLAND, SINGLER & VAN VLACK

306 W 3RD ST

ASHLAND, WI 54806

Telephone: (715) 682 - 5544

Fax Number: (715) 682 - 5545

E-mail Address: mvanvlack@ncis.net

IDENTIFICATION AND OWNERSHIP

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

Name: ERIC FREDENBERG

Title: CHAIRMAN

Office Address:

239 S 11TH ST
BAYFIELD, WI 54814

Telephone: (715) 779 - 5752

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

Fax Number:

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

Name: MARK A VAN VLACK

Title: CPA

Office Address: MAITLAND, SINGLER & VAN VLACK SC

306 W 3RD ST
ASHLAND, WI 54806

Telephone: (715) 682 - 5544

Fax Number: (715) 682 - 5545

E-mail Address: mvanvlack@ncis.net

Date of most recent audit report: 5/4/2005

Period covered by most recent audit:

Names and titles of utility management including manager or superintendent:

Name: BILLIE L HOOPMAN

Title: CLERK

Office Address:

CITY OF BAYFIELD
P.O. BOX 1170
BAYFIELD, WI 54814

Telephone: (715) 779 - 5712

Fax Number: (715) 779 - 5094

E-mail Address: CITYCLERK@CHARTER.NET

Name: DON THOMAS

Title: WATER/SEWER OPERATOR

Office Address:

CITY OF BAYFIELD
P.O. BOX 1170
BAYFIELD, WI 54814

Telephone: (715) 779 - 5731

Fax Number: (715) 779 - 5094

E-mail Address: CITYWS@CHARTER.NET

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: MR TOM KOVACHEVICH

Title: PUBLIC WORKS DIRECTOR

Office Address:

CITY OF BAYFIELD
P.O. BOX 1170
BAYFIELD, WI 54814

Telephone: (715) 779 - 5731

Name of utility commission/committee: CITY OF BAYFIELD PUBLIC WORKS COMMITTEE

Names of members of utility commission/committee:

- MR DONALD ALBRECHT
- MR ERIC FREDENBERG
- MR VINCENT KELLY
- MR GREGORY KINNEY
- MR CLIFTON TRUED

Is sewer service rendered by the utility? YES

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

Date of Ordinance:

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)	213,717	207,998	1
Operating Expenses:			
Operation and Maintenance Expense (401)	99,610	75,508	2
Depreciation Expense (403)	26,831	25,907	3
Amortization Expense (404)	0	0	4
Taxes (408)	53,677	53,348	5
Total Operating Expenses	180,118	154,763	
Net Operating Income	33,599	53,235	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	33,599	53,235	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	14,101	6,551	9
Miscellaneous Nonoperating Income (421)	323,102	9,554	10
Total Other Income	337,203	16,105	
Total Income	370,802	69,340	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(11,797)	(11,797)	11
Other Income Deductions (426)	23,548	22,682	12
Total Miscellaneous Income Deductions	11,751	10,885	
Income Before Interest Charges	359,051	58,455	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	40,312	41,917	13
Amortization of Debt Discount and Expense (428)	300	300	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	40,612	42,217	
Net Income	318,439	16,238	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	946,793	501,442	19
Balance Transferred from Income (433)	318,439	16,238	20
Miscellaneous Credits to Surplus (434)	0	666,456	21
Miscellaneous Debits to Surplus--Debit (435)	0	235,936	22
Appropriations of Surplus--Debit (436)	114,913	1,407	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	1,150,319	946,793	

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	213,717		213,717	1
Total (Acct. 400):	213,717	0	213,717	
Operation and Maintenance Expense (401):				
Derived	99,610		99,610	2
Total (Acct. 401):	99,610	0	99,610	
Depreciation Expense (403):				
Derived	26,831		26,831	3
Total (Acct. 403):	26,831	0	26,831	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	53,677		53,677	5
Total (Acct. 408):	53,677	0	53,677	
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:	33,599	0	33,599	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST EARNED	9,260	4,841	14,101	10
Total (Acct. 419):	9,260	4,841	14,101	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		55,458	55,458	11

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NON REGULATED SEWER UTILITY	180,581	87,063	267,644 12
Total (Acct. 421):	180,581	142,521	323,102
TOTAL OTHER INCOME:	189,841	147,362	337,203

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(11,797)	[REDACTED]	(11,797) 13
NONE	0	0	0 14
Total (Acct. 425):	(11,797)	0	(11,797)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	23,548	23,548 15
NONE	0	0	0 16
Total (Acct. 426):	0	23,548	23,548
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(11,797)	23,548	11,751

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	40,312	[REDACTED]	40,312 17
Total (Acct. 427):	40,312	0	40,312
Amortization of Debt Discount and Expense (428):			
2001 WATER & SEWER REVENUE REFUNDING BONDS	300	[REDACTED]	300 18
Total (Acct. 428):	300	0	300
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	[REDACTED]	0 20
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0	[REDACTED]	0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	40,612	0	40,612
NET INCOME:	194,625	123,814	318,439
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	101,620	845,173	946,793 23
Total (Acct. 216):	101,620	845,173	946,793
Balance Transferred from Income (433):			
Derived	194,625	123,814	318,439 24
Total (Acct. 433):	194,625	123,814	318,439
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 25
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215	114,913		114,913 27
Total (Acct. 436)--Debit:	114,913	0	114,913
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	181,332	968,987	1,150,319

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				0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold	0				0	2
Payroll	0				0	3
Materials	0				0	4
Taxes	0				0	5
Other (list by major classes):						
NONE	0				0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	213,717	0	0	0	213,717	1
Less: interdepartmental sales	0	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	0	0	0	0	0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE	0	0	0	0	0	6
Revenues subject to Wisconsin Remainder Assessment	213,717	0	0	0	213,717	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	2,119,324	2,046,792	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	629,810	579,693	2
Net Utility Plant	1,489,514	1,467,099	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	3,946,898	2,360,979	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	866,724	818,520	4
Net Nonutility Property	3,080,174	1,542,459	
Investment in Municipality (123)	0	0	5
Other Investments (124)	168,135	99,084	6
Special Funds (125)	237,821	122,908	7
Total Other Property and Investments	3,486,130	1,764,451	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	210,470	37,686	8
Temporary Cash Investments (132)	0		9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	10,656	6,923	11
Other Accounts Receivable (143)	24,875	30,525	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	0	14
Materials and Supplies (150)	38,916	41,702	15
Prepayments (165)	675	1,469	16
Other Current and Accrued Assets (170)	1,962		17
Total Current and Accrued Assets	287,554	118,305	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	6,825	7,125	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	6,825	7,125	
Total Assets and Other Debits	5,270,023	3,356,980	

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)	643,826	643,826	21
Appropriated Earned Surplus (215)	237,821	122,908	22
Unappropriated Earned Surplus (216)	1,150,319	946,793	23
Total Proprietary Capital	2,031,966	1,713,527	
LONG-TERM DEBT			
Bonds (221)	2,879,367	822,641	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	34,208	40,580	26
Total Long-Term Debt	2,913,575	863,221	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	48,015	67,284	28
Payables to Municipality (233)	75	429,612	29
Customer Deposits (235)	0	0	30
Taxes Accrued (236)	51,161	51,161	31
Interest Accrued (237)	7,743	8,036	32
Other Current and Accrued Liabilities (238)	858	0	33
Total Current and Accrued Liabilities	107,852	556,093	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)	4,288	0	35
Other Deferred Credits (253)	212,342	224,139	36
Total Deferred Credits	216,630	224,139	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)	0	0	37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	5,270,023	3,356,980	

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	2,046,792	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	1,142,091	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	977,233	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	2,119,324	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	341,668	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	288,142	0	0	0	12
Total Accumulated Provision	629,810	0	0	0	
Net Utility Plant	1,489,514	0	0	0	

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	315,099				315,099	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	26,831				26,831	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,281				1,281	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	28,112	0	0	0	28,112	16
Debits during year						17
Book cost of plant retired	1,543				1,543	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	1,543	0	0	0	1,543	25
Balance end of year (110.1)	341,668	0	0	0	341,668	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	2.48%					28

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	264,594				264,594	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	23,548				23,548	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	23,548	0	0	0	23,548	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	288,142	0	0	0	288,142	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	2.48%					28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	2,360,979	1,797,052	211,133	3,946,898	1
Other (specify):					
NONE	0	0	0	0	2
Total Nonutility Property (121)	2,360,979	1,797,052	211,133	3,946,898	
Less accum. prov. depr. & amort. (122)	818,520	48,204	0	866,724	3
Net Nonutility Property	1,542,459	1,748,848	211,133	3,080,174	

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

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

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	30,547	30,975	2
Sewer utility	8,369	10,727	3
Gas utility	0	0	4
Merchandise	0	0	5
Other materials & supplies	0	0	6
Total Materials and Supplies	38,916	41,702	

**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)				
2001 WATER & SEWER REVENUE REFUNDING BONDS	300	428	6,825	1
Total			<u><u>6,825</u></u>	
Unamortized premium on debt (251)				
NONE	0		0	2
Total			<u><u>0</u></u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	643,826	1
Changes during year (explain):		
NONE	0	2
Balance end of year	<u><u>643,826</u></u>	

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
RURAL SERVICES WATER SYSTEM	01/01/1992	01/01/2032	5.88%	158,500	1
2001 WATER & SEWER REFUNDING BONDS	03/16/2001	09/01/2020	5.00%	455,000	2
CLEAN WATER FUND BONDS	06/13/2001	05/01/2021	2.75%	177,977	3
2005 WATER & SEWER REVENUE BONDS	02/23/2005	05/01/2024	0.00%	2,087,890	4
Total Bonds (Account 221):				2,879,367	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
WATER & SEWER ASSESSMENT	06/08/2001	12/01/2010	5.68%	34,208	1
Total for Account 224				34,208	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	51,161	1
Accruals:		
Charged water department expense	53,677	2
Charged electric department expense	0	3
Charged sewer department expense	5,333	4
Other (explain):		
NONE	0	5
Total Accruals and other credits	59,010	
Taxes paid during year:		
County, state and local taxes	0	6
Social Security taxes	7,666	7
PSC Remainder Assessment	183	8
Other (explain):		
TAX EQUIVALENT	51,161	9
Total payments and other debits	59,010	
Balance end of year	51,161	

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)					
2005 WATER & SEWER REVENUE BONDS	0	0	0	0	1
RURAL SERVICES	0	9,183	9,183	0	2
2001 WATER & SEWER REFUNDING BONDS	8,036	23,815	24,108	7,743	3
2001 CLEAN WATER FUND BONDS	0	5,015	5,015	0	4
Subtotal	8,036	38,013	38,306	7,743	
Advances from Municipality (223)					
NONE	0			0	5
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
WATER & SEWER ASSESSMENT NOTE PAYABLE	0	2,299	2,299	0	6
Subtotal	0	2,299	2,299	0	
Notes Payable (231)					
NONE	0			0	7
Subtotal	0	0	0	0	
Total	8,036	40,312	40,605	7,743	

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	0	1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENT RECEIVABLE - SEWER	8,681	2
SPECIAL ASSESSMENTS RECEIVABLE	159,454	3
Total (Acct. 124):	168,135	
Special Funds (125):		
VARIOUS FUNDS	237,821	4
Total (Acct. 125):	237,821	
Notes Receivable (141):		
NONE	0	5
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	10,656	6
Electric	0	7
Sewer (Regulated)	0	8
Other (specify):		
NONE	0	9
Total (Acct. 142):	10,656	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	24,875	10
Merchandising, jobbing and contract work	0	11
Other (specify):		
NONE	0	12
Total (Acct. 143):	24,875	
Receivables from Municipality (145):		
NONE	0	13
Total (Acct. 145):	0	
Prepayments (165):		
INSURANCE	675	14
Total (Acct. 165):	675	
Extraordinary Property Losses (182):		
NONE	0	15
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
NONE	0	16
Total (Acct. 183):	0	
Payables to Municipality (233):		
MISCELLANEOUS	75	17
Total (Acct. 233):	75	
Other Deferred Credits (253):		
Regulatory Liability	212,342	18
NONE	0	19
Total (Acct. 253):	212,342	

RETURN ON RATE BASE COMPUTATION

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

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	1,133,553	0	0	0	1,133,553	1
Materials and Supplies	30,761	0	0	0	30,761	2
Other (specify):						
NONE	0	0	0	0	0	3
Less Average:						
Reserve for Depreciation (110.1)	328,383	0	0	0	328,383	4
Customer Advances for Construction	4,288	0	0	0	4,288	5
Regulatory Liability	218,240	0	0	0	218,240	6
NONE	0	0	0	0	0	7
Average Net Rate Base	613,403	0	0	0	613,403	
Net Operating Income	33,599	0	0	0	33,599	8
Net Operating Income as a percent of						
Average Net Rate Base	5.48%	N/A	N/A	N/A	5.48%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

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

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

Industry (a)	FTE (b)	
Water	1.5	1
Electric		2
Gas		3
Sewer		4

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year	224,139	0	0	0	224,139	1
Add credits during year:						
NONE	0	0	0	0	0	2
Deduct charges:						
Miscellaneous Amortization (425)	11,797	0	0	0	11,797	3
Other (specify):						
NONE	0	0	0	0	0	4
Balance End of Year	212,342	0	0	0	212,342	

FINANCIAL SECTION FOOTNOTES

Bonds (Acct. 221) (Page F-14)

General footnotes

BOND ISSUED IN 2005 IS 0% INTEREST

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

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

DONE

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	208,884	205,156	1
Total Sales of Water	208,884	205,156	
Other Operating Revenues			
Forfeited Discounts (470)	414	358	2
Other Water Revenues (474)	4,419	2,484	3
Total Other Operating Revenues	4,833	2,842	
Total Operating Revenues	213,717	207,998	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	66,846	43,692	4
General Operating Expenses (680-690)	32,764	31,816	5
Total Operation and Maintenance Expenses	99,610	75,508	
Other Operating Expenses			
Depreciation Expense (403)	26,831	25,907	6
Amortization Expense (404)	0	0	7
Taxes (408)	53,677	53,348	8
Total Other Operating Expenses	80,508	79,255	
Total Operating Expenses	180,118	154,763	
NET OPERATING INCOME	33,599	53,235	

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	300	10,202	72,125	4
Commercial	134	10,978	55,721	5
Industrial				6
Total Metered Sales to General Customers (461)	434	21,180	127,846	
Private Fire Protection Service (462)	3		1,170	7
Public Fire Protection Service (463)	1		59,933	8
Other Sales to Public Authorities (464)	28	4,828	19,935	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	466	26,008	208,884	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

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

NONE

OTHER OPERATING REVENUES (WATER)

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

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	59,933	1
Wholesale fire protection billed	0	2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)	0	3
Other (specify):		
NONE	0	4
Total Public Fire Protection Service (463)	59,933	
Forfeited Discounts (470):		
Customer late payment charges	414	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	414	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,027	7
Other (specify):		
WATER TURN ON CHARGES, PARTS SALES & MISCELLANEOUS	1,262	8
ADMINISTRATIVE COSTS RECOVERED ON NEW CUSTOMER SERVICES & MAINS	2,130	9
Total Other Water Revenues (474)	4,419	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	23,362	21,283	1
Purchased Water (610)	0	0	2
Fuel or Power Purchased for Pumping (620)	6,251	6,058	3
Chemicals (630)	0	0	4
Supplies and Expenses (640)	4,622	4,271	5
Repairs of Water Plant (650)	16,289	3,592	6
Transportation Expenses (660)	16,322	8,488	7
Total Plant Operation and Maintenance Expenses	66,846	43,692	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	9,142	8,506	8
Office Supplies and Expenses (681)	4,432	5,433	9
Outside Services Employed (682)	5,143	3,251	10
Insurance Expense (684)	6,418	4,585	11
Employees Pensions and Benefits (686)	5,768	7,097	12
Regulatory Commission Expenses (688)	796	2,184	13
Miscellaneous General Expenses (689)	1,065	760	14
Uncollectible Accounts (690)	0	0	15
Total General Operating Expenses	32,764	31,816	
Total Operation and Maintenance Expenses	99,610	75,508	

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		51,161	51,161	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		307	323	2
Net property tax equivalent		50,854	50,838	
Social Security	LABOR	2,640	2,279	3
PSC Remainder Assessment		183	231	4
Other (specify): NONE			0	5
Total tax expense		53,677	53,348	

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			Bayfield				1
SUMMARY OF TAX RATES							
State tax rate	mills		0.272737				2
County tax rate	mills		4.940129				3
Local tax rate	mills		7.776625				4
School tax rate	mills		11.094643				5
Voc. school tax rate	mills		1.500045				6
Other tax rate - Local	mills		0.000000				7
Other tax rate - Non-Local	mills		0.000000				8
Total tax rate	mills		25.584179				9
Less: state credit	mills		1.309325				10
Net tax rate	mills		24.274854				11
PROPERTY TAX EQUIVALENT CALCULATION							
Local Tax Rate	mills		7.776625				12
Combined School Tax Rate	mills		12.594688				13
Other Tax Rate - Local	mills		0.000000				14
Total Local & School Tax	mills		20.371313				15
Total Tax Rate	mills		25.584179				16
Ratio of Local and School Tax to Total	dec.		0.796247				17
Total tax net of state credit	mills		24.274854				18
Net Local and School Tax Rate	mills		19.328768				19
Utility Plant, Jan. 1	\$	2,046,792	2,046,792				20
Materials & Supplies	\$	30,975	30,975				21
Subtotal	\$	2,077,767	2,077,767				22
Less: Plant Outside Limits	\$	0	0				23
Taxable Assets	\$	2,077,767	2,077,767				24
Assessment Ratio	dec.		0.687800				25
Assessed Value	\$	1,429,088	1,429,088				26
Net Local & School Rate	mills		19.328768				27
Tax Equiv. Computed for Current Year	\$	27,623	27,623				28
Tax Equivalent per 1994 PSC Report	\$	51,161					29
Any lower tax equivalent as authorized by municipality (see note 6)	\$						30
Tax equiv. for current year (see note 6)	\$	51,161					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 \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	301,159		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	301,159	0	
PUMPING PLANT			
Land and Land Rights (320)	100		12
Structures and Improvements (321)	316,613		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	125,977		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	11,443		20
Total Pumping Plant	454,133	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	409		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	409	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			301,159 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	301,159
PUMPING PLANT			
Land and Land Rights (320)			100 12
Structures and Improvements (321)			316,613 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			125,977 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			11,443 20
Total Pumping Plant	0	0	454,133
WATER TREATMENT PLANT			
Land and Land Rights (330)			409 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	409

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	104,473		26
Transmission and Distribution Mains (343)	102,301		27
Fire Mains (344)	0		28
Services (345)	26,988		29
Meters (346)	46,120	2,454	30
Hydrants (348)	10,761		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	290,643	2,454	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	44,132		34
Office Furniture and Equipment (372)	2,063		35
Computer Equipment (372.1)	2,048		36
Transportation Equipment (373)	15,585	14,673	37
Other General Equipment (379)	14,844	1,491	38
Other Tangible Property (390)	0		39
Total General Plant	78,672	16,164	
Total utility plant in service directly assignable	1,125,016	18,618	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,125,016	18,618	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			104,473 26
Transmission and Distribution Mains (343)			102,301 27
Fire Mains (344)			0 28
Services (345)			26,988 29
Meters (346)	1,543		47,031 30
Hydrants (348)			10,761 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	1,543	0	291,554
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			44,132 34
Office Furniture and Equipment (372)			2,063 35
Computer Equipment (372.1)			2,048 36
Transportation Equipment (373)			30,258 37
Other General Equipment (379)			16,335 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	94,836
Total utility plant in service directly assignable	1,543	0	1,142,091
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	1,543	0	1,142,091

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

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

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

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			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	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	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	0		26
Transmission and Distribution Mains (343)	633,186	28,614	27
Fire Mains (344)	0		28
Services (345)	220,742	16,459	29
Meters (346)	0		30
Hydrants (348)	67,848	10,384	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	921,776	55,457	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	921,776	55,457	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	921,776	55,457	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)			661,800 27
Fire Mains (344)			0 28
Services (345)			237,201 29
Meters (346)			0 30
Hydrants (348)			78,232 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	977,233
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	977,233
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	977,233

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			3,941	3,941	1
February			3,311	3,311	2
March			3,197	3,197	3
April			3,292	3,292	4
May			3,818	3,818	5
June			4,551	4,551	6
July			5,717	5,717	7
August			5,272	5,272	8
September			4,198	4,198	9
October			3,710	3,710	10
November			2,414	2,414	11
December			2,562	2,562	12
Total annual pumpage	0	0	45,983	45,983	
Less: Water sold				26,008	13
Volume pumped but not sold				19,975	14
Volume sold as a percent of volume pumped				57%	15
Volume used for water production, water quality and system maintenance				315	16
Volume related to equipment/system malfunction				9,835	17
Non-utility volume NOT included in water sales				80	18
Total volume not sold but accounted for				10,230	19
Volume pumped but unaccounted for				9,745	20
Percent of water lost				21%	21
If more than 25%, indicate causes:					22
If more than 25%, state what action has been taken to reduce water loss:					23
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				186	24
Date of maximum: 6/13/2005					25
Cause of maximum:					26
HIGH SEASONAL USE					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				32	27
Date of minimum: 1/18/2005					28
Total KWH used for pumping for the year				67,873	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
1100 MANYPENNY AVENUE	3	710	12	796,000	Yes	1
NORTH 6TH ST & SWEENY	4	800	12	720,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	3	4		1
Location	1100 MANYPENNY AVENUE NORTH 6TH ST & SWEENY			2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	BRYON JOHNSON	NONE		5
Year Installed	1982	1993		6
Type	CENTRIFUGAL	CENTRIFUGAL		7
Actual Capacity (gpm)	553	560		8
Pump Motor or Standby Engine Mfr	US MOTORS	GE		10
Year Installed	1982	1993		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	40	50		13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1	2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	R	3
Year constructed	1950	1982	4
Primary material (earthen, steel, concrete, other)	CONCRETE	CONCRETE	5
Elevation difference in feet (See Headnote 3.)	290	290	6
Total capacity in gallons (actual)	160,000	47,000	7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	0.500	325	0	0	0	325	1
M	D	0.750	1,430	0	0	0	1,430	2
M	D	1.000	1,660	0	0	0	1,660	3
M	D	1.250	2,800	0	0	0	2,800	4
M	D	1.500	2,150	0	0	0	2,150	5
M	D	2.000	3,850	0	0	0	3,850	6
M	D	2.500	200	0	0	0	200	7
M	D	3.000	2,500	0	0	0	2,500	8
M	D	4.000	9,597	0	0	0	9,597	9
M	D	6.000	22,334	0	0	0	22,334	10
M	D	8.000	4,928	400	0	0	5,328	11
Total Within Municipality			51,774	400	0	0	52,174	
Total Utility			51,774	400	0	0	52,174	

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	0.625	400	1	0	0	401	50	1
M	1.000	50	6	0	0	56	6	2
P	1.000	1	0	0	0	1		3
M	1.250	3	0	0	0	3		4
M	1.500	15	0	0	0	15		5
M	2.000	12	0	0	0	12		6
M	3.000	1	0	0	0	1		7
M	4.000	2	0	0	0	2		8
Total Utility		484	7	0	0	491	56	

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	308	7	8	(10)	297	6	1
0.750	101	4	5	(2)	98	3	2
1.000	46	1	3	3	47	2	3
1.250	5	0	0	0	5	0	4
1.500	15	0	0	0	15	0	5
2.000	11	0	0	2	13	0	6
3.000	1	0	0	0	1	0	7
Total:	487	12	16	(7)	476	11	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	221	62	0	12	0	2	297	1
0.750	62	24	0	6	0	6	98	2
1.000	17	28	0	0	0	2	47	3
1.250	0	5	0	0	0	0	5	4
1.500	0	8	0	6	0	1	15	5
2.000	0	7	0	3	0	3	13	6
3.000	0	0	0	1	0	0	1	7
Total:	300	134	0	28	0	14	476	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

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

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	64	2			66	2
Total Fire Hydrants	64	2	0	0	66	
Flushing Hydrants						
	5				5	3
Total Flushing Hydrants	5	0	0	0	5	

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:	66
Number of distribution system valves end of year:	166
Number of distribution valves operated during year:	83

WATER OPERATING SECTION FOOTNOTES

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

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

DONE

Water Operation & Maintenance Expenses (Page W-05)

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

ACCOUNT 650 & 660 - THE UTILITY SPENT A CONSIDERABLE AMOUNT OF TIME AND EFFORT IN FIXING WATER LEAKS IN 2005. THIS ACCOUNTS FOR THE LARGE INCREASE IN THESE EXPENSE ACCOUNTS COMPARE TO 2005.

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

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

ACCOUNT 373 - THE UTILITY PURCHASED A NEW TRUCK DURING 2005 - COST WAS SPLIT 50-50 WITH THE SEWER UTILITY.

Water Mains (Page W-17)

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

THE UTILITY CHARGED BENEFITING PROPERTY OWNERS FOR THIS WATER MAIN EXTENSION 100% OF THE COST THROUGH A SPECIAL ASSESSMENT.

Water Services (Page W-18)

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

THE UTILITY CHARGED THE ENTIRE COST OF THE SERVICES INSTALLED TO THE CUSTOMER.

Meters (Page W-19)

Explain all reported adjustments.

ADJUST INVENTORY TO ACTUAL ON HAND 12/31/05

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

EACH YEAR THE UTILITY PURCHASES NEW METERS AND REPLACES OLD ONES WITH THOSE NEW METERS.

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.

N/A