



3014 (02-02-05)

ANNUAL REPORT

OF

Name: CITY OF NEILLSVILLE MUNICIPAL WATER UTILITY

Principal Office: 118 W. 5TH STREET
NEILLSVILLE, WI 54456

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: CITY OF NEILLSVILLE MUNICIPAL WATER UTILITY

Utility Address: 118 W. 5TH STREET
NEILLSVILLE, WI 54456

When was utility organized? 10/24/1885

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: DAVID FLYNN

Title: DIRECTOR OF PUBLIC WORKS

Office Address:

118 W. 5TH STREET
NEILLSVILLE, WI 54456

Telephone: (715) 743 - 5678

Fax Number: (715) 743 - 2727

E-mail Address:

Utility employee in charge of correspondence concerning this report:

Name: REX ROEHL

Title: CLERK TREASURER

Office Address:

118 W 5TH STREET
NEILLSVILLE, WI 54456

Telephone: (715) 743 - 2105

Fax Number: (715) 743 - 2727

E-mail Address:

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

Name: MICHAEL S. LENSIRE, CPA

Title: PARTNER

Office Address: CLIFTON GUNDERSON, LLP

201 FRONTENAC AVENUE
P.O. BOX 106
STEVENS POINT, WI 54481

Telephone: (715) 344 - 4984

Fax Number: (715) 344 - 8544

E-mail Address: MIKE.LENSMIRE@CLIFTONCPA.COM

IDENTIFICATION AND OWNERSHIP

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

Name:

Title:

Office Address:

Telephone:

Fax Number:

E-mail Address:

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

Name: STEVEN MABIE

Title: CHAIR PERSON

Office Address:

118 W 5TH STREET
NEILLSVILLE, WI 54456

Telephone:

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

Date of most recent audit report: 12/31/2006

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

Names and titles of utility management including manager or superintendent:

Name: DAVID FLYNN

Title: PUBLIC WORKS DIRECTOR

Office Address:

118 W 5TH STREET
NEILLSVILLE, WI 54456

Telephone: (715) 743 - 5678

Fax Number: (715) 743 - 2727

E-mail Address:

Name of utility commission/committee: UTILITY COMMISSION

Names of members of utility commission/committee:

- MR DALE BERGER, COUNCIL MEMBER
 - MR CHARLES GLASSBRENNER, COUNCIL MEMBER
 - MR DANIEL HERBRAND, COUNCIL MEMBER
 - MR DARYN HORN, COUNCIL MEMBER
 - MR STEVEN MABIE, COUNCIL MEMBER
 - MS DIANE MURPHY, MAYOR
-

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:

Are any of the utility administrative or operational functions under contract or agreement with an

IDENTIFICATION AND OWNERSHIP

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)	552,956	529,007	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	294,270	319,004	2
Depreciation Expense (403)	121,531	103,689	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	60,476	61,328	5
Total Operating Expenses	476,277	484,021	
Net Operating Income	76,679	44,986	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	76,679	44,986	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	26,614	17,008	10
Miscellaneous Nonoperating Income (421)	0	410	11
Total Other Income	26,614	17,418	
Total Income	103,293	62,404	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(30,635)	(30,635)	12
Other Income Deductions (426)	28,616	20,842	13
Total Miscellaneous Income Deductions	(2,019)	(9,793)	
Income Before Interest Charges	105,312	72,197	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	29,832	33,087	14
Amortization of Debt Discount and Expense (428)	629	629	15
Amortization of Premium on Debt--Cr. (429)	0	0	16
Interest on Debt to Municipality (430)	0	0	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0	0	19
Total Interest Charges	30,461	33,716	
Net Income	74,851	38,481	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	1,963,713	1,925,232	20
Balance Transferred from Income (433)	74,851	38,481	21
Miscellaneous Credits to Surplus (434)	0	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	2,038,564	1,963,713	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	552,956		552,956	1
Total (Acct. 400):	552,956	0	552,956	
Operation and Maintenance Expense (401-402):				
Derived	294,270		294,270	2
Total (Acct. 401-402):	294,270	0	294,270	
Depreciation Expense (403):				
Derived	121,531		121,531	3
Total (Acct. 403):	121,531	0	121,531	
Amortization Expense (404-407):				
Derived	0		0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	60,476		60,476	5
Total (Acct. 408):	60,476	0	60,476	
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:	76,679	0	76,679	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Income from Nonutility Operations (417):				
NONE	0		0	9
Total (Acct. 417):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	10
Total (Acct. 418):	0	0	0	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Interest and Dividend Income (419):			
VARIOUS BANKING INSTITUTIONS	26,614	0	26,614 11
Total (Acct. 419):	26,614	0	26,614
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water	[REDACTED]		0 12
NONE	0	0	0 13
Total (Acct. 421):	0	0	0
TOTAL OTHER INCOME:	26,614	0	26,614
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(30,635)	[REDACTED]	(30,635) 14
NONE	0	0	0 15
Total (Acct. 425):	(30,635)	0	(30,635)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	28,616	28,616 16
NONE	0	0	0 17
Total (Acct. 426):	0	28,616	28,616
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(30,635)	28,616	(2,019)
INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	29,832	[REDACTED]	29,832 18
Total (Acct. 427):	29,832	0	29,832
Amortization of Debt Discount and Expense (428):			
NONE	629	[REDACTED]	629 19
Total (Acct. 428):	629	0	629
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 20
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	[REDACTED]	0 21
Total (Acct. 430):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Other Interest Expense (431):			
Derived	0		0 22
Total (Acct. 431):	0	0	0
Interest Charged to Construction--Cr. (432):			
NONE	0		0 23
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	30,461	0	30,461
NET INCOME:	103,467	(28,616)	74,851
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	778,742	1,184,971	1,963,713 24
Total (Acct. 216):	778,742	1,184,971	1,963,713
Balance Transferred from Income (433):			
Derived	103,467	(28,616)	74,851 25
Total (Acct. 433):	103,467	(28,616)	74,851
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 26
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 27
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 28
Total (Acct. 436)--Debit:	0	0	0
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 29
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	882,209	1,156,355	2,038,564

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 & 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	552,956	0	0	0	552,956	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	552,956	0	0	0	552,956	

DISTRIBUTION OF TOTAL PAYROLL

1. Amounts charged to Utility Financed and to Contributed Plant accounts should be combined and reported in plant or accumulated depreciation accounts.
2. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
3. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
4. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	124,805		124,805	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts			0	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
Total Payroll	124,805	0	124,805	

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	2.5	1
Electric		2
Gas		3
Sewer		4

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	5,676,705	5,513,432	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	2,353,384	2,206,641	2
Net Utility Plant	3,323,321	3,306,791	
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)	8,916	8,016	8
Temporary Cash Investments (132)	643,728	671,107	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	134,656	142,603	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	10,260	10,584	14
Materials and Supplies (150)	32,711	30,017	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)	0		17
Total Current and Accrued Assets	830,271	862,327	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	3,768	4,397	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	3,768	4,397	
Total Assets and Other Debits	4,157,360	4,173,515	

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)	784,737	784,737	21
Appropriated Earned Surplus (215)	0		22
Unappropriated Earned Surplus (216)	2,038,564	1,963,713	23
Total Proprietary Capital	2,823,301	2,748,450	
LONG-TERM DEBT			
Bonds (221)	630,000	705,000	24
Advances from Municipality (223)	0	0	25
Other Long-Term Debt (224)	0	0	26
Total Long-Term Debt	630,000	705,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	25,696	11,067	28
Payables to Municipality (233)	70,073	67,011	29
Customer Deposits (235)			30
Taxes Accrued (236)	52,020	53,847	31
Interest Accrued (237)	8,500	9,463	32
Other Current and Accrued Liabilities (238)	26,982	27,254	33
Total Current and Accrued Liabilities	183,271	168,642	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	520,788	551,423	36
Total Deferred Credits	520,788	551,423	
OPERATING RESERVES			
Property Insurance Reserve (261)			37
Injuries and Damages Reserve (262)			38
Pensions and Benefits Reserve (263)			39
Miscellaneous Operating Reserves (265)			40
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	4,157,360	4,173,515	

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	5,513,432	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (101.1)	3,719,681	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	1,831,464	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant in Process of Reclassification (103)					5
Utility Plant Leased to Others (104)					6
Property Held for Future Use (105)					7
Completed Construction not Classified (106)					8
Construction Work in Progress (107)	125,560				9
Utility Plant Acquisition Adjustments (108)					10
Other Utility Plant Adjustments (109)					11
Total Utility Plant	5,676,705	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)	1,649,549	0	0	0	12
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	703,835	0	0	0	13
Total Accumulated Provision	2,353,384	0	0	0	
Net Utility Plant	3,323,321	0	0	0	

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

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	1,531,422				1,531,422	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	121,531				121,531	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	4,370				4,370	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	125,901	0	0	0	125,901	16
Debits during year						17
Book cost of plant retired	7,774				7,774	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	7,774	0	0	0	7,774	25
Balance end of year (110.1)	1,649,549	0	0	0	1,649,549	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)	675,219				675,219	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	28,616				28,616	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	28,616	0	0	0	28,616	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)	703,835	0	0	0	703,835	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):					
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		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	32,711	30,017	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	32,711	30,017	

**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)				
Bond issue Costs - Revenue bonds	629	428	3,768	1
Total			<u><u>3,768</u></u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u><u>0</u></u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	784,737	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>784,737</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)	
Water Revenue Bonds	02/01/1999	09/15/2012	4.40%	630,000	1
Total Bonds (Account 221):				630,000	

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)
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NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	53,847	1
Accruals:		
Charged water department expense	60,476	2
Charged electric department expense		3
Charged sewer department expense	1,427	4
Other (explain):		
NONE		5
Total Accruals and other credits	61,903	
Taxes paid during year:		
County, state and local taxes	53,847	6
Social Security taxes	9,430	7
PSC Remainder Assessment	453	8
Other (explain):		
NONE		9
Total payments and other debits	63,730	
Balance end of year	52,020	

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)					
Revenue Bonds	9,463	29,832	30,795	8,500	1
Subtotal	9,463	29,832	30,795	8,500	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other Long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	9,463	29,832	30,795	8,500	

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	134,656	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	134,656	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE	0	11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DUE FROM THE SEWER FOR ALLOCATED METER COSTS	10,260	12
Total (Acct. 145):	10,260	
Prepayments (165):		
NONE	0	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 THE GENERAL FUND FOR CURRENT YEAR EXPENSES	70,073	16
Total (Acct. 233):	70,073	
Other Deferred Credits (253):		
Regulatory Liability	520,788	17
NONE		18
Total (Acct. 253):	520,788	

RETURN ON RATE BASE COMPUTATION

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

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (101.1)	3,700,824	0	0	0	3,700,824	1
Materials and Supplies	31,364	0	0	0	31,364	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	1,590,485	0	0	0	1,590,485	4
Customer Advances for Construction					0	5
Regulatory Liability	536,105	0	0	0	536,105	6
NONE					0	7
Average Net Rate Base	1,605,598	0	0	0	1,605,598	
Net Operating Income	76,679	0	0	0	76,679	8
Net Operating Income as a percent of						
Average Net Rate Base	4.78%	N/A	N/A	N/A	4.78%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year	551,423	0	0	0	551,423	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	30,635	0	0	0	30,635	3
Other (specify):						
NONE					0	4
Balance End of Year	520,788	0	0	0	520,788	

FINANCIAL SECTION FOOTNOTES

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

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

The balance in account 145 is made up of meter costs allocated to the sewer utility for 2006. This balance is current.

The balance in account 233 is made up of employee benefits and insurance costs allocated to the water utility for 2006. This balance is current.

Identification and Ownership (Page iv)

General footnotes

Members of the City Council
City of Neillsville
Neillsville, Wisconsin

We have compiled the Municipal Utility Annual Report included in the accompanying prescribed form for the City of Neillsville, Wisconsin as of December 31, 2006 and for the year then ended in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

This report is presented in accordance with the requirements of the Public Service Commission which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

CLIFTON GUNDERSON LLP

Stevens Point, Wisconsin
March 3, 2007

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	545,008	521,500	1
Total Sales of Water	545,008	521,500	
Other Operating Revenues			
Forfeited Discounts (470)	2,762	2,778	2
Miscellaneous Service Revenues (471)	473	0	3
Rents from Water Property (472)	225	0	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	4,488	4,729	6
Total Other Operating Revenues	7,948	7,507	
Total Operating Revenues	552,956	529,007	
Operation and Maintenance Expenses			
Source of Supply Expenses (600-605)	13,547	13,618	7
Pumping Expenses (620-625)	33,395	46,682	8
Water Treatment Expenses (630-635)	78,660	65,419	9
Transmission and Distribution Expenses (640-655)	56,237	74,501	10
Customer Accounts Expenses (901-904)	19,191	18,384	11
Sales Expenses (910)	0	0	12
Administrative and General Expenses (920-935)	93,240	100,400	13
Total Operation and Maintenance Expenses	294,270	319,004	
Other Operating Expenses			
Depreciation Expense (403)	121,531	103,689	14
Amortization Expense (404-407)	0	0	15
Taxes (408)	60,476	61,328	16
Total Other Operating Expenses	182,007	165,017	
Total Operating Expenses	476,277	484,021	
NET OPERATING INCOME	76,679	44,986	

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	959	31,419	198,104	4
Commercial	171	23,548	110,648	5
Industrial	9	13,145	45,895	6
Total Metered Sales to General Customers (461)	1,139	68,112	354,647	
Private Fire Protection Service (462)	22		14,460	7
Public Fire Protection Service (463)	3		143,998	8
Other Sales to Public Authorities (464)	41	5,905	31,903	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	1,205	74,017	545,008	

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)	143,998	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)	143,998	
Forfeited Discounts (470):		
Customer late payment charges	2,762	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	2,762	
Miscellaneous Service Revenues (471):		
REPAIR WATER LINE FOR METER INSTALL	473	7
Total Miscellaneous Service Revenues (471)	473	
Rents from Water Property (472):		
HYDRANT RENTAL CHARGES	225	8
Total Rents from Water Property (472)	225	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	4,488	10
Other (specify): NONE		11
Total Other Water Revenues (474)	4,488	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	This Year (b)	Last Year (c)	
SOURCE OF SUPPLY EXPENSES			
Operation Labor (600)	13,547	13,618	1
Purchased Water (601)		0	2
Operation Supplies and Expenses (602)		0	3
Maintenance of Water Source Plant (605)		0	4
Total Source of Supply Expenses	13,547	13,618	
PUMPING EXPENSES			
Operation Labor (620)	388	863	5
Fuel for Power Production (621)		0	6
Fuel or Power Purchased for Pumping (622)	33,007	30,724	7
Operation Supplies and Expenses (623)		0	8
Maintenance of Pumping Plant (625)	0	15,095	9
Total Pumping Expenses	33,395	46,682	
WATER TREATMENT EXPENSES			
Operation Labor (630)	31,100	27,791	10
Chemicals (631)	29,443	23,248	11
Operation Supplies and Expenses (632)	17,167	14,070	12
Maintenance of Water Treatment Plant (635)	950	310	13
Total Water Treatment Expenses	78,660	65,419	
TRANSMISSION AND DISTRIBUTION EXPENSES			
Operation Labor (640)	11,092	11,687	14
Operation Supplies and Expenses (641)	883	1,174	15
Maintenance of Distribution Reservoirs and Standpipes (650)	26,537	22,871	16
Maintenance of Mains (651)	6,113	27,968	17
Maintenance of Services (652)	8,618	9,258	18
Maintenance of Meters (653)	1,771	911	19
Maintenance of Hydrants (654)	1,223	632	20
Maintenance of Other Plant (655)	0	0	21
Total Transmission and Distribution Expenses	56,237	74,501	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	This Year (b)	Last Year (c)	
CUSTOMER ACCOUNTS EXPENSES			
Meter Reading Labor (901)	2,376	3,131	22
Accounting and Collecting Labor (902)	14,448	12,610	23
Supplies and Expenses (903)	2,367	2,643	24
Uncollectible Accounts (904)	0	0	25
Total Customer Accounts Expenses	19,191	18,384	
SALES EXPENSES			
Sales Expenses (910)	0	0	26
Total Sales Expenses	0	0	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (920)	16,437	16,118	27
Office Supplies and Expenses (921)	4,388	4,451	28
Administrative Expenses Transferred--Credit (922)	0	0	29
Outside Services Employed (923)	3,650	12,268	30
Property Insurance (924)	6,598	9,007	31
Injuries and Damages (925)	0	0	32
Employee Pensions and Benefits (926)	52,203	47,974	33
Regulatory Commission Expenses (928)	150	2,153	34
Miscellaneous General Expenses (930)		345	35
Transportation Expenses (933)	8,205	8,084	36
Maintenance of General Plant (935)	1,609	0	37
Total Administrative and General Expenses	93,240	100,400	
Total Operation and Maintenance Expenses	294,270	319,004	

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		52,020	53,847	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		1,427	1,538	2
Net property tax equivalent		50,593	52,309	
Social Security		9,430	8,589	3
PSC Remainder Assessment		453	430	4
Other (specify): NONE			0	5
Total tax expense		60,476	61,328	

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			Clark				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.191820				3
County tax rate	mills		7.608680				4
Local tax rate	mills		9.916360				5
School tax rate	mills		7.845050				6
Voc. school tax rate	mills		1.712980				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		27.274890				10
Less: state credit	mills		1.320550				11
Net tax rate	mills		25.954340				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		9.916360				14
Combined School Tax Rate	mills		9.558030				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		19.474390				17
Total Tax Rate	mills		27.274890				18
Ratio of Local and School Tax to Total	dec.		0.714004				19
Total tax net of state credit	mills		25.954340				20
Net Local and School Tax Rate	mills		18.531512				21
Utility Plant, Jan. 1	\$	5,513,432	5,513,432				22
Materials & Supplies	\$	30,017	30,017				23
Subtotal	\$	5,543,449	5,543,449				24
Less: Plant Outside Limits	\$	2,477,309	2,477,309				25
Taxable Assets	\$	3,066,140	3,066,140				26
Assessment Ratio	dec.		0.915515				27
Assessed Value	\$	2,807,097	2,807,097				28
Net Local & School Rate	mills		18.531512				29
Tax Equiv. Computed for Current Year	\$	52,020	52,020				30
Tax Equivalent per 1994 PSC Report	\$	36,928					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	52,020					34

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	49,971		5
Collecting and Impounding Reservoirs (312)	463,553		6
Lake, River and Other Intakes (313)	3,589		7
Wells and Springs (314)	431,476		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	10,703		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	959,292	0	
PUMPING PLANT			
Land and Land Rights (320)	36,402		12
Structures and Improvements (321)	614,852		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	253,944		17
Diesel Pumping Equipment (326)	2,935		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	908,133	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	600		21
Structures and Improvements (331)	199,623		22
Water Treatment Equipment (332)	142,665		23
Total Water Treatment Plant	342,888	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)			49,971 5
Collecting and Impounding Reservoirs (312)			463,553 6
Lake, River and Other Intakes (313)			3,589 7
Wells and Springs (314)			431,476 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			10,703 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	959,292
PUMPING PLANT			
Land and Land Rights (320)			36,402 12
Structures and Improvements (321)			614,852 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			253,944 17
Diesel Pumping Equipment (326)			2,935 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	908,133
WATER TREATMENT PLANT			
Land and Land Rights (330)			600 21
Structures and Improvements (331)			199,623 22
Water Treatment Equipment (332)			142,665 23
Total Water Treatment Plant	0	0	342,888

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	3,669		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	154,512		26
Transmission and Distribution Mains (343)	746,494	41,588	27
Fire Mains (344)	0		28
Services (345)	143,817	2,380	29
Meters (346)	174,047	1,519	30
Hydrants (348)	121,819		31
Other Transmission and Distribution Plant (349)	197		32
Total Transmission and Distribution Plant	1,344,555	45,487	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	17,024		35
Computer Equipment (391.1)	1,967		36
Transportation Equipment (392)	92,436		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	4,535		39
Laboratory Equipment (395)	3,137		40
Power Operated Equipment (396)	8,001		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	127,100	0	
Total utility plant in service directly assignable	3,681,968	45,487	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	3,681,968	45,487	

**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)			3,669 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			154,512 26
Transmission and Distribution Mains (343)	7,584		780,498 27
Fire Mains (344)			0 28
Services (345)			146,197 29
Meters (346)	40		175,526 30
Hydrants (348)	150		121,669 31
Other Transmission and Distribution Plant (349)			197 32
Total Transmission and Distribution Plant	7,774	0	1,382,268
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			17,024 35
Computer Equipment (391.1)			1,967 36
Transportation Equipment (392)			92,436 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			4,535 39
Laboratory Equipment (395)			3,137 40
Power Operated Equipment (396)			8,001 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	127,100
Total utility plant in service directly assignable	7,774	0	3,719,681
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	7,774	0	3,719,681

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	245,099		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	245,099	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)			245,099 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	245,099
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	0		26
Transmission and Distribution Mains (343)	1,577,015		27
Fire Mains (344)	0		28
Services (345)	9,350		29
Meters (346)	0		30
Hydrants (348)	0		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,586,365	0	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	0		35
Computer Equipment (391.1)	0		36
Transportation Equipment (392)	0		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	0	0	
Total utility plant in service directly assignable	1,831,464	0	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	1,831,464	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)			0 26
Transmission and Distribution Mains (343)			1,577,015 27
Fire Mains (344)			0 28
Services (345)			9,350 29
Meters (346)			0 30
Hydrants (348)			0 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	1,586,365
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			0 35
Computer Equipment (391.1)			0 36
Transportation Equipment (392)			0 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	1,831,464
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	0	0	1,831,464

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 (a)	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)	Total Gallons All Methods (000's) (e)	
January			7,978	7,978	1
February			7,110	7,110	2
March			7,766	7,766	3
April			7,846	7,846	4
May			8,217	8,217	5
June			8,179	8,179	6
July			9,642	9,642	7
August			8,616	8,616	8
September			7,663	7,663	9
October			9,194	9,194	10
November			7,499	7,499	11
December			7,332	7,332	12
Total annual pumpage	0	0	97,042	97,042	
Less: Water sold				74,017	13
Volume pumped but not sold				23,025	14
Volume sold as a percent of volume pumped				76%	15
Volume used for water production, water quality and system maintenance				18,000	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				18,000	19
Volume pumped but unaccounted for				5,025	20
Percent of water lost				5%	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.)				453	24
Date of maximum: 2/2/2006					25
Cause of maximum:					26
Flushing sewer mains					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				122	27
Date of minimum: 6/16/2006					28
Total KWH used for pumping for the year				317,261	29
If water is purchased: Vendor Name: N/A					30
Point of Delivery:					31

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
WELL 1-N1556 RIVERA AVENUE	1	42	16	35,120	Yes	1
WELL # 2-N1556 RIVERA AVENUE	2	42	16	45,000	Yes	2
WELL # 3-N1556 RIVERA AVENUE	3	42	16	39,100	Yes	3
WELL # 4-W7380 ST HWY 95	4	47	16	35,120	Yes	4

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 # 1	WELL # 2	WELL # 3	1
Location	LEVIS TOWNSHIP	LEVIS TOWNSHIP	LEVIS TOWNSHIP	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	LAYNE	LAYNE	LAYNE	5
Year Installed	1979	1979	1979	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	420	300	150	8
Pump Motor or Standby Engine Mfr	U.S. MOTOR	U.S. MOTOR	U.S. MOTOR	9 10
Year Installed	1979	1979	1979	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	15	10	10	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	WELL # 4			14
Location	LEVIS TOWNSHIP			15
Purpose	P			16
Destination	D			17
Pump Manufacturer	LAYNE			18
Year Installed	1990			19
Type	VERTICAL TURBINE			20
Actual Capacity (gpm)	400			21
Pump Motor or Standby Engine Mfr	U.S. MOTOR			22 23
Year Installed	1990			24
Type	ELECTRIC			25
Horsepower	15			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	38 X 40 STEEL TANK	BOOSTER STATION - B	WATER SPHEROID	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	R	ET	3
Year constructed	1926	1979	1970	4
Primary material (earthen, steel, concrete, other)	STEEL	CONCRETE	STEEL	5
Elevation difference in feet (See Headnote 3.)	160	0	165	6
Total capacity in gallons (actual)	250,000	50,000	200,000	7
WATER TREATMENT PLANT				8
Disinfection, type of equipment (gas, liquid, powder, other)	GAS		GAS	9
Points of application (wellhouse, central facilities, booster station, other)	BOOSTER STATION		BOOSTER STATION	10
Filters, type (gravity, pressure, other, none)	PRESSURE		PRESSURE	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	600.0000		600.0000	12
Is a corrosion control chemical used (yes, no)?	Y	Y	Y	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.

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	0.750	0	0	0	0	0	1
M	D	1.000	0	0	0	0	0	2
M	D	1.250	0	0	0	0	0	3
M	D	1.500	0	0	0	0	0	4
M	D	2.000	0	0	0	0	0	5
M	D	4.000	6,301	0	948	0	5,353	6
P	D	4.000	600	0	0	0	600	7
M	D	6.000	58,123	948	0	0	59,071	8
M	D	8.000	23,264	0	0	0	23,264	9
M	D	10.000	16,157	0	0	0	16,157	10
M	D	12.000	56,380	0	0	0	56,380	11
Total Within Municipality			160,825	948	948	0	160,825	
Total Utility			160,825	948	948	0	160,825	

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	1,075	1	0	0	1,076	15	1
M	1.000	77	1	0	0	78	5	2
M	1.500	4	0	0	0	4		3
P	2.000	2	0	0	0	2		4
M	2.000	34	1	0	0	35		5
M	3.000	7	0	0	0	7		6
M	4.000	7	0	0	0	7		7
M	6.000	12	0	0	0	12		8
Total Utility		1,218	3	0	0	1,221	20	

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	1,048	0	0	0	1,048	82	1
0.750	16	1	1	(13)	3	2	2
1.000	81	0	0	(3)	78	3	3
1.500	28	0	0	(2)	26	1	4
2.000	22	1	0	(2)	21	6	5
3.000	4	0	0	1	5	1	6
4.000	7	0	0	0	7	2	7
Total:	1,206	2	1	(19)	1,188	97	

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	909	115	1	12	10	1	1,048	1
0.750	0	1	0	2	0	0	3	2
1.000	34	32	1	10	1	0	78	3
1.500	1	16	3	5	1	0	26	4
2.000	0	13	2	5	1	0	21	5
3.000	0	0	0	5	0	0	5	6
4.000	0	3	1	3	0	0	7	7
Total:	944	180	8	42	13	1	1,188	

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	15				15	1
Within Municipality	187	1	1		187	2
Total Fire Hydrants	202	1	1	0	202	
Flushing Hydrants						
	6				6	3
Total Flushing Hydrants	6	0	0	0	6	

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:	202
Number of distribution system valves end of year:	347
Number of distribution valves operated during year:	174

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 25%, but not less \$5,000, please explain.

The decrease in account 625 is due to no scheduled well rehabilitation because this was done in 2005 and is only done every 2 years.

Account 651 decreased due to there not being as many repairs done on meters as in the prior year.

Account 923 decreased because the prior year included professional fees related to the water rate case and PSC review fees.

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.

Addition financed through the water department with funds collected for water use (water bills)

Water Services (Page W-18)

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

The 3/4" service was financed by the homeowner. The 1" service was financed by public authority. The 2" service was financed by the business owner.

Meters (Page W-19)

Explain all reported adjustments.

Adjustments to meters are to adjust beginning balances.

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

Program is to test meters every 10 years. In 2006, the City was short of manpower - 2 of the 3 water utility workers were out or injured for at least 8 weeks each.

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

Hydrants and Distribution System Valves (Page W-20)

If Hydrants Additions are greater than zero AND Additions on both of the Plant in Service schedules (Account 348) are zero, please explain.

The hydrant that was placed in service in the current year was purchased by the City in a previous year.
