



3014 (02-02-05)

ANNUAL REPORT

OF

Name: VILLAGE OF GRAFTON WATER AND WASTEWATER UTILITY

Principal Office: 1900 9TH AVENUE
P.O. BOX 144
GRAFTON, WI 53024

For the Year Ended: DECEMBER 31, 2006

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: VILLAGE OF GRAFTON WATER AND WASTEWATER UTILITY

Utility Address: 1900 9TH AVENUE
P.O. BOX 144
GRAFTON, WI 53024

When was utility organized? 1/1/1932

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MR THOMAS JAMES KRUEGER

Title: UTILITY DIRECTOR

Office Address:

1900 9TH AVENUE
P.O. BOX 144
GRAFTON, WI 53024

Telephone: (262) 375 - 5330

Fax Number: (262) 375 - 6938

E-mail Address: TKRUEGER@VILLAGE.GRAFTON.WI.US

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

Name: DAVID GROTKIN, CPA

Title: PARTNER

Office Address: REILLY, PENNER & BENTON LLP.

1233 N MAYFAIR RD, STE 302
MILWAUKEE, WI 53226

Telephone: (414) 271 - 7800

Fax Number: (414) 271 - 6005

E-mail Address: DGROTKIN@RPBLLP.COM

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

Name: RONALD LAPEAN

Title: CHAIR - BOARD OF PUBLIC WORKS

Office Address:

1971 WASHINGTON ST
P.O. BOX 125
GRAFTON, WI 54166

Telephone: (262) 375 - 5300

Fax Number: (262) 375 - 5304

E-mail Address:

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

Date of most recent audit report: 3/24/2006

Period covered by most recent audit: YEAR ENDED DECEMBER 31, 2005

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: MR THOMAS JAMES KRUEGER

Title: UTILITY DIRECTOR

Office Address:

1900 9TH AVENUE
P.O. BOX 144
GRAFTON, WI 53024

Telephone: (262) 375 - 5330

Fax Number: (262) 375 - 6938

E-mail Address: TKRUEGER@VILLAGE.GRAFTON.WI.US

Name of utility commission/committee: GRAFTON BOARD OF PUBLIC WORKS

Names of members of utility commission/committee:

MR EDWIN DIETRICH, JR
MR DAVID EBERHARDT
MR RONALD LAPEAN
MR RICHARD RIECK
MR DEVORAH RYAN

Is sewer service rendered by the utility? YES

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

Date of Ordinance: 2/16/1959

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)	1,436,178	1,314,684	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	636,563	655,685	2
Depreciation Expense (403)	201,101	192,375	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	214,842	220,371	5
Total Operating Expenses	1,052,506	1,068,431	
Net Operating Income	383,672	246,253	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	383,672	246,253	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	3,240	6,846	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	87,969	45,004	10
Miscellaneous Nonoperating Income (421)	1,543,887	124,044	11
Total Other Income	1,635,096	175,894	
Total Income	2,018,768	422,147	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(56,765)	(56,765)	12
Other Income Deductions (426)	78,865	74,786	13
Total Miscellaneous Income Deductions	22,100	18,021	
Income Before Interest Charges	1,996,668	404,126	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	1,559	0	14
Amortization of Debt Discount and Expense (428)	553	553	15
Amortization of Premium on Debt--Cr. (429)	0	0	16
Interest on Debt to Municipality (430)	104,185	76,408	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0	0	19
Total Interest Charges	106,297	76,961	
Net Income	1,890,371	327,165	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	22,037,082	21,709,917	20
Balance Transferred from Income (433)	1,890,371	327,165	21
Miscellaneous Credits to Surplus (434)	72,632	0	22
Miscellaneous Debits to Surplus--Debit (435)	75,455	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	23,924,630	22,037,082	

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	1,436,178		1,436,178	1
Total (Acct. 400):	1,436,178	0	1,436,178	
Operation and Maintenance Expense (401-402):				
Derived	636,563		636,563	2
Total (Acct. 401-402):	636,563	0	636,563	
Depreciation Expense (403):				
Derived	201,101		201,101	3
Total (Acct. 403):	201,101	0	201,101	
Amortization Expense (404-407):				
Derived	0		0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	214,842		214,842	5
Total (Acct. 408):	214,842	0	214,842	
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):				
NON	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	383,672	0	383,672	

OTHER INCOME

Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	3,240		3,240	8
Total (Acct. 415-416):	3,240	0	3,240	
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):			
INVESTMENT INCOME	87,969	0	87,969 11
Total (Acct. 419):	87,969	0	87,969
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water	[REDACTED]	678,725	678,725 12
NON REGULATED SEWER OPERATING INCOME	82,630	782,532	865,162 13
Total (Acct. 421):	82,630	1,461,257	1,543,887
TOTAL OTHER INCOME:	173,839	1,461,257	1,635,096
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(56,765)	[REDACTED]	(56,765) 14
NONE	0	0	0 15
Total (Acct. 425):	(56,765)	0	(56,765)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	78,865	78,865 16
NONE	0	0	0 17
Total (Acct. 426):	0	78,865	78,865
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(56,765)	78,865	22,100
INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	1,559	[REDACTED]	1,559 18
Total (Acct. 427):	1,559	0	1,559
Amortization of Debt Discount and Expense (428):			
AMORTIZATION OF BOND DISCOUNT AND COSTS	553	[REDACTED]	553 19
Total (Acct. 428):	553	0	553
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 20
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	104,185	[REDACTED]	104,185 21
Total (Acct. 430):	104,185	0	104,185

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):			
NONE	0		0 23
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	106,297	0	106,297
NET INCOME:	507,979	1,382,392	1,890,371
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	8,259,195	13,777,887	22,037,082 24
Total (Acct. 216):	8,259,195	13,777,887	22,037,082
Balance Transferred from Income (433):			
Derived	507,979	1,382,392	1,890,371 25
Total (Acct. 433):	507,979	1,382,392	1,890,371
Miscellaneous Credits to Surplus (434):			
NONE	72,632	0	72,632 26
Total (Acct. 434):	72,632	0	72,632
Miscellaneous Debits to Surplus--Debit (435):			
NONE	75,455	0	75,455 27
Total (Acct. 435)--Debit:	75,455	0	75,455
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):			
NONE	0	0	0 29
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	8,764,351	15,160,279	23,924,630

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)	3,240				3,240	1
Costs & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	3,240	0	0	0	3,240	

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	1,436,178	0	0	0	1,436,178	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					0	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	1,436,178	0	0	0	1,436,178	

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	209,867		209,867	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses	348,294		348,294	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts			0	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			0	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			0	19
Total Payroll	558,161	0	558,161	

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	4.4	1
Electric		2
Gas		3
Sewer	7.2	4

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	15,967,691	14,092,435	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	3,441,026	3,173,297	2
Net Utility Plant	12,526,665	10,919,138	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	20,818,496	19,303,565	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	7,228,531	6,780,143	4
Net Nonutility Property	13,589,965	12,523,422	
Investment in Municipality (123)	0	0	5
Other Investments (124)	939,334	818,772	6
Special Funds (125)	0	0	7
Total Other Property and Investments	14,529,299	13,342,194	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	1,160,921	412,706	8
Temporary Cash Investments (132)	1,510,617	3,780,325	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	231,743	176,666	11
Other Accounts Receivable (143)	347,356	306,466	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	113,272	4,107	14
Materials and Supplies (150)	1,670	1,910	15
Prepayments (165)	11,795	11,112	16
Other Current and Accrued Assets (170)	9,313		17
Total Current and Accrued Assets	3,386,687	4,693,292	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	5,458	6,011	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	5,458	6,011	
Total Assets and Other Debits	30,448,109	28,960,635	

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)	2,744,854	2,744,854	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	23,924,630	22,037,082	23
Total Proprietary Capital	26,669,484	24,781,936	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	2,362,852	2,706,181	25
Other Long-Term Debt (224)	76,778	9,400	26
Total Long-Term Debt	2,439,630	2,715,581	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	212,771	282,211	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)	4,800	4,800	30
Taxes Accrued (236)	(4,973)	(2,193)	31
Interest Accrued (237)	37,175	34,861	32
Other Current and Accrued Liabilities (238)	124,217	121,669	33
Total Current and Accrued Liabilities	373,990	441,348	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	965,005	1,021,770	36
Total Deferred Credits	965,005	1,021,770	
OPERATING RESERVES			
Property Insurance Reserve (261)			37
Injuries and Damages Reserve (262)			38
Pensions and Benefits Reserve (263)			39
Miscellaneous Operating Reserves (265)			40
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	30,448,109	28,960,635	

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	14,092,435	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)	8,591,607	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	6,858,742	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)	517,342				9
Utility Plant Acquisition Adjustments (108)					10
Other Utility Plant Adjustments (109)					11
Total Utility Plant	15,967,691	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)	2,016,344	0	0	0	12
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	1,424,682	0	0	0	13
Total Accumulated Provision	3,441,026	0	0	0	
Net Utility Plant	12,526,665	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)	1,822,863				1,822,863	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	201,101				201,101	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	15,015				15,015	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	216,116	0	0	0	216,116	16
Debits during year						17
Book cost of plant retired	22,635				22,635	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	22,635	0	0	0	22,635	25
Balance end of year (110.1)	2,016,344	0	0	0	2,016,344	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	1,350,434				1,350,434	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	78,865				78,865	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	78,865	0	0	0	78,865	16
Debits during year						17
Book cost of plant retired	4,617				4,617	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	4,617	0	0	0	4,617	25
Balance end of year (110.1)	1,424,682	0	0	0	1,424,682	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	19,293,254	1,152,725	36,136	20,409,843	1
Other (specify):					
CONSTRUCTION WORK IN PROGRESS	10,311	834,504	436,162	408,653	2
Total Nonutility Property (121)	19,303,565	1,987,229	472,298	20,818,496	
Less accum. prov. depr. & amort. (122)	6,780,143	484,524	36,136	7,228,531	3
Net Nonutility Property	12,523,422	1,502,705	436,162	13,589,965	

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

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	1,670	1,910 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	<u>1,670</u>	<u>1,910</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)				
1997 Advance from Municipality	96	428	2,261	1
2002 PROMISSORY NOTES	457	428	3,197	2
Total			5,458	
Unamortized premium on debt (251)				
NONE				3
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	2,744,854	1
Changes during year (explain):		
NONE	0	2
Balance end of year	<u><u>2,744,854</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)
-------------------------------------	------------------------------	------------------------------------	------------------------------	---

NONE

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)					
2002 PROMISSORY NOTE	12/19/2002	12/01/2012	3.61%	433,289	1
2002 STATE TRUST FUND LOAN - PART 1 OF 2	05/22/2002	03/15/2012	5.25%	469,121	2
1997 BOND DEFEASANCE	10/01/1997	10/01/2010	4.66%	304,826	3
2004 STATE TRUST FUND LOAN - PART 1 OF 2	12/02/2004	03/15/2009	3.00%	231,161	4
2004 STATE TRUST FUND LOAN - PART 2 OF 2	07/11/2005	03/15/2010	3.00%	300,453	5
2005 G.O. BONDS	09/01/2005	12/01/2024	4.04%	600,000	6
2002 STATE TRUST FUND LOAN - PART 2 OF 2	10/09/2002	03/15/2012	5.25%	24,002	7
Total for Account 223				2,362,852	
Other Long-Term Debt (224)					
UNFUNDED PENSION LIABILITY LOAN	10/01/2003	03/15/2013	5.25%	67,378	8
1999 TOWER DEBT	10/21/1998	10/21/2008	0.00%	9,400	9
Total for Account 224				76,778	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	(2,193)	1
Accruals:		
Charged water department expense	217,286	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>217,286</u>	
Taxes paid during year:		
County, state and local taxes	203,266	6
Social Security taxes	15,758	7
PSC Remainder Assessment	1,042	8
Other (explain):		
NONE		9
Total payments and other debits	<u>220,066</u>	
Balance end of year	<u><u>(4,973)</u></u>	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
1997 BOND DEFEASANCE	2,948	17,687	20,635	0	2
2002 STATE TRUST FUND LOAN - PART 2 OF 2	1,068	1,297	1,367	998	3
2002 STATE TRUST FUND LOAN - PART 1 OF 2	12,543	26,437	19,482	19,498	4
2002 PROMISSORY NOTE	2,712	17,732	19,142	1,302	5
2004 STATE TRUST FUND LOAN - PART 1 OF 2	10,555	7,359	12,424	5,490	6
2005 G.O. BONDS	5,035	24,166	27,187	2,014	7
2004 STATE TRUST FUND LOAN - PART 2 OF 2		9,507	2,371	7,136	8
Subtotal	34,861	104,185	102,608	36,438	
Other Long-Term Debt (224)					
UNFUNDED PENSION LIABILITY LOAN	0	1,559	822	737	9
Subtotal	0	1,559	822	737	
Notes Payable (231)					
NONE	0			0	10
Subtotal	0	0	0	0	
Total	34,861	105,744	103,430	37,175	

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):		
REPLACEMENT FUNDS	939,334	2
Total (Acct. 124):	939,334	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	231,743	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	231,743	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	328,773	9
Merchandising, jobbing and contract work		10
Other (specify):		
OTHER ACCOUNTS RECEIVALBE	18,583	11
Total (Acct. 143):	347,356	
Receivables from Municipality (145):		
DUE FROM OTHER FUNDS	113,272	12
Total (Acct. 145):	113,272	
Prepayments (165):		
PREPAID EXPENSES	11,795	13
Total (Acct. 165):	11,795	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Payables to Municipality (233):		
NONE		16
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Regulatory Liability	965,005	17
NONE		18
Total (Acct. 253):	965,005	

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)	8,249,703	0	0	0	8,249,703	1
Materials and Supplies	1,790	0	0	0	1,790	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	1,919,603	0	0	0	1,919,603	4
Customer Advances for Construction					0	5
Regulatory Liability	993,387	0	0	0	993,387	6
NONE					0	7
Average Net Rate Base	5,338,503	0	0	0	5,338,503	
Net Operating Income	383,672	0	0	0	383,672	8
Net Operating Income as a percent of						
Average Net Rate Base	7.19%	N/A	N/A	N/A	7.19%	

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	1,021,770	0	0	0	1,021,770	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	56,765	0	0	0	56,765	3
Other (specify):						
NONE					0	4
Balance End of Year	965,005	0	0	0	965,005	

FINANCIAL SECTION FOOTNOTES

Income Statement Account Details (Page F-02)

General footnotes

Account 434 (Miscellaneous Credits to Surplus) - A prior period adjustment was made to accrue unbilled customer consumption into 2005. The Utility has changed its policy will be accruing unbilled activity annually.

Account 435 (Miscellaneous Debits to Surplus) - A prior period adjustment was made to accrue the Utility's portion of the unfunded pension liability debt.

Notes Payable & Miscellaneous Long-Term Debt (Page F-16)

General footnotes

The 1999 debt is for the purchase of the property that water tower #3 is located on. The original land contract based the purchase price on the value of the real estate tax bills over a 10 year period and did not include an interest factor.

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

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$5,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Account 143 (Sewer Non-Regulated) reflects accounts receivable from residential, commercial and industrial users of the sewer system.

Account 143 (Other Accounts Receivable) reflects accounts receivable from the users who haul septage to the system for processing.

Account 145 (Due from Other Funds) reflects amounts due from the tax collection fund for delinquent customers placed on the tax roll. It also contains amounts due from TIF #3 for construction costs that were reallocated during 2006 audit procedures.

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

General footnotes

Independent Auditors' Report
Village of Grafton Water and Wastewater Utility
Grafton, Wisconsin

We have compiled the accompanying Municipal Utility Annual Report for the Village of Grafton Water and Wastewater Utility as of December 31, 2006 in the accompanying prescribed form in accordance with statements on standards for accounting and review services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

Our compilation was limited to presenting in the form prescribed by the Wisconsin Public Service Commission, information that is the representation of management. We have not audited or reviewed the Municipal Utility Report referred to above and, accordingly; do not express an opinion or any other form of assurance on it.

The Municipal Utility Annual Report is presented in accordance with the requirements of the Wisconsin Public Service Commission, which differs from United States generally accepted accounting principles. Accordingly, the Municipal Utility Annual Report is not designed for those who are not informed about such differences.

Reilly, Penner & Benton LLP

April 30, 2007

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	1,353,514	1,230,570	1
Total Sales of Water	1,353,514	1,230,570	
Other Operating Revenues			
Forfeited Discounts (470)	5,669	4,802	2
Miscellaneous Service Revenues (471)	0	0	3
Rents from Water Property (472)	62,954	61,051	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	14,041	18,261	6
Total Other Operating Revenues	82,664	84,114	
Total Operating Revenues	1,436,178	1,314,684	
Operation and Maintenance Expenses			
Source of Supply Expenses (600-605)	11,422	13,845	7
Pumping Expenses (620-625)	149,106	118,544	8
Water Treatment Expenses (630-635)	37,787	35,793	9
Transmission and Distribution Expenses (640-655)	141,566	182,575	10
Customer Accounts Expenses (901-904)	38,092	42,985	11
Sales Expenses (910)	0	0	12
Administrative and General Expenses (920-935)	258,590	261,943	13
Total Operation and Maintenance Expenses	636,563	655,685	
Other Operating Expenses			
Depreciation Expense (403)	201,101	192,375	14
Amortization Expense (404-407)	0	0	15
Taxes (408)	214,842	220,371	16
Total Other Operating Expenses	415,943	412,746	
Total Operating Expenses	1,052,506	1,068,431	
NET OPERATING INCOME	383,672	246,253	

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	40	1,895	4,302	2
Industrial				3
Total Unmetered Sales to General Customers (460)	40	1,895	4,302	
Metered Sales to General Customers (461)				
Residential	4,254	239,290	765,286	4
Commercial	229	66,985	152,034	5
Industrial	69	52,991	110,290	6
Total Metered Sales to General Customers (461)	4,552	359,266	1,027,610	
Private Fire Protection Service (462)	65		28,565	7
Public Fire Protection Service (463)	1		275,642	8
Other Sales to Public Authorities (464)	26	5,652	17,395	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	4,684	366,813	1,353,514	

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)
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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)	275,642	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify): NONE		4
Total Public Fire Protection Service (463)	275,642	
Forfeited Discounts (470):		
Customer late payment charges	5,669	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	5,669	
Miscellaneous Service Revenues (471):		
NONE		7
Total Miscellaneous Service Revenues (471)	0	
Rents from Water Property (472):		
ANTENNA LEASE ON WATER TOWER	62,954	8
Total Rents from Water Property (472)	62,954	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	13,584	10
Other (specify): MISCELLANEOUS		11
Total Other Water Revenues (474)	14,041	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
SOURCE OF SUPPLY EXPENSES			
Operation Labor (600)	11,422	13,845	1
Purchased Water (601)		0	2
Operation Supplies and Expenses (602)		0	3
Maintenance of Water Source Plant (605)		0	4
Total Source of Supply Expenses	11,422	13,845	
PUMPING EXPENSES			
Operation Labor (620)	19,803	26,119	5
Fuel for Power Production (621)		0	6
Fuel or Power Purchased for Pumping (622)	74,333	74,589	7
Operation Supplies and Expenses (623)	2,963	2,935	8
Maintenance of Pumping Plant (625)	52,007	14,901	9
Total Pumping Expenses	149,106	118,544	
WATER TREATMENT EXPENSES			
Operation Labor (630)	13,435	15,538	10
Chemicals (631)	23,007	19,238	11
Operation Supplies and Expenses (632)	612	249	12
Maintenance of Water Treatment Plant (635)	733	768	13
Total Water Treatment Expenses	37,787	35,793	
TRANSMISSION AND DISTRIBUTION EXPENSES			
Operation Labor (640)	21,059	21,858	14
Operation Supplies and Expenses (641)	30,499	47,584	15
Maintenance of Distribution Reservoirs and Standpipes (650)	8,240	4,282	16
Maintenance of Mains (651)	40,351	57,972	17
Maintenance of Services (652)	11,344	18,070	18
Maintenance of Meters (653)	23,532	22,227	19
Maintenance of Hydrants (654)	6,541	10,582	20
Maintenance of Other Plant (655)		0	21
Total Transmission and Distribution Expenses	141,566	182,575	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
CUSTOMER ACCOUNTS EXPENSES			
Meter Reading Labor (901)	5,492	6,367	22
Accounting and Collecting Labor (902)	28,698	33,150	23
Supplies and Expenses (903)	3,902	3,468	24
Uncollectible Accounts (904)		0	25
Total Customer Accounts Expenses	38,092	42,985	
SALES EXPENSES			
Sales Expenses (910)		0	26
Total Sales Expenses	0	0	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (920)	83,097	82,237	27
Office Supplies and Expenses (921)	6,172	8,337	28
Administrative Expenses Transferred--Credit (922)		0	29
Outside Services Employed (923)	57,729	65,607	30
Property Insurance (924)	10,517	9,943	31
Injuries and Damages (925)	4,299	8,739	32
Employee Pensions and Benefits (926)	73,618	65,552	33
Regulatory Commission Expenses (928)	0	1,974	34
Miscellaneous General Expenses (930)	5,509	5,674	35
Transportation Expenses (933)	11,043	9,724	36
Maintenance of General Plant (935)	6,606	4,156	37
Total Administrative and General Expenses	258,590	261,943	
Total Operation and Maintenance Expenses	636,563	655,685	

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	PSC PRESCRIBED FORMULA	205,045	208,932	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department	CALCULATED	4,559	4,167	2
Net property tax equivalent		200,486	204,765	
Social Security	BASED ON ACTUAL PAYROLL	13,314	14,360	3
PSC Remainder Assessment	INVOICE FROM PSC	1,042	1,246	4
Other (specify): NONE			0	5
Total tax expense		214,842	220,371	

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			Ozaukee				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.176240				3
County tax rate	mills		1.696160				4
Local tax rate	mills		6.029820				5
School tax rate	mills		9.350050				6
Voc. school tax rate	mills		1.776700				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		19.028970				10
Less: state credit	mills		1.478640				11
Net tax rate	mills		17.550330				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		6.029820				14
Combined School Tax Rate	mills		11.126750				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		17.156570				17
Total Tax Rate	mills		19.028970				18
Ratio of Local and School Tax to Total	dec.		0.901603				19
Total tax net of state credit	mills		17.550330				20
Net Local and School Tax Rate	mills		15.823424				21
Utility Plant, Jan. 1	\$	14,092,435	14,092,435				22
Materials & Supplies	\$	1,910	1,910				23
Subtotal	\$	14,094,345	14,094,345				24
Less: Plant Outside Limits	\$	1,089,212	1,089,212				25
Taxable Assets	\$	13,005,133	13,005,133				26
Assessment Ratio	dec.		0.996400				27
Assessed Value	\$	12,958,315	12,958,315				28
Net Local & School Rate	mills		15.823424				29
Tax Equiv. Computed for Current Year	\$	205,045	205,045				30
Tax Equivalent per 1994 PSC Report	\$	147,252					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	205,045					34

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 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)	28,994		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)	204,821		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	233,815	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	527,542		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	413,742	2,940	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	941,284	2,940	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	228,438	2,075	22
Water Treatment Equipment (332)	473,099	16,333	23
Total Water Treatment Plant	701,537	18,408	

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)			28,994	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)			204,821	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	233,815	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)	1,725	(817)	525,000	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			416,682	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	1,725	(817)	941,682	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			230,513	22
Water Treatment Equipment (332)	8,500		480,932	23
Total Water Treatment Plant	8,500	0	711,445	

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 \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 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)	13,539		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	276,034		26
Transmission and Distribution Mains (343)	3,504,852	399,044	27
Fire Mains (344)	0		28
Services (345)	774,000	126,833	29
Meters (346)	576,038	50,712	30
Hydrants (348)	402,948	96,887	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	5,547,411	673,476	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	169,734		34
Office Furniture and Equipment (391)	33,404		35
Computer Equipment (391.1)	139,551	3,680	36
Transportation Equipment (392)	70,428	6,877	37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	6,508	971	39
Laboratory Equipment (395)	2,832		40
Power Operated Equipment (396)	2,750		41
Communication Equipment (397)	28,440		42
SCADA Equipment (397.1)	7,655		43
Miscellaneous Equipment (398)	22,451	907	44
Other Tangible Property (399)	0		45
Total General Plant	483,753	12,435	
Total utility plant in service directly assignable	7,907,800	707,259	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	7,907,800	707,259	

**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)			13,539 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			276,034 26
Transmission and Distribution Mains (343)	2,956		3,900,940 27
Fire Mains (344)			0 28
Services (345)	527		900,306 29
Meters (346)	8,722		618,028 30
Hydrants (348)	205		499,630 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	12,410	0	6,208,477
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			169,734 34
Office Furniture and Equipment (391)			33,404 35
Computer Equipment (391.1)			143,231 36
Transportation Equipment (392)			77,305 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			7,479 39
Laboratory Equipment (395)			2,832 40
Power Operated Equipment (396)			2,750 41
Communication Equipment (397)			28,440 42
SCADA Equipment (397.1)			7,655 43
Miscellaneous Equipment (398)			23,358 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	496,188
Total utility plant in service directly assignable	22,635	(817)	8,591,607
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	22,635	(817)	8,591,607

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 \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 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)	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	2,542	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	2,542	
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)			2,542 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	2,542
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 \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 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		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	384,825		26
Transmission and Distribution Mains (343)	4,392,288	494,832	27
Fire Mains (344)	0		28
Services (345)	888,986	99,125	29
Meters (346)	0		30
Hydrants (348)	518,536	82,225	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	6,184,635	676,182	
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	6,184,635	678,724	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	6,184,635	678,724	

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)			384,825 26
Transmission and Distribution Mains (343)	3,762		4,883,358 27
Fire Mains (344)			0 28
Services (345)	594		987,517 29
Meters (346)			0 30
Hydrants (348)	261		600,500 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	4,617	0	6,856,200
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	4,617	0	6,858,742
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	4,617	0	6,858,742

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			39,008	39,008	1
February			36,366	36,366	2
March			41,769	41,769	3
April			37,594	37,594	4
May			38,146	38,146	5
June			42,728	42,728	6
July			50,729	50,729	7
August			41,570	41,570	8
September			36,306	36,306	9
October			34,742	34,742	10
November			32,904	32,904	11
December			33,986	33,986	12
Total annual pumpage	0	0	465,848	465,848	
Less: Water sold				366,813	13
Volume pumped but not sold				99,035	14
Volume sold as a percent of volume pumped				79%	15
Volume used for water production, water quality and system maintenance				8,073	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				8,073	19
Volume pumped but unaccounted for				90,962	20
Percent of water lost				20%	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.)				2,169	24
Date of maximum: 7/16/2006					25
Cause of maximum:					26
Summer sprinkling					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				775	27
Date of minimum: 11/24/2006					28
Total KWH used for pumping for the year				835,574	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)	
WELL #2 - 906 FALLS STREET	2	518	12	468,000	Yes	1
WELL #3 - 1980 WASHINGTON ST.	3	1,100	12	655,200	Yes	2
WELL #4 - 438 9TH AVENUE	4	496	19	402,480	Yes	3
WELL #5 - 1501 1ST AVENUE	5	578	19	816,480	Yes	4
WELL #6 - 215 OAK STREET	6	578	19	1,408,320	Yes	5
WELL #7 - 1473 FALLS ROAD	7	567	15	1,041,120	Yes	6
WELL #1 - 915 NORTH STREET	Abandoned 9/00	0	0	0	No	7

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	WELL #2	WELL #3	WELL #4	1
Location	906 FALLS STREET	1980 WASHINGTON STREET	438 9TH AVENUE	2
Purpose	P	P	P	3
Destination	D	D	T	4
Pump Manufacturer	AMERICAN	LAYNE	LAYNE	5
Year Installed	1997	1996	2004	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	338	428	566	8
Pump Motor or Standby Engine Mfr	U.S. MOTOR	GENERAL ELECTRIC	U.S. MOTOR	9 10
Year Installed	1972	1996	2004	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	40	60	65	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	WELL #4 BOOSTER	WELL #5	WELL #5 BOOSTER	14
Location	438 9TH AVENUE	1501 1ST AVENUE	1501 1ST AVENUE	15
Purpose	B	P	B	16
Destination	D	T	D	17
Pump Manufacturer	LAYNE	LAYNE	LAYNE	18
Year Installed	1991	1991	1991	19
Type	CENTRIFUGAL	VERTICAL TURBINE	CENTRIFUGAL	20
Actual Capacity (gpm)	540	582	600	21
Pump Motor or Standby Engine Mfr	U.S. MOTOR	U.S. MOTOR	GE VALUE LINE MOTOR	22 23
Year Installed	1991	2002	2005	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	40	50	30	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	WELL #6	WELL #7	ZONE TRANSFER STATION	1
Location	215 OAK STREET	1473 FALLS ROAD	915 NORTH STREET	2
Purpose	P	P	P B	3
Destination	D	D	D	4
Pump Manufacturer	LAYNE	LAYNE	AURORA PUMP	5
Year Installed	1974	1993	2001	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	OTHER	7
Actual Capacity (gpm)	983	728	1,000	8
Pump Motor or Standby Engine Mfr	US ELECTRIC MOTOR	GENERAL ELECTRIC	U.S. ELECTRICAL	9 10
Year Installed	2003	1993	2001	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	100	75	20	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22 23
Year Installed				24
Type				25
Horsepower				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	TOWER #1	TOWER #2	TOWER #3	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET	ET	3
Year constructed	1960	1968	1999	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	140	112	120	6
Total capacity in gallons (actual)	200,000	300,000	300,000	7
WATER TREATMENT PLANT				8
Disinfection, type of equipment (gas, liquid, powder, other)				9
Points of application (wellhouse, central facilities, booster station, other)				10
Filters, type (gravity, pressure, other, none)				11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)				12
Is a corrosion control chemical used (yes, no)?				13
Is water fluoridated (yes, no)?				14

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	WELL #4 RESERVOIR	WELL #5 RESERVOIR	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	R	3
Year constructed	1991	1991	4
Primary material (earthen, steel, concrete, other)	CONCRETE	CONCRETE	5
Elevation difference in feet (See Headnote 3.)	0	0	6
Total capacity in gallons (actual)	23,000	23,000	7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID	LIQUID	9
Points of application (wellhouse, central facilities, booster station, other)	BOOSTER STATION	BOOSTER STATION	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.)	0.8060	0.8060	12
Is a corrosion control chemical used (yes, no)?	Y	Y	13
Is water fluoridated (yes, no)?	Y	Y	14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	1,267	0	0	0	1,267	1
M	D	6.000	99,580	0	1,550	0	98,030	2
P	D	6.000	4,264	643	0	0	4,907	3
M	D	8.000	57,992	0	5,049	0	52,943	4
P	D	8.000	86,909	9,331	0	0	96,240	5
M	D	10.000	8,227	0	0	0	8,227	6
P	D	10.000	3,184	1,673	0	0	4,857	7
M	T	12.000	5,258	0	0	0	5,258	8
P	T	12.000	39,781	4,404	0	0	44,185	9
M	T	16.000	2,037	0	0	0	2,037	10
P	T	16.000	335	0	0	0	335	11
Total Within Municipality			308,834	16,051	6,599	0	318,286	
P	D	8.000	10,918	0	0	0	10,918	12
P	T	12.000	6,571	0	0	0	6,571	13
Total Outside of Municipality			17,489	0	0	0	17,489	
Total Utility			326,323	16,051	6,599	0	335,775	

WATER SERVICES

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

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	894	0	40	0	854		1
M	1.000	1,686	0	5	0	1,681		2
P	1.000	48	45	0	0	93		3
P	1.250	314	60	0	0	374		4
M	1.250	79	0	3	0	76		5
P	1.500	79	1	0	0	80		6
M	1.500	68	0	2	0	66		7
P	2.000	63	5	0	0	68		8
M	2.000	39	0	2	0	37		9
M	3.000	1	0	0	0	1		10
M	4.000	22	1	2	0	21		11
P	6.000	38	0	0	0	38		12
M	6.000	6	0	0	0	6		13
P	8.000	4	0	1	0	3		14
M	8.000	3	0	0	0	3		15
P	10.000	1	0	0	0	1		16
Total Utility		3,345	112	55	0	3,402	0	

METERS

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

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	4,388	300	195	1	4,494	552	1
1.000	92	6	1	(1)	96	2	2
1.250	15	1	1	0	15	0	3
1.500	64	0	0	0	64	0	4
2.000	54	2	0	0	56	0	5
3.000	14	0	0	0	14	0	6
4.000	3	0	0	0	3	0	7
6.000	2	0	0	0	2	0	8
Total:	4,632	309	197	0	4,744	554	

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	4,256	92	18	2	9	117	4,494	1
1.000	8	60	18	8	0	2	96	2
1.250	0	13	0	1	0	1	15	3
1.500	0	42	13	3	0	6	64	4
2.000	0	34	13	4	0	5	56	5
3.000	0	5	2	6	0	1	14	6
4.000	0	1	2	0	0	0	3	7
6.000	0	0	1	1	0	0	2	8
Total:	4,264	247	67	25	9	132	4,744	

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	10				10	1
Within Municipality	568	51	11		608	2
Total Fire Hydrants	578	51	11	0	618	
Flushing Hydrants						
	4				4	3
Total Flushing Hydrants	4	0	0	0	4	

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:	1,263
Number of distribution system valves end of year:	1,566
Number of distribution valves operated during year:	532

WATER OPERATING SECTION FOOTNOTES

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

Please explain amounts in Account 474 in excess of \$5,000, 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.

Account 474 (Other Water Revenues) - No further explanation.

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 25%, but not less \$5,000, please explain.

Account 625 (Maintenance of Pumping Plant) - The increase from last year is due to emergency repairs required for well #7.

Account 641 (Operation Supplies and Expenses) - The decrease from last year is due to significantly reduced regulatory sampling requirements in 2006 and decreased expense for purchase of residential backflow presenters due to inventory buildup in 2005.

Account 651 (Maintenance of Mains) - The decrease from last year is because there were five water main breaks in 2005 and none in 2006.

Account 652 (Maintenance of Services) - The decrease from last year is due to the fact that there were only nine service leak repairs in 2006 as compared to eleven in 2005. In addition, many of the 2006 service leaks were repaired at lesser cost than those incurred in 2005.

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

If Adjustments for any account are nonzero, please explain.

Account 321 (Structures and Improvements) - The negative adjustment is a transfer to contributed plant because of assessment fees received this year. There were no current year additions paid by the utility to offset this.

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.

Financing for additions to mains was provided by developer contributions, user fees, and cash reserves. There was no utility borrowing in 2006.

Water Services (Page W-18)

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

Financing for additions to services was provided by developer contributions, user fees, and cash reserves. There was no utility borrowing in 2006.

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

All services are utilized by customers at this time.

WATER OPERATING SECTION FOOTNOTES

Meters (Page W-19)

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.

Station meters have not been tested in the last two years. They are due to be replaced as part of an ongoing water audit evaluation.

If 6-inch or larger meters in commercial, industrial or public authority classifications have not been tested, please explain.

One of the 6" meters is for a company that has essentially shut down operations in Grafton. This meter should ultimately be replaced with one more suitable for the usage volume. The other 6" meter (Grafton High School) is overdue for testing and will be tested this summer when school is not in session.
