



3015 (02-02-05)

ANNUAL REPORT

OF

Name: DURAND MUNICIPAL WATER SUPPLY

Principal Office: 104 E. MAIN STREET
P.O. BOX 202
DURAND, WI 54736-0202

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.

SIGNATURE PAGE

I GERALD BAUER of
(Person responsible for accounts)

Durand Municipal Water Supply, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts) 04/02/2007
(Date)

MAYOR
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: DURAND MUNICIPAL WATER SUPPLY

Utility Address: 104 E. MAIN STREET
P.O. BOX 202
DURAND, WI 54736-0202

When was utility organized? 1/1/1913

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: GARY SWEENEY
Title: UTILITY SUPERINTENDENT

Office Address: CITY OF DURAND
104 E. MAIN ST.
P.O. BOX 202
DURAND, WI 54736

Telephone: (715) 672 - 8770

Fax Number: (715) 672 - 8236

E-mail Address: dwwtp@nelson-tel.net

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

Name: DEBRA WELCH
Title: CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Office Address: CLIFTON GUNDERSON LLP
435 JULIE STREET
P.O. BOX 547
TOMAH, WI 54660

Telephone: (608) 372 - 2177

Fax Number: (608) 372 - 5462

E-mail Address: debra.welch@cliftoncpa.com

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

Name: CHRISTI LIEFRING
Title: UTILITY COMMITTEE CHAIR

Office Address:
402 7TH AVENUE EAST
DURAND, WI 54736

Telephone: (715) 672 - 8266

Fax Number: (715) 672 - 8236

E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name:

Title: CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

Office Address: BAUMAN ASSOCIATES
P.O. BOX 1225
EAU CLAIRE, WI 54702

Telephone: (715) 834 - 2001

Fax Number: (715) 834 - 2774

E-mail Address: www.baumancpa.com

Date of most recent audit report:

Period covered by most recent audit: YEAR ENDED DECEMBER 31, 2006

Names and titles of utility management including manager or superintendent:

Name: GARY L. SWEENEY

Title: UTILITY SUPERINTENDENT

Office Address:

104 E. MAIN ST.
P.O. BOX 202
DURAND, WI 54736

Telephone: (715) 672 - 8047

Fax Number: (715) 672 - 8236

E-mail Address: dwwtp@nelson-tel.net

Name of utility commission/committee: UTILITY COMMITTEE

Names of members of utility commission/committee:

- MR GERALD M. BAUER, MAYOR
 - MR ALLEN O. GOULD, COUNCIL MEMBER
 - MRS CHRISTI A. LIEFFRING, CHAIR PERSON
 - MR JASON J. SCHOONOVER, COUNCIL MEMBER
-

Is sewer service rendered by the utility? YES

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

Date of Ordinance:

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

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

IDENTIFICATION AND OWNERSHIP

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:

n/a

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	307,238	276,349	1
Operating Expenses:			
Operation and Maintenance Expense (401)	199,784	166,801	2
Depreciation Expense (403)	29,016	30,947	3
Amortization Expense (404)	0	0	4
Taxes (408)	42,725	41,286	5
Total Operating Expenses	271,525	239,034	
Net Operating Income	35,713	37,315	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	35,713	37,315	
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)	4,669	4,575	9
Miscellaneous Nonoperating Income (421)	117,600	10,500	10
Total Other Income	122,269	15,075	
Total Income	157,982	52,390	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(10,547)	0	11
Other Income Deductions (426)	12,055	8,737	12
Total Miscellaneous Income Deductions	1,508	8,737	
Income Before Interest Charges	156,474	43,653	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	8,916	9,504	13
Amortization of Debt Discount and Expense (428)	0	0	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	2,820	3,223	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	11,736	12,727	
Net Income	144,738	30,926	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	818,931	788,005	19
Balance Transferred from Income (433)	144,738	30,926	20
Miscellaneous Credits to Surplus (434)	10,549	0	21
Miscellaneous Debits to Surplus--Debit (435)	8,737	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)	965,481	818,931	

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	307,238		307,238	1
Total (Acct. 400):	307,238	0	307,238	
Operation and Maintenance Expense (401):				
Derived	199,784		199,784	2
Total (Acct. 401):	199,784	0	199,784	
Depreciation Expense (403):				
Derived	29,016		29,016	3
Total (Acct. 403):	29,016	0	29,016	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	42,725		42,725	5
Total (Acct. 408):	42,725	0	42,725	
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:	35,713	0	35,713	
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):				
ON TEMPORARY INVESTMENTS	4,669	0	4,669	10
Total (Acct. 419):	4,669	0	4,669	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		117,600	117,600	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):			
NONE	0	0	0 12
Total (Acct. 421):	0	117,600	117,600
TOTAL OTHER INCOME:	4,669	117,600	122,269

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(10,547)	[REDACTED]	(10,547) 13
NONE	0	0	0 14
Total (Acct. 425):	(10,547)	0	(10,547)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	12,055	12,055 15
NONE	0	0	0 16
Total (Acct. 426):	0	12,055	12,055
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(10,547)	12,055	1,508

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	8,916	[REDACTED]	8,916 17
Total (Acct. 427):	8,916	0	8,916
Amortization of Debt Discount and Expense (428):			
NONE	0	[REDACTED]	0 18
Total (Acct. 428):	0	0	0
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	2,820	[REDACTED]	2,820 20
Total (Acct. 430):	2,820	0	2,820
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:	11,736	0	11,736
NET INCOME:	39,193	105,545	144,738
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	334,024	484,907	818,931 23
Total (Acct. 216):	334,024	484,907	818,931
Balance Transferred from Income (433):			
Derived	39,193	105,545	144,738 24
Total (Acct. 433):	39,193	105,545	144,738
Miscellaneous Credits to Surplus (434):			
CORRECTION FOR NO AMORTIZATION OF REGULATOR ^Y	10,547	0	10,547 25
ROUNDING FROM 2005 REPORT	2	0	2 26
Total (Acct. 434):	10,549	0	10,549
Miscellaneous Debits to Surplus--Debit (435):			
CORRECTION OF INCORRECT CREDIT PUT TO REGULA ^T	8,737	0	8,737 27
Total (Acct. 435)--Debit:	8,737	0	8,737
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 28
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	375,029	590,452	965,481

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
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

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	307,238	0	0	0	307,238	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					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	307,238	0	0	0	307,238	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	2,464,265	2,237,535	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	907,015	874,162	2
Net Utility Plant	1,557,250	1,363,373	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	637	637	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	637	637	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	637	637	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	44,355	0	8
Temporary Cash Investments (132)	18,852	161,928	9
Notes Receivable (141)	4,630	6,776	10
Customer Accounts Receivable (142)	63,418	55,982	11
Other Accounts Receivable (143)	722	1,452	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	117,600	90,874	14
Materials and Supplies (150)	8,117	5,268	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)	0	0	17
Total Current and Accrued Assets	257,694	322,280	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	1,815,581	1,686,290	

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)	204,992	204,992	21
Appropriated Earned Surplus (215)	0	(8,735)	22
Unappropriated Earned Surplus (216)	965,481	818,931	23
Total Proprietary Capital	1,170,473	1,015,188	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	48,350	56,408	25
Other long-Term Debt (224)	250,000	280,000	26
Total Long-Term Debt	298,350	336,408	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	21,586	3,283	28
Payables to Municipality (233)	85,491	71,466	29
Customer Deposits (235)		0	30
Taxes Accrued (236)	38,798	38,798	31
Interest Accrued (237)	2,074	2,281	32
Other Current and Accrued Liabilities (238)	10,479	9,442	33
Total Current and Accrued Liabilities	158,428	125,270	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)		0	35
Other Deferred Credits (253)	188,330	209,424	36
Total Deferred Credits	188,330	209,424	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	1,815,581	1,686,290	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	2,237,535	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	1,617,395	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	846,870	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	2,464,265	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)	657,805	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	249,210	0	0	0	12
Total Accumulated Provision	907,015	0	0	0	
Net Utility Plant	1,557,250	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)	637,007				637,007	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	29,016				29,016	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,687				1,687	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	30,703	0	0	0	30,703	16
Debits during year						17
Book cost of plant retired	9,905				9,905	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	9,905	0	0	0	9,905	25
Balance end of year (110.1)	657,805	0	0	0	657,805	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)	237,155				237,155	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	12,055				12,055	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	12,055	0	0	0	12,055	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)	249,210	0	0	0	249,210	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	1
Other (specify):					
Land not in use	637			637	2
Total Nonutility Property (121)	637	0	0	637	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	637	0	0	637	

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
Other					0	0
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	8,117	5,268
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	8,117	5,268

**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)				
NONE				1
Total			<u>0</u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	204,992	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>204,992</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)	
Advances (223)					
Advance from Municipality	12/31/1991	12/31/2011	5.00%	48,350	1
Total for Account 223				48,350	
Other Long-Term Debt (224)					
WATER SHARE G.O. CORP. PURP. BONDS	10/07/2004	10/01/2014	3.36%	250,000	2
Total for Account 224				250,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	38,798	1
Accruals:		
Charged water department expense	42,725	2
Charged electric department expense		3
Charged sewer department expense	483	4
Other (explain):		
NONE		5
Total Accruals and other credits	43,208	
Taxes paid during year:		
County, state and local taxes	38,798	6
Social Security taxes	4,191	7
PSC Remainder Assessment	219	8
Other (explain):		
NONE		9
Total payments and other debits	43,208	
Balance end of year	38,798	

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)					
Advance from Municipality	0	2,820	2,820	0	2
Subtotal	0	2,820	2,820	0	
Other long-Term Debt (224)					
Water Share Prommissory Note	2,281	8,916	9,123	2,074	3
Subtotal	2,281	8,916	9,123	2,074	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	2,281	11,736	11,943	2,074	

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):		
SPECIAL ASSESSMENTS	4,630	4
Total (Acct. 141):	4,630	
Customer Accounts Receivable (142):		
Water	63,418	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	63,418	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
MISC OTHER	722	11
Total (Acct. 143):	722	
Receivables from Municipality (145):		
DUE FROM CDBG FUND-CAPITAL CONTRIBUTION	117,600	12
Total (Acct. 145):	117,600	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
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 SEWER-WATER IMPROVEMENT PD BY SEWER IN ERROR	9,731	16
DUE TO CITY GENERAL-WAGES & BENEFITS PD BY CITY-NOT YET REIMBURSED	75,760	17
Total (Acct. 233):	85,491	
Other Deferred Credits (253):		
Regulatory Liability	188,330	18
NONE		19
Total (Acct. 253):	188,330	

RETURN ON RATE BASE COMPUTATION

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

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	1,556,385	0	0	0	1,556,385	1
Materials and Supplies	6,692	0	0	0	6,692	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	647,406	0	0	0	647,406	4
Customer Advances for Construction					0	5
Regulatory Liability	198,877	0	0	0	198,877	6
NONE					0	7
Average Net Rate Base	716,794	0	0	0	716,794	
Net Operating Income	35,713	0	0	0	35,713	8
Net Operating Income as a percent of						
Average Net Rate Base	4.98%	N/A	N/A	N/A	4.98%	

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	2	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	209,424	0	0	0	209,424	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	10,547	0	0	0	10,547	3
Other (specify):						
CORRECTION MADE FOR NO AMORTIZATION IN 2005	10,547				10,547	4
Balance End of Year	188,330	0	0	0	188,330	

FINANCIAL SECTION FOOTNOTES

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

General footnotes

The receivable from the municipality is truly a Block Grant coming from the federal government. It is not from the local municipality and should not be included in contributions to plant made by the municipality, rather is considered an outside capital contribution.

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

Done

Identification and Ownership - Contacts (Page iv)

If the utility clerk (or other utility/municipal person responsible for municipal utility recordkeeping) is new (or will be new in the next year), please indicate here.

During 2006 the City Clerk resigned and took another position. A new City Administrator has been hired and will assume duties in April, 2007. During the interim the City has hired temporary accounting help. This is also the reason the mayor was listed as the person responsible for the accounting records of the Utility.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	301,059	272,381	1
Total Sales of Water	301,059	272,381	
Other Operating Revenues			
Forfeited Discounts (470)	802	571	2
Other Water Revenues (474)	5,377	3,397	3
Total Other Operating Revenues	6,179	3,968	
Total Operating Revenues	307,238	276,349	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	118,654	90,881	4
General Operating Expenses (680-690)	81,130	75,920	5
Total Operation and Maintenance Expenses	199,784	166,801	
Other Operating Expenses			
Depreciation Expense (403)	29,016	30,947	6
Amortization Expense (404)		0	7
Taxes (408)	42,725	41,286	8
Total Other Operating Expenses	71,741	72,233	
Total Operating Expenses	271,525	239,034	
NET OPERATING INCOME	35,713	37,315	

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	646	35,032	125,064	4
Commercial	127	18,802	47,999	5
Industrial	1	1,276	3,173	6
Total Metered Sales to General Customers (461)	774	55,110	176,236	
Private Fire Protection Service (462)	5		2,816	7
Public Fire Protection Service (463)	1		96,788	8
Other Sales to Public Authorities (464)	28	10,225	25,219	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	808	65,335	301,059	

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)	96,788	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)	96,788	
Forfeited Discounts (470):		
Customer late payment charges	802	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	802	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	857	7
Other (specify): MISCELLANEOUS CHARGES FOR SERVICES	4,520	8
Total Other Water Revenues (474)	5,377	

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)	54,870	44,231	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	22,322	19,357	3
Chemicals (630)	3,393	3,165	4
Supplies and Expenses (640)	12,454	11,964	5
Repairs of Water Plant (650)	23,431	10,463	6
Transportation Expenses (660)	2,184	1,701	7
Total Plant Operation and Maintenance Expenses	118,654	90,881	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	19,644	22,478	8
Office Supplies and Expenses (681)	3,534	7,037	9
Outside Services Employed (682)	4,328	5,881	10
Insurance Expense (684)	4,823	4,823	11
Employees Pensions and Benefits (686)	47,039	31,284	12
Regulatory Commission Expenses (688)	0	2,223	13
Miscellaneous General Expenses (689)	1,762	2,194	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	81,130	75,920	
Total Operation and Maintenance Expenses	199,784	166,801	

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		38,798	38,798	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		483	476	2
Net property tax equivalent		38,315	38,322	
Social Security		4,191	2,739	3
PSC Remainder Assessment		219	225	4
Other (specify): NONE			0	5
Total tax expense		42,725	41,286	

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			Pepin				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.197638				3
County tax rate	mills		7.577922				4
Local tax rate	mills		6.179343				5
School tax rate	mills		10.246906				6
Voc. school tax rate	mills		1.764970				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		25.966779				10
Less: state credit	mills		1.547980				11
Net tax rate	mills		24.418799				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		6.179343				14
Combined School Tax Rate	mills		12.011876				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		18.191219				17
Total Tax Rate	mills		25.966779				18
Ratio of Local and School Tax to Total	dec.		0.700557				19
Total tax net of state credit	mills		24.418799				20
Net Local and School Tax Rate	mills		17.106770				21
Utility Plant, Jan. 1	\$	2,237,535	2,237,535				22
Materials & Supplies	\$	5,268	5,268				23
Subtotal	\$	2,242,803	2,242,803				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	2,242,803	2,242,803				26
Assessment Ratio	dec.		0.888500				27
Assessed Value	\$	1,992,730	1,992,730				28
Net Local & School Rate	mills		17.106770				29
Tax Equiv. Computed for Current Year	\$	34,089	34,089				30
Tax Equivalent per 1994 PSC Report	\$	38,798					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	38,798					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)	5,424		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)	141,514		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	23,897		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	170,835	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	5,078		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	79,963	12,758	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	85,041	12,758	
WATER TREATMENT PLANT			
Land and Land Rights (330)	103		21
Structures and Improvements (331)	74,311		22
Water Treatment Equipment (332)	370,103		23
Total Water Treatment Plant	444,517	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)			5,424	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)			141,514	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			23,897	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	170,835	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			5,078	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			92,721	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	97,799	
WATER TREATMENT PLANT				
Land and Land Rights (330)			103	21
Structures and Improvements (331)			74,311	22
Water Treatment Equipment (332)			370,103	23
Total Water Treatment Plant	0	0	444,517	

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)	10,399		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	133,515		26
Transmission and Distribution Mains (343)	373,737	90,715	27
Fire Mains (344)	0		28
Services (345)	94,381	13,863	29
Meters (346)	63,563	374	30
Hydrants (348)	88,635	14,214	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	764,230	119,166	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	1,934		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	14,029		37
Other General Equipment (379)	14,790		38
Other Tangible Property (390)	0		39
Total General Plant	30,753	0	
Total utility plant in service directly assignable	1,495,376	131,924	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,495,376	131,924	

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)			10,399 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			133,515 26
Transmission and Distribution Mains (343)	1,310		463,142 27
Fire Mains (344)			0 28
Services (345)	4,421		103,823 29
Meters (346)	3,964		59,973 30
Hydrants (348)	210		102,639 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	9,905	0	873,491
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			1,934 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			14,029 37
Other General Equipment (379)			14,790 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	30,753
Total utility plant in service directly assignable	9,905	0	1,617,395
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	9,905	0	1,617,395

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	55,599		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	55,599	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			55,599 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	55,599
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)	127,822		26
Transmission and Distribution Mains (343)	394,175	117,600	27
Fire Mains (344)	0		28
Services (345)	116,663		29
Meters (346)	0		30
Hydrants (348)	35,011		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	673,671	117,600	
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	729,270	117,600	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	729,270	117,600	

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)			127,822 26
Transmission and Distribution Mains (343)			511,775 27
Fire Mains (344)			0 28
Services (345)			116,663 29
Meters (346)			0 30
Hydrants (348)			35,011 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	791,271
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	846,870
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	846,870

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			7,361	7,361	1
February			5,382	5,382	2
March			5,991	5,991	3
April			6,028	6,028	4
May			7,300	7,300	5
June			9,132	9,132	6
July			9,523	9,523	7
August			7,178	7,178	8
September			5,583	5,583	9
October			5,702	5,702	10
November			5,285	5,285	11
December			5,534	5,534	12
Total annual pumpage	0	0	79,999	79,999	
Less: Water sold				65,335	13
Volume pumped but not sold				14,664	14
Volume sold as a percent of volume pumped				82%	15
Volume used for water production, water quality and system maintenance				1,704	16
Volume related to equipment/system malfunction				2,461	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				4,165	19
Volume pumped but unaccounted for				10,499	20
Percent of water lost				13%	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.)				480	24
Date of maximum: 7/28/2006					25
Cause of maximum:					26
Tower overflow					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				86	27
Date of minimum: 11/29/2006					28
Total KWH used for pumping for the year				184,920	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)	
1324 EAST PROSPECT STREET	#3	327	16	576,000	Yes	1
1600 14TH AVENUE EAST	#4	128	16	1,440,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	WELL # 3	WELL #4		1
Location	1324 E PROSPECT STREET	160 14TH AVENUE EAST		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	CROWN	UNIVERSAL		5
Year Installed	1992	1976		6
Type	SUBMERSIBLE	VERTICAL TURBINE		7
Actual Capacity (gpm)	500	1,200		8
Pump Motor or Standby Engine Mfr	CROWN	US ELECTRIC		10
Year Installed	1992	1992		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	50	50		13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification number or name	#1	#2	WTP #3	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	R		3
Year constructed	1983	1961		4
Primary material (earthen, steel, concrete, other)	STEEL	CONCRETE		5
Elevation difference in feet (See Headnote 3.)	192	160		6
Total capacity in gallons (actual)	100,000	424,000		7
WATER TREATMENT PLANT				8
Disinfection, type of equipment (gas, liquid, powder, other)	GAS	GAS	GAS	9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE	WELLHOUSE	10
Filters, type (gravity, pressure, other, none)	GRAVITY	GRAVITY	GRAVITY	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	1.4000	1.4000	1.4000	12
Is a corrosion control chemical used (yes, no)?	N	N	N	13
Is water fluoridated (yes, no)?	Y	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.

Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	Number of Feet				Adjustments Increase or (Decrease) (g)	End of Year (h)	
			First of Year (d)	Added During Year (e)	Retired During Year (f)				
M	D	1.000	0	0	0	0	0	0	1
M	D	1.500	360	0	0	0	360	360	2
M	D	2.000	578	0	0	0	578	578	3
M	D	4.000	4,117	0	0	0	4,117	4,117	4
M	D	6.000	44,966	760	1,500	0	44,226	44,226	5
M	D	8.000	28,336	2,776	1,350	0	29,762	29,762	6
M	D	10.000	1,724	0	0	0	1,724	1,724	7
Total Within Municipality			80,081	3,536	2,850	0	80,767		
Total Utility			80,081	3,536	2,850	0	80,767		

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	655	10	23	0	642	58	1
M	1.000	179	2	0	0	181	21	2
M	1.250	9	0	0	0	9	2	3
M	1.500	17	0	0	0	17	0	4
M	2.000	19	0	1	0	18	6	5
M	3.000	5	0	0	0	5	2	6
M	4.000	15	0	0	0	15	11	7
M	6.000	3	0	0	0	3	0	8
M	8.000	1	0	0	0	1	1	9
Total Utility		903	12	24	0	891	101	

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	1,109	0	38	0	1,071	106	1
0.750	167	0	79	0	88	0	2
1.000	29	0	1	0	28	0	3
1.250	0	0	0	0	0	0	4
1.500	18	0	0	0	18	6	5
2.000	11	1	0	0	12	0	6
3.000	4	0	0	0	4	2	7
4.000	5	0	0	0	5	5	8
Total:	1,343	1	118	0	1,226	119	

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	608	55	0	0	0	408	1,071	1
0.750	36	52	0	0	0	0	88	2
1.000	1	10	0	0	0	17	28	3
1.250	0	0	0	0	0	0	0	4
1.500	0	11	0	4	0	3	18	5
2.000	0	5	0	7	0	0	12	6
3.000	0	0	0	3	0	1	4	7
4.000	0	1	1	2	0	1	5	8
Total:	645	134	1	16	0	430	1,226	

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	116	6	1		121	2
Total Fire Hydrants	116	6	1	0	121	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

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:	116
Number of distribution system valves end of year:	204
Number of distribution valves operated during year:	50

WATER OPERATING SECTION FOOTNOTES

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

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

Included in miscellaneous are reimbursements from the state for time spent going to training for emergency situations (158), recycling revenue from scrap metal(668), and other charges to customers for such items as repairing frozen meters, turning on water, hydrant taps and other labor charges.

Water Operation & Maintenance Expenses (Page W-05)

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

A/C 600 Operating Wages

Wages are allocated based on time spent working within the Utility. Each year is dependent on needs of the utility. During 2006 Utility experienced several maintenance issues which caused an increase in time spent, also an overall wage increase was granted.

A/C 620 Power for pumping

An overall increase in charges from the electric company caused increase.

A/C 650 Repairs

The Utility experienced 4 water main breaks during the year which were costly to repair.

A/C 680 Admin Wages

During 2006 the City's Clerk resigned. This position was not filled before the end of the year. Due to this less time from this position was allocated to the Utility.

A/C 681 Office Supplies

This is again dependent on the needs of the year.

A/C 686 Employee Pensions and benefits

This increase stems from the City paying increased health insurance premiums due to age of its employees. During 2006 one of the Utility workers turned 65 and his insurance took a dramatic increase. (approximately \$1,000/month)

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

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

A/C 325 Electric Pumping Equipment

During 2006 the Utility made improvements to the controls of the Booster Plant.

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.

Mains were financed both by the Utility through borrowing which occurred in a prior year, and by a public facility block grant.

WATER OPERATING SECTION FOOTNOTES

Water Services (Page W-18)

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

Services were replaced due to a road construction project. Replacement was paid for by the Utility through prior year borrowings.

Meters (Page W-19)

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

Utility presently is attempting to test all 1" or smaller meters every 7 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, all station meters are tested at least every two years.

Hydrants and Distribution System Valves (Page W-20)

General footnotes

Utility operated all hydrants and valves during 2005. During 2006, less valves were operated, however the required every two year operation was maintained.
