

KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

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INDEPENDENT AUDITOR'S REPORT

President and Board Members
Kimberly Water Department
Kimberly, Wisconsin

Opinions

We have audited the accompanying financial statements of the Kimberly Water Department of the Village of Kimberly as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Kimberly Water Department of the Village of Kimberly's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Kimberly Water Department of the Village of Kimberly as of December 31, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Kimberly Water Department of the Village of Kimberly, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair representation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Kimberly Water Department of the Village of Kimberly's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Kimberly Water Department of the Village of Kimberly's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Kimberly Water Department of the Village of Kimberly's ability to continue as a going concern for a reasonable period of time

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Kimberly Water Department of the Village of Kimberly's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the combining and individual nonmajor fund financial statement are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Ericksen & Associates, S.C.

ERICKSON & ASSOCIATES, S.C.
Appleton, Wisconsin
June 29, 2022

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

**STATEMENTS OF NET POSITION
December 31,**

	2021	2020
ASSETS		
Current assets:		
Cash and temporary investments	\$ 1,509,115	\$ 772,341
Accounts receivable:		
Customers	391,441	314,616
Taxes receivable	31,772	31,482
Material and supplies inventory	26,055	36,515
Total current assets	1,958,383	1,154,954
Utility plant:		
Utility plant in service	11,906,500	11,845,893
Less accumulated depreciation	4,554,739	4,256,418
Total utility plant	7,351,761	7,589,475
Other assets:		
Special assessments	755	755
Total assets	9,310,899	8,745,184
LIABILITIES		
Current liabilities:		
Notes payable - due within one year	141,000	138,000
Accounts payable	40,290	34,479
Other current liabilities	4,521	6,371
Accrued interest	967	1,913
Total current liabilities	186,778	180,763
Notes payable	--	141,000
DEFERRED INFLOWS OF RESOURCES		
Deferred special assessments	755	755
Total liabilities and deferred inflows of resources	187,533	322,518
NET POSITION		
Invested in capital assets, net of related debt	7,210,761	7,310,475
Restricted	355,978	--
Unrestricted	1,556,627	1,112,191
Total net position	\$ 9,123,366	\$ 8,422,666

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Years Ended December 31,

	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 1,830,113	\$ 1,808,891
Operating expenses:		
General	647,385	606,047
Maintenance	383,146	362,748
Depreciation	296,334	294,253
Taxes	382	331
Total operating expenses	<u>1,327,247</u>	<u>1,263,379</u>
Operating income	<u>502,866</u>	<u>545,512</u>
Other income (expense):		
Coronavirus fiscal recovery funds	355,978	--
Interest income	5,369	4,835
Interest income	(6,726)	(10,459)
Total other expense	<u>354,621</u>	<u>(5,624)</u>
Income before transfers	857,487	539,888
Operating transfer (out)	(156,787)	(148,016)
Income before contributions	700,700	391,872
Capital contributions	<u>--</u>	<u>297,777</u>
Change in net position	700,700	689,649
Net position, beginning of year	<u>8,422,666</u>	<u>7,733,017</u>
Net position, end of year	<u>\$ 9,123,366</u>	<u>\$ 8,422,666</u>

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

**STATEMENTS OF CASH FLOWS
For the Years Ended December 31,**

	2021	2020
Cash flows from operating activities:		
Cash received from customers	\$ 1,365,840	\$ 1,467,754
Cash received from interfund services provided	387,158	382,318
Cash paid to suppliers of goods and services	(618,590)	(606,097)
Cash paid to employees for services	(383,146)	(362,748)
	751,262	881,227
Cash flows from noncapital financing activities:		
Tax equivalent paid to municipality	(156,787)	(148,016)
Cash flows from capital and related financing activities:		
Purchases of property and equipment	(73,376)	(315,599)
Payment on notes payable	(138,000)	(135,000)
Coronavirus fiscal recovery funds	355,978	--
Cash paid for interest costs incurred	(7,672)	(11,384)
	(19,857)	(609,999)
Cash flows from investing activities:		
Cash received for interest earned	5,369	4,835
Net increase in cash and cash equivalents	736,774	276,063
Cash and cash equivalents, beginning of year	772,341	496,278
Cash and cash equivalents, end of year	\$ 1,509,115	\$ 772,341
Noncash capital and related financing activities:		
Contributions in aid of construction	\$ --	\$ 139,733

**RECONCILIATIONS OF OPERATING INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES**
For the Years Ended December 31,

	<u>2021</u>	<u>2020</u>
Operating income	\$ 502,866	\$ 545,512
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	296,334	294,253
Depreciation - Sewer Fund	14,756	13,868
(Increase) decrease in:		
Accounts receivable:		
Customers	(76,825)	43,507
Taxes receivable	(290)	(2,326)
Materials and supplies inventory	10,460	13,530
Increase (decrease) in:		
Accounts payable	5,811	(24,294)
Other current liabilities	(1,850)	(2,823)
Net cash provided by operating activities	<u>\$ 751,262</u>	<u>\$ 881,227</u>

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies:

Operating Entity

The Kimberly Water Department (Water Department) is an enterprise fund of the Village of Kimberly. The Water Department provides municipal water service and is responsible for the construction and maintenance of the water utility plant.

Basis of Accounting

The Water Department prepares its financial statements on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Accounts Receivable

The accounts receivable balance is thought to be collectible and no provision has been made for bad debts. Delinquent accounts receivable are collected by special assessments on the subsequent year's property tax roll.

Utility Plant in Service

The Utility Plant is recorded at cost and plant retirements are removed from the plant accounts and from the depreciation reserve account with the assumption that they are fully depreciated.

Depreciation is calculated based on the allowable rate authorized by the PSC for each class of assets.

Inventory

Inventory is calculated using the lower of cost or market basis and the first-in, first-out (FIFO) method.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Water Department considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Operating Transfer

The account balance consists of the balance of a real estate tax equivalent transferred to the Village of Kimberly.

Deferred Outflows / Inflows of Resources

The Water Department implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* for the year ended December 31, 2013. In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and, therefore will not be recognized as an outflow of resources (expense/expenditure) until then. The Water Department does not have any items that qualify for reporting in this category.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and, therefore, will not be recognized as an inflow of resources (revenue) until that time. The Water Department has one item that qualifies for reporting in this category; deferred special assessments. This amount will be recognized as an inflow of resources in a subsequent year.

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 2. Cash and Temporary Investments:

Cash and investments of the Water Department are subject to various risks. Presented below is a discussion of specific risks and the Department's policy related to each risk.

The Water Department is required to invest its funds in accordance with Wisconsin Statute 66.0603 (1m). The Water Department has adopted an investment policy pursuant to these statutes that allows it to invest in the following:

Time deposits

Securities guaranteed by the U. S. Government

Securities of Wisconsin Municipal Units

Securities of Wisconsin Educational and Local Government Investment Pool

Bonds issued by a local exposition district

Bonds issued by a local professional baseball park district

Bonds issued by a local professional stadium district

Bonds issued by the University of Wisconsin Hospitals and Clinics Authority

Bonds issued by a local cultural arts district

Bonds issued by the Wisconsin Aerospace Authority

Securities which mature or may be tendered for purchase at the option of the holder within not more than 7 years of the date on which it is acquired and received the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investors Service, or other similar nationally recognized rating agency

Securities of an open-ended management investment company or investment trust, if the investment company does not charge a sales load, is registered under the Investment Company Act of 1940, and the portfolio is limited to bonds and securities issued by the federal government, bonds that are guaranteed by the federal government, or repurchase securities that are fully collateralized by bonds or securities

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Deposits in credit unions are insured by the National Credit Union Administration (NCUA) in the amount of \$250,000 per official custodian for interest bearing accounts and unlimited amounts for non-interest bearing accounts. In addition, the State of Wisconsin has a State Guarantee Fund that provides a maximum of \$400,000 per entity above the amount provided by the FDIC. However, due to the relatively small size of the Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 3. Changes in Capital Assets:

	Beginning Balance	Additions	Reductions	Ending Balance
Wells and springs	\$ 1,258,831	\$ --	\$ --	\$ 1,258,831
Structures and improvements	1,020,995	--	--	1,020,995
Electric pumping equipment	1,159,075	--	--	1,159,075
Other pumping equipment	27,597	--	--	27,597
Water treatment equipment	437,532	--	--	437,532
Reservoirs and standpipes	756,750	--	--	756,750
Mains	4,828,023	--	--	4,828,023
Services	1,099,807	15,837	1,852	1,113,792
Meters	513,297	57,539	10,917	559,919
Hydrants	494,212	--	--	494,212
Other equipment	185,158	--	--	185,158
Non depreciable assets	64,616	--	--	64,616
Totals	11,845,893	73,376	12,769	11,906,500
Accumulated depreciation:				
Wells and springs	662,366	36,506	--	698,872
Structures and improvements	519,926	38,876	--	558,802
Electric pumping equipment	546,519	42,468	--	588,987
Other pumping equipment	17,616	1,214	--	18,830
Water treatment equipment	250,163	17,501	--	267,664
Reservoirs and standpipes	319,481	14,378	--	333,859
Mains	1,182,055	62,765	--	1,244,820
Services	322,932	32,300	1,852	353,380
Meters	194,623	30,796	10,917	214,502
Hydrants	94,795	10,872	--	105,667
Other equipment	145,942	23,414	--	169,356
Totals	4,256,418	311,090	12,769	4,554,739
Capital assets, net	\$ 7,589,475	\$ (237,714)	\$ --	\$ 7,351,761

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 4. Notes Payable:

Notes payable consist of the Water Department paying the general fund for repayment of a bond payable. Payments of principal and interest with a fixed interest rate of 2.75% are due annually on October 1st until 2022.

Notes payable to the general fund are as follows:

	2021	2020
Balance - January 1,	\$ 279,000	\$ 414,000
Repayments	(138,000)	(135,000)
Balance - December 31,	\$ 141,000	\$ 279,000

Year ending
December 31,
2022

Principal	Interest	Totals
\$ 141,000	\$ 3,877	\$ 144,877

Note 5. Restricted Fund Balance:

The Water Department received government funding totaling \$355,978, restricted for use on capital projects.

Note 6. Subsequent Events:

The Water Department has evaluated all subsequent events through June 29, 2022, the date on which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

**SCHEDULES OF OPERATING REVENUES
For the Years Ended December 31,**

	2021	2020
Residential water	\$ 533,319	\$ 542,346
Industrial water	43,438	32,093
Sprinklers	38,127	37,303
Public fire protection:		
Kimberly	323,798	318,958
Combined Locks	31,680	31,680
Darboy	31,680	31,680
Commercial	75,662	64,721
Multi-family	48,316	50,902
Public authority	14,130	11,700
Sales for resale - Combined Locks	247,468	222,297
Sales for resale - Darboy	334,134	355,598
Forfeited discounts	13,405	10,796
Miscellaneous income	94,956	98,817
	\$ 1,830,113	\$ 1,808,891
Total operating revenues		

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

**ALLOCATED SCHEDULE OF NET OPERATING INCOME
December 31, 2021**

	<u>Totals</u>	<u>Soft Water Kimberly</u>	<u>Soft Water Combined Locks</u>	<u>Soft Water Darboy</u>
Revenue	\$ 1,830,113	\$ 1,185,151	\$ 279,148	\$ 365,814
Operating expenses per allocation schedule	<u>1,484,034</u>	<u>972,638</u>	<u>217,965</u>	<u>293,431</u>
	346,079	212,513	61,183	72,383
Nonoperating items per PSC:				
Depreciation on contributed assets	33,877	33,877	--	--
PILOT calculated vs. paid difference	<u>(8,526)</u>	<u>(8,526)</u>	<u>--</u>	<u>--</u>
Net operating income	<u>\$ 371,430</u>	<u>\$ 237,864</u>	<u>\$ 61,183</u>	<u>\$ 72,383</u>
Percentage of revenue	<u>20.30 %</u>	<u>20.07 %</u>	<u>21.92 %</u>	<u>19.79 %</u>

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

ALLOCATION OF 2021 REVENUES

	<u>Totals</u>	<u>Soft Water Kimberly</u>	<u>Soft Water Combined Locks</u>	<u>Soft Water Darboy</u>
Residential soft water	\$ 533,319	\$ 533,319	\$ --	\$ --
Industrial soft water	43,438	43,438	--	--
Sprinklers	38,127	38,127	--	--
Public fire protection:				
Kimberly	323,798	323,798	--	--
Combined Locks	31,680	--	31,680	--
Darboy	31,680	--	--	31,680
Commercial sales	75,662	75,662	--	--
Multi-family	48,316	48,316	--	--
Public sales	14,130	14,130	--	--
Sales for resale	581,602	--	247,468	334,134
Forfeited discounts	13,405	13,405	--	--
Miscellaneous	94,956	94,956	--	--
Total revenues	\$ 1,830,113	\$ 1,185,151	\$ 279,148	\$ 365,814
Allocation percentages	100.00 %	64.76 %	15.25 %	19.99 %

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

ALLOCATION OF 2021 EXPENSES

	<u>Totals</u>	<u>Soft Water Kimberly</u>	<u>Soft Water Combined Locks</u>	<u>Soft Water Darboy</u>
Totals from allocation of nonoverhead expenses:				
Direct allocation	\$ 247,397	\$ 247,397	\$ --	\$ --
Soft water allocation	<u>1,036,159</u>	<u>598,924</u>	<u>186,884</u>	<u>250,351</u>
Totals	<u>1,283,556</u>	<u>846,321</u>	<u>186,884</u>	<u>250,351</u>
 Percentage allocated	<u>100.00 %</u>	<u>65.94 %</u>	<u>14.56 %</u>	<u>19.50 %</u>
 Overhead expenses:				
Administration and commission salaries	106,440	67,066	16,502	22,872
Office supplies and expense	38,172	24,051	5,918	8,203
Outside services	11,293	7,115	1,751	2,427
Miscellaneous general	34,663	21,840	5,374	7,449
Water testing	4,175	2,631	647	897
Transportation	<u>5,735</u>	<u>3,614</u>	<u>889</u>	<u>1,232</u>
Total overhead allocated per other costs	<u>200,478</u>	<u>126,317</u>	<u>31,081</u>	<u>43,080</u>
 Total expenses allocated	<u>\$ 1,484,034</u>	<u>\$ 972,638</u>	<u>\$ 217,965</u>	<u>\$ 293,431</u>

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

ALLOCATION OF 2021 EXPENSES, EXCLUDING OVERHEAD ITEMS

	<u>Totals</u>	<u>Soft Water Kimberly</u>	<u>Soft Water Combined Locks</u>	<u>Soft Water Darboy</u>
Operating expenses:				
Fuel and power-pump house #1	\$ 35,356	\$ 14,811	\$ 8,609	\$ 11,936
Fuel and power-pump house #2	34,902	14,620	8,499	11,783
Fuel and power-pump house #3	59,564	24,951	14,504	20,109
Operating supplies-pump house #1	1,197	501	291	405
Operating supplies-pump house #2	854	358	208	288
Operating supplies-pump house #3	185	77	45	63
Operating labor - treatment	29,532	12,371	7,191	9,970
Chemicals - pump house #1	57,600	24,129	14,026	19,445
Chemicals - pump house #2	85,079	35,640	20,717	28,722
Chemicals - pump house #3	109,262	45,770	26,605	36,887
Property insurance	9,708	7,499	925	1,284
Employee benefits	318	133	77	108
Maintenance expenses:				
Pumping - #1 deep well	52,177	21,857	12,705	17,615
Pumping - #2 deep well	10,290	4,310	2,506	3,474
Pumping - #3 deep well	18,308	7,669	4,458	6,181
Treatment - #1	12,563	5,263	3,059	4,241
Treatment - #2	182	76	44	62
Treatment - #3	1,377	577	335	465
Treatment - labor	42,762	17,913	10,413	14,436
Telemetry	4,221	1,768	1,028	1,425
Elevated & storage tanks	13,729	5,751	3,343	4,635
Mains	161,020	161,020	--	--
Services	30,157	29,600	129	428
Meters	29,852	26,919	978	1,955
Hydrants	29,858	29,858	--	--
Other expenses:				
Taxes - tax equivalent	156,787	141,108	7,839	7,840
Taxes - payroll	382	160	93	129
Depreciation	296,334	211,612	38,257	46,465
Total expenses	<u>\$ 1,283,556</u>	<u>\$ 846,321</u>	<u>\$ 186,884</u>	<u>\$ 250,351</u>

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

**PLANT ASSET ALLOCATION
December 31, 2021**

	<u>Totals</u>	<u>Soft Water Kimberly</u>	<u>Soft Water Combined Locks</u>	<u>Soft Water Darboy</u>
Station plant:				
Wells and springs	\$ 1,258,831	\$ 527,324	\$ 306,525	\$ 424,982
Structures and improvements	1,020,995	427,695	248,612	344,688
Electric pumping equipment	1,159,075	485,537	282,235	391,303
Other pumping equipment	27,597	11,560	6,720	9,317
Water treatment equipment	437,532	183,282	106,539	147,711
Total station plant	<u>3,904,030</u>	<u>1,635,398</u>	<u>950,631</u>	<u>1,318,001</u>
Common system:				
Utility plant:				
Distribution reservoirs and standpipes	756,750	317,003	184,269	255,478
Mains	4,828,023	4,828,023	--	--
Services	1,113,791	1,113,791	--	--
Meters	559,918	559,918	--	--
Hydrants	494,213	494,213	--	--
Total utility plant	<u>7,752,695</u>	<u>7,312,948</u>	<u>184,269</u>	<u>255,478</u>
Other assets:				
Office equipment	5,730	5,730	--	--
Computer equipment	21,427	21,427	--	--
Transportation equipment	109,284	109,284	--	--
Shop equipment	6,891	6,891	--	--
Miscellaneous equipment	41,827	41,827	--	--
Total other assets	<u>185,159</u>	<u>185,159</u>	<u>--</u>	<u>--</u>
Total depreciable assets	<u>11,841,884</u>	<u>9,133,505</u>	<u>1,134,900</u>	<u>1,573,479</u>
Depreciable asset allocation	<u>100.00 %</u>	<u>77.13 %</u>	<u>9.58 %</u>	<u>13.29 %</u>
Nondepreciable assets:				
Organizational costs	1,819	1,819	--	--
Land, land rights, etc.	62,797	62,797	--	--
Total nondepreciable assets	<u>64,616</u>	<u>64,616</u>	<u>--</u>	<u>--</u>
Total plant assets	<u>\$ 11,906,500</u>	<u>\$ 9,198,121</u>	<u>\$ 1,134,900</u>	<u>\$ 1,573,479</u>
Total asset allocation	<u>100.00 %</u>	<u>77.25 %</u>	<u>9.53 %</u>	<u>13.22 %</u>

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

**ALLOCATED RATIO OF OPERATING INCOME TO AVERAGE
INVESTMENT IN NET PLANT AND INVENTORY**

December 31, 2021

	<u>Totals</u>	<u>Soft Water Kimberly</u>	<u>Soft Water Combined Locks</u>	<u>Soft Water Darboy</u>
Average utility plant in service*	\$ 9,780,430	\$ 7,053,175	\$ 1,095,516	\$ 1,631,739
Deductions:				
Average accumulated depreciation*	<u>3,770,478</u>	<u>2,719,269</u>	<u>422,294</u>	<u>628,916</u>
Totals	6,009,952	4,333,906	673,222	1,002,823
Add average inventory	31,285	31,285	--	--
Less regulatory liability	<u>(34,817)</u>	<u>(34,817)</u>	<u>--</u>	<u>--</u>
Average net investment in plant, materials and supplies	<u>\$ 6,006,420</u>	<u>\$ 4,330,374</u>	<u>\$ 673,222</u>	<u>\$ 1,002,823</u>
Current year utility operating income	<u>\$ 371,430</u>	<u>\$ 237,864</u>	<u>\$ 61,183</u>	<u>\$ 72,383</u>
Ratio of operating income to average net investment	<u>6.18 %</u>	<u>5.49 %</u>	<u>9.09 %</u>	<u>7.22 %</u>

* Does not include contributed assets

**KIMBERLY WATER DEPARTMENT
KIMBERLY, WISCONSIN**

**WATER VOLUME STATISTICS
December 31, 2021**

	<u>Totals</u>	
	<u>Gallons</u>	
	<u>(1,000's)</u>	<u>%</u>
Total water pumped	398,530	
Less: unmetered system usage	<u>33,539</u>	
Water pumped into the system	<u>364,991</u>	
Water sold:		
Metered sales - Kimberly:		
Residential	87,830	27.93
Industrial	9,443	3.00
Commercial	16,701	5.31
Multi-family	15,079	4.79
Public	<u>2,702</u>	<u>0.86</u>
Total metered sales - Kimberly	<u>131,755</u>	<u>41.89</u>
Wholesale sales:		
Combined Locks	76,578	24.35
Darboy	<u>106,160</u>	<u>33.75</u>
Total wholesale sales	<u>182,738</u>	<u>58.10</u>
Total water sold	<u>314,493</u>	<u>100.00 %</u>
Water lost in the system:		
Total water pumped into the system	364,991	
Water pumped into the system but not sold	--	
Total water sold	<u>314,493</u>	
Water pumped but not accounted for	<u>50,498</u>	<u>13.84 %</u>