



3015 (02-02-05)

ANNUAL REPORT

OF

Name: PADDOCK LAKE MUNICIPAL WATER UTILITY

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

For the Year Ended: DECEMBER 31, 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: PADDOCK LAKE MUNICIPAL WATER UTILITY

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

When was utility organized? 7/14/1960

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: EMILY UHLENHAKE

Title: VILLAGE CLERK/TREASURER

Office Address:

6969 236TH AVENUE
PADDOCK LAKE, WI 53168

Telephone: (262) 843 - 2713

Fax Number: (262) 843 - 3409

E-mail Address: emily@paddocklake.net

Utility employee in charge of correspondence concerning this report:

Name: MIKE JOHNSON

Title: UTILITY OPERATION SUPERVISOR

Office Address:

6969 236TH AVENUE
PADDOCK LAKE, WI 53168

Telephone: (414) 843 - 2824

Fax Number: (414) 843 - 3409

E-mail Address:

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

Name: KATHRYN A ANDREA

Title: PARTNER

Office Address: ANDREA & ORENDORFF

3916 -67TH STREET
KENOSHA, WI 53142

Telephone: (262) 657 - 7716

Fax Number: (262) 657 - 6191

E-mail Address: kathyh@handocpas.com

IDENTIFICATION AND OWNERSHIP

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

Name: DAVID BUEHN

Title: PRESIDENT

Office Address:

6969 236TH AVENUE
PADDOCK LAKE, WI 53168

Telephone: (262) 843 - 2400

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

Fax Number: (262) 843 - 3709

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

Name: KATHRYN A. ANDREA

Title: PARTNER

Office Address: ANDREA & ORENDORFF

3916 67TH STREET
KENOSHA, WI 53142

Telephone: (262) 657 - 7716

Fax Number: (262) 657 - 6191

E-mail Address:

Date of most recent audit report: 8/29/2006

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

Names and titles of utility management including manager or superintendent:

Name: ERNEST MOONEY

Title: VILLAGE ADMINISTRATOR

Office Address:

6969 236TH AVENUE
PADDOCK LAKE, WI 53168

Telephone: (262) 843 - 2713

Fax Number: (262) 843 - 3409

E-mail Address: mooney@paddocklake.net

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

Names of members of utility commission/committee:

- MR DAVID BUEHN, PRESIDENT
- MR TERRY BURNS, TRUSTEE
- MS MARLENE GOODSON, TRUSTEE
- MS KAREN HARRIS, TRUSTEE
- MR TOM LOIS, TRUSTEE
- MR JOSEPH RIESELMANN, TRUSTEE
- MS MARY YOUNG, TRUSTEE

Is sewer service rendered by the utility? NO

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

Date of Ordinance:

IDENTIFICATION AND OWNERSHIP

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

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

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	90,270	64,411	1
Operating Expenses:			
Operation and Maintenance Expense (401)	50,235	41,272	2
Depreciation Expense (403)	15,439	11,991	3
Amortization Expense (404)	0	0	4
Taxes (408)	966	785	5
Total Operating Expenses	66,640	54,048	
Net Operating Income	23,630	10,363	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	23,630	10,363	
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)	0	4,268	9
Miscellaneous Nonoperating Income (421)	215	1,978	10
Total Other Income	215	6,246	
Total Income	23,845	16,609	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(3,523)	(3,523)	11
Other Income Deductions (426)	4,312	4,296	12
Total Miscellaneous Income Deductions	789	773	
Income Before Interest Charges	23,056	15,836	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	34,531	11,839	13
Amortization of Debt Discount and Expense (428)	7,223	10,898	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	41,754	22,737	
Net Income	(18,698)	(6,901)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	145,476	152,377	19
Balance Transferred from Income (433)	(18,698)	(6,901)	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	126,778	145,476	

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	90,270		90,270	1
Total (Acct. 400):	90,270	0	90,270	
Operation and Maintenance Expense (401):				
Derived	50,235		50,235	2
Total (Acct. 401):	50,235	0	50,235	
Depreciation Expense (403):				
Derived	15,439		15,439	3
Total (Acct. 403):	15,439	0	15,439	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	966		966	5
Total (Acct. 408):	966	0	966	
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:	23,630	0	23,630	
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):				
NONE	0	0	0	10
Total (Acct. 419):	0	0	0	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	11

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
STANDY CHARGES	215	0	215 12
Total (Acct. 421):	215	0	215
TOTAL OTHER INCOME:	215	0	215

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(3,523)	[REDACTED]	(3,523) 13
NONE	0	0	0 14
Total (Acct. 425):	(3,523)	0	(3,523)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	4,312	4,312 15
NONE	0	0	0 16
Total (Acct. 426):	0	4,312	4,312
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(3,523)	4,312	789

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	34,531	[REDACTED]	34,531 17
Total (Acct. 427):	34,531	0	34,531
Amortization of Debt Discount and Expense (428):			
AMORTIZATION OF DEBT DISCOUNT/ISSUE COSTS	7,223	[REDACTED]	7,223 18
Total (Acct. 428):	7,223	0	7,223
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:	41,754	0	41,754
NET INCOME:	(14,386)	(4,312)	(18,698)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	(36,152)	181,628	145,476 23
Total (Acct. 216):	(36,152)	181,628	145,476
Balance Transferred from Income (433):			
Derived	(14,386)	(4,312)	(18,698) 24
Total (Acct. 433):	(14,386)	(4,312)	(18,698)
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 25
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	(50,538)	177,316	126,778

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	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

- | |
|---|
| <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	90,270	0	0	0	90,270	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	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	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	90,270	0	0	0	90,270	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	949,619	929,461	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	143,518	123,767	2
Net Utility Plant	806,101	805,694	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	0	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	0	0	8
Temporary Cash Investments (132)	0	0	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	32,326	28,991	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	18,567	8,327	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	168	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	51,061	37,318	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	15,563	5,449	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	15,563	5,449	
Total Assets and Other Debits	872,725	848,461	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	0	0	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	126,778	145,476	23
Total Proprietary Capital	126,778	145,476	
LONG-TERM DEBT			
Bonds (221)	0	620,000	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	645,000	0	26
Total Long-Term Debt	645,000	620,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	4,465	4,711	28
Payables to Municipality (233)	28,140	13,303	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	8,444	1,550	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	41,049	19,564	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	59,898	63,421	36
Total Deferred Credits	59,898	63,421	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	872,725	848,461	

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	929,461	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)	686,428	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	263,191	0	0	0	3
Utility Plant Purchased or Sold (391)	0				4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	949,619	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)	56,262	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	87,256	0	0	0	12
Total Accumulated Provision	143,518	0	0	0	
Net Utility Plant	806,101	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)	40,823				40,823	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	15,439				15,439	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	0				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	15,439	0	0	0	15,439	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)	56,262	0	0	0	56,262	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)	82,944				82,944	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	4,312				4,312	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	4,312	0	0	0	4,312	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)	87,256	0	0	0	87,256	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

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

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

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year	0	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	0 1
Other					0	0 2
Total Electric Utility					0	0

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

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
GENERAL OBLIGATION REFUNDING PROMISSORY NOTES	17,337	1734	15,563	1
WATER SYSTEM REVENUE BOND ANTICIPATION NOTES	5,449	5449	0	2
Total			15,563	
Unamortized premium on debt (251)				
NONE				3
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

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

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
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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)	
Other Long-Term Debt (224)					
GENERAL OBLIGATION REFUNDING PROMISSOR\	02/08/2006	02/01/2016	3.50%	645,000	1
Total for Account 224				645,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	966	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	966	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	899	7
PSC Remainder Assessment	67	8
Other (explain):		
NONE		9
Total payments and other debits	966	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
WATER SYSTEM REVENUE BOND ANTICIPATION NOTES	1,550	13,913	15,463	0	1
Subtotal	1,550	13,913	15,463	0	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
GENERAL OBLIGATION REFUNDING PROMISSORY NOTES	0	20,618	12,174	8,444	3
Subtotal	0	20,618	12,174	8,444	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	1,550	34,531	27,637	8,444	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	32,326	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	32,326	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DELINQUENT WATER BILLS ON TAX ROLL	18,567	12
Total (Acct. 145):	18,567	
Prepayments (165):		
PREPAID EXPENSE	168	13
Total (Acct. 165):	168	
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):		
DUE TO GENERAL FUND	28,140	16
Total (Acct. 233):	28,140	
Other Deferred Credits (253):		
Regulatory Liability	59,898	17
NONE		18
Total (Acct. 253):	59,898	

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)	676,349	0	0	0	676,349	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE	0				0	3
Less Average:						
Reserve for Depreciation (110.1)	48,542	0	0	0	48,542	4
Customer Advances for Construction					0	5
Regulatory Liability	61,659	0	0	0	61,659	6
NONE					0	7
Average Net Rate Base	566,148	0	0	0	566,148	
Net Operating Income	23,630	0	0	0	23,630	8
Net Operating Income as a percent of Average Net Rate Base						
	4.17%	N/A	N/A	N/A	4.17%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

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

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

Industry (a)	FTE (b)	
Water	0.3	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	63,421	0	0	0	63,421	1
Add credits during year:						
NONE	0				0	2
Deduct charges:						
Miscellaneous Amortization (425)	3,523	0	0	0	3,523	3
Other (specify):						
NONE					0	4
Balance End of Year	59,898	0	0	0	59,898	

FINANCIAL SECTION FOOTNOTES

Interest Accrued (Acct. 237) (Page F-17)

Bonds (221): If Interest Accrued During Year is non-zero AND the Bonds schedule shows a Principal Amount EOY of zero or less, please explain.

THE BOND ANTICIPATION NOTES IN THE AMOUNT OF \$620,000 WERE REFUNDED IN 2006 BUT INTEREST WAS ACCRUED & PAID DURING THE YEAR WITH A ZERO BALANCE DUE AT YEAREND.

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.

ACCT 233. THE AMOUNT DUE TO THE GENERAL FUND REPRESENTS A NEGATIVE CASH BALANCE IN THE WATER FUND.

ACCT 145. THIS AMOUNT REPRESENTS DELINQUENT WATER BILLS THAT WERE PUT ON THE TAX ROLL.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	87,559	62,628	1
Total Sales of Water	87,559	62,628	
Other Operating Revenues			
Forfeited Discounts (470)	2,711	1,783	2
Other Water Revenues (474)	0	0	3
Total Other Operating Revenues	2,711	1,783	
Total Operating Revenues	90,270	64,411	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	26,650	20,396	4
General Operating Expenses (680-690)	23,585	20,876	5
Total Operation and Maintenance Expenses	50,235	41,272	
Other Operating Expenses			
Depreciation Expense (403)	15,439	11,991	6
Amortization Expense (404)	0	0	7
Taxes (408)	966	785	8
Total Other Operating Expenses	16,405	12,776	
Total Operating Expenses	66,640	54,048	
NET OPERATING INCOME	23,630	10,363	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	275	17,738	85,686	4
Commercial	3	70	1,624	5
Industrial				6
Total Metered Sales to General Customers (461)	278	17,808	87,310	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)				8
Other Sales to Public Authorities (464)	1	15	249	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	279	17,823	87,559	

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)		1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	0	
Forfeited Discounts (470):		
Customer late payment charges	2,711	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	2,711	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		7
Other (specify):		
NONE		8
Total Other Water Revenues (474)	0	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	10,671	6,666	1
Purchased Water (610)	0	0	2
Fuel or Power Purchased for Pumping (620)	4,879	3,647	3
Chemicals (630)	4,965	662	4
Supplies and Expenses (640)	3,328	2,170	5
Repairs of Water Plant (650)	1,932	7,153	6
Transportation Expenses (660)	875	98	7
Total Plant Operation and Maintenance Expenses	26,650	20,396	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	3,047	3,002	8
Office Supplies and Expenses (681)	3,961	2,664	9
Outside Services Employed (682)	5,165	9,830	10
Insurance Expense (684)	10,142	4,393	11
Employees Pensions and Benefits (686)	1,240	921	12
Regulatory Commission Expenses (688)	0	0	13
Miscellaneous General Expenses (689)	30	66	14
Uncollectible Accounts (690)	0	0	15
Total General Operating Expenses	23,585	20,876	
Total Operation and Maintenance Expenses	50,235	41,272	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		0	0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		0	0	
Social Security		899	740	3
PSC Remainder Assessment		67	45	4
Other (specify): NONE			0	5
Total tax expense		966	785	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Kenosha				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.018200				3
County tax rate	mills		3.992900				4
Local tax rate	mills		6.070800				5
School tax rate	mills		7.908000				6
Voc. school tax rate	mills		1.292500				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		19.282400				10
Less: state credit	mills		1.231900				11
Net tax rate	mills		18.050500				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		6.070800				14
Combined School Tax Rate	mills		9.200500				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		15.271300				17
Total Tax Rate	mills		19.282400				18
Ratio of Local and School Tax to Total	dec.		0.791981				19
Total tax net of state credit	mills		18.050500				20
Net Local and School Tax Rate	mills		14.295658				21
Utility Plant, Jan. 1	\$	929,461	929,461				22
Materials & Supplies	\$	0	0				23
Subtotal	\$	929,461	929,461				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	929,461	929,461				26
Assessment Ratio	dec.		0.950000				27
Assessed Value	\$	882,988	882,988				28
Net Local & School Rate	mills		14.295658				29
Tax Equiv. Computed for Current Year	\$	12,623	12,623				30
Tax Equivalent per 1994 PSC Report	\$	3,615					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	0					32 33
Tax equiv. for current year (see note 6)	\$	0					34

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	23,828	2,964	8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	23,828	2,964	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	19,895		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	468		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	20,363	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 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)			26,792 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	26,792
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			19,895 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			468 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	20,363
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	238	2,439	26
Transmission and Distribution Mains (343)	480,880	14,755	27
Fire Mains (344)	0		28
Services (345)	1,143		29
Meters (346)	100,346		30
Hydrants (348)	19,859		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	602,466	17,194	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	10,054		36
Transportation Equipment (373)	9,559		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	19,613	0	
Total utility plant in service directly assignable	666,270	20,158	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	666,270	20,158	

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)			2,677 26
Transmission and Distribution Mains (343)			495,635 27
Fire Mains (344)			0 28
Services (345)			1,143 29
Meters (346)			100,346 30
Hydrants (348)			19,859 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	619,660
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			10,054 36
Transportation Equipment (373)			9,559 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	19,613
Total utility plant in service directly assignable	0	0	686,428
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	686,428

**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	0	1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	5,151		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	5,151	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	4,268		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	23,100		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	27,368	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			5,151 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	5,151
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			4,268 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			23,100 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	27,368
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	11,736		26
Transmission and Distribution Mains (343)	141,158		27
Fire Mains (344)	0		28
Services (345)	57,884		29
Meters (346)	0		30
Hydrants (348)	19,894		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	230,672	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	263,191	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	263,191	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			11,736 26
Transmission and Distribution Mains (343)			141,158 27
Fire Mains (344)			0 28
Services (345)			57,884 29
Meters (346)			0 30
Hydrants (348)			19,894 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	230,672
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	263,191
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	263,191

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Sources of Water Supply					
Month	Purchased Water Gallons (000's)	Surface Water Gallons (000's)	Ground Water Gallons (000's)	Total Gallons All Methods (000's)	
(a)	(b)	(c)	(d)	(e)	
January			1,724	1,724	1
February			1,590	1,590	2
March			1,778	1,778	3
April			1,699	1,699	4
May			1,929	1,929	5
June			2,109	2,109	6
July			2,333	2,333	7
August			2,341	2,341	8
September			1,779	1,779	9
October			1,679	1,679	10
November			1,667	1,667	11
December			1,790	1,790	12
Total annual pumpage	0	0	22,418	22,418	
Less: Water sold				17,823	13
Volume pumped but not sold				4,595	14
Volume sold as a percent of volume pumped				80%	15
Volume used for water production, water quality and system maintenance				155	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				155	19
Volume pumped but unaccounted for				4,440	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.)				198	24
Date of maximum: 3/9/2006					25
Cause of maximum:					26
CAUSED BY FLUSHING TO REMOVE RUST					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				36	27
Date of minimum: 3/17/2006					28
Total KWH used for pumping for the year				47,320	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
6939 235TH AVE	#1 BG 090	136	12	46,400	Yes	1
6939 235TH AVE	#2 BG 089	141	6	19,600	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#1	#2		1
Location	6939 235TH AVENUE	6939 235TH AVENUE		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	BRYON JACKSON	BRYON JACKSON		5
Year Installed	1958	1958		6
Type	VERTICAL TURBINE	VERTICAL TURBINE		7
Actual Capacity (gpm)	360	180		8
Pump Motor or Standby Engine Mfr	U.S. ELECTRIC	U S ELECTRIC		10
Year Installed	1958	1958		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	30	15		13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	#1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R		3
Year constructed	1958		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	3		6
Total capacity in gallons (actual)	10,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	4,171	0	0	0	4,171	1
M	D	6.000	8,545	0	0	0	8,545	2
P	D	6.000	1,801	0	0	0	1,801	3
M	D	8.000	853	0	0	0	853	4
Total Within Municipality			15,370	0	0	0	15,370	
Total Utility			15,370	0	0	0	15,370	

WATER SERVICES

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

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	256	0	0	0	256	0	1
M	1.000	17	0	0	0	17	0	2
M	1.500	5	0	0	0	5	0	3
M	2.000	1	0	0	0	1	0	4
Total Utility		279	0	0	0	279	0	

METERS

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

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	278	0	0	0	278	10	1
1.000	1	0	0	0	1	0	2
1.500	4	0	0	0	4	0	3
2.000	1	0	0	0	1	0	4
3.000	1	0	0	0	1	0	5
Total:	285	0	0	0	285	10	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	275	0	0	0	0	3	278	1
1.000	0	0	0	1	0	0	1	2
1.500	0	2	0	0	0	2	4	3
2.000	0	1	0	0	0	0	1	4
3.000	0	0	0	0	1	0	1	5
Total:	275	3	0	1	1	5	285	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

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

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

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

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

WATER OPERATING SECTION FOOTNOTES

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

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

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

Water Operation & Maintenance Expenses (Page W-05)

General footnotes

FOR ACCTS 600 AND 684 & 686, WAGES AND RELATED EMPLOYEE BENEFITS INCREASED DUE TO INCREASE IN TIME SPENT IN THE WATER OPERATIONS AND AN INCREASE OF WAGE RATES AND HEALTH INSURANCE COSTS.

FOR ACCOUNT 650, REPAIRS WERE DONE IN THE TWO PRIOR YEARS THAT DIDN'T NEED TO BE DONE IN 2006.

FOR ACCT 630, THE WATER UTILITY BEGAN CHOLORINATION IN 2005 BUT HAD AN ENTIRE YEAR OF EXPENSE IN 2006.

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.

THERE WAS A DECREASE IN ACCT #682 IN 2006 BECAUSE THE VILLAGE CONVERTED THE G/L AND SOFTWARE IN 2005 AND DIDN'T HAVE THOSE SAME COSTS FOR 2006.

Property Tax Equivalent (Water) - Part 2 (Page W-07)

If Lower Tax Equivalent authorized by municipality is greater than or equal to zero, please explain.

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

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

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

ADDITIONS ON THE MAINS SCHEDULE ARE ZERO BECAUSE ALL FUNDS PUT INTO THE MAINS IN 2006 WERE FOR A COMPLETE REPAIR AND REHABILITATION OF EXISTING MAINS. NO NEW MAIN LINES WERE ADDED IN 2006.

Water Services (Page W-18)

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

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

Meters (Page W-19)

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

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

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

YES, THE STATION METERS WILL BE TESTED IN 2007.
