



3015 (02-02-05)

ANNUAL REPORT

OF

Name: INDEPENDENCE WATER UTILITY

Principal Office: 23688 ADAMS STREET
P.O. BOX 189
INDEPENDENCE, WI 54747-0189

For the Year Ended: DECEMBER 31, 2007

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.

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
FINANCIAL SECTION	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.1)	F-07
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.2)	F-08
Net Nonutility Property (Accts. 121 & 122)	F-09
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-10
Materials and Supplies	F-11
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-12
Capital Paid in by Municipality (Acct. 200)	F-13
Bonds (Acct. 221)	F-14
Notes Payable & Miscellaneous Long-Term Debt	F-15
Taxes Accrued (Acct. 236)	F-16
Interest Accrued (Acct. 237)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Important Changes During the Year	F-20
Full-Time Employees (FTE)	F-21
Regulatory Liability - Pre-2003 Historical Accumulated Depreciation on Contributed Utility	F-22
Financial Section Footnotes	F-23
WATER OPERATING SECTION	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Property Tax Equivalent (Water)	W-07
Property Tax Equivalent (Water)	W-07
Water Utility Plant in Service --Plant Financed by Utility or Municipality--	W-08
Water Utility Plant in Service --Plant Financed by Contributions--	W-10
Source of Supply, Pumping and Purchased Water Statistics	W-12
Sources of Water Supply - Ground Waters	W-13
Sources of Water Supply - Surface Waters	W-14
Pumping & Power Equipment	W-15
Reservoirs, Standpipes & Water Treatment	W-16
Water Mains	W-17
Water Services	W-18
Meters	W-19
Hydrants and Distribution System Valves	W-20
Water Operating Section Footnotes	W-21

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: INDEPENDENCE WATER UTILITY

Utility Address: 23688 ADAMS STREET
P.O. BOX 189
INDEPENDENCE, WI 54747-0189

When was utility organized? 12/31/1948

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MRS LENICE PRONSCHINSKE

Title: CITY CLERK-TREASURER

Office Address:

23688 ADAMS STREET
P.O. BOX 189
INDEPENDENCE, WI 54747-0189

Telephone: (715) 985 - 3055

Fax Number: (715) 985 - 2530

E-mail Address: indchall@trivest.net

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

Name: JOHN E. VIG

Title: MANAGING MEMBER

Office Address: VIG & ASSOCIATES, LLC

1315 BAD AXE COURT
P.O. BOX 271
VIROQUA, WI 54665

Telephone: (608) 637 - 2082

Fax Number: (608) 637 - 3021

E-mail Address: jackv@frontiernet.net

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

Name: MR. WILLIE SMIEJA

Title: PRESIDENT

Office Address:

23688 ADAMS STREET
P.O. BOX 189
INDEPENDENCE, WI 54747

Telephone: (715) 985 - 3055

Fax Number: (715) 985 - 2530

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: JOHN E. VIG

Title: MANAGING MEMBER

Office Address: VIG & ASSOCIATES, LLC

1315 BAD AXE COURT

P.O. BOX 271

VIROQUA, WI 54665

Telephone: (608) 637 - 2082

Fax Number: (608) 637 - 3021

E-mail Address: jackv@frontiernet.net

Date of most recent audit report:

Period covered by most recent audit: 12/31/07

Names and titles of utility management including manager or superintendent:

Name: MR DENNIS PRONSCHINSKE

Title: SUPERINTENDENT

Office Address:

23688 ADAMS STREET

P.O. BOX 189

INDEPENDENCE, WI 54747-0189

Telephone: (715) 985 - 3055

Fax Number: (715) 985 - 2530

E-mail Address:

Name of utility commission/committee: Water Utily Commission

Names of members of utility commission/committee:

MR LOREN NELSON, VICE PRESIDENT

MR WILLIE SMIEJA, PRESIDENT

MR DONALD WOYCHIK, SECRETARY

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: [REDACTED]

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:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	248,750	246,165	1
Operating Expenses:			
Operation and Maintenance Expense (401)	95,006	104,273	2
Depreciation Expense (403)	52,561	51,245	3
Amortization Expense (404)	0	0	4
Taxes (408)	66,996	59,119	5
Total Operating Expenses	214,563	214,637	
Net Operating Income	34,187	31,528	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	34,187	31,528	
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)	6,303	6,340	9
Miscellaneous Nonoperating Income (421)	0	69,983	10
Total Other Income	6,303	76,323	
Total Income	40,490	107,851	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(7,150)	(7,150)	11
Other Income Deductions (426)	25,534	25,034	12
Total Miscellaneous Income Deductions	18,384	17,884	
Income Before Interest Charges	22,106	89,967	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	26,938	28,148	13
Amortization of Debt Discount and Expense (428)	3,716	3,716	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	30,654	31,864	
Net Income	(8,548)	58,103	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	1,754,137	1,643,920	19
Balance Transferred from Income (433)	(8,548)	58,103	20
Miscellaneous Credits to Surplus (434)	59,954	52,114	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	1,805,543	1,754,137	

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	248,750		248,750	1
Total (Acct. 400):	248,750	0	248,750	
Operation and Maintenance Expense (401):				
Derived	95,006		95,006	2
Total (Acct. 401):	95,006	0	95,006	
Depreciation Expense (403):				
Derived	52,561		52,561	3
Total (Acct. 403):	52,561	0	52,561	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	66,996		66,996	5
Total (Acct. 408):	66,996	0	66,996	
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:	34,187	0	34,187	
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):				
INTEREST INCOME	6,303	0	6,303	10
Total (Acct. 419):	6,303	0	6,303	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	11

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NONE	0	0	0 12
Total (Acct. 421):	0	0	0
TOTAL OTHER INCOME:	6,303	0	6,303

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(7,150)	[REDACTED]	(7,150) 13
NONE	0	0	0 14
Total (Acct. 425):	(7,150)	0	(7,150)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	25,534	25,534 15
NONE	0	0	0 16
Total (Acct. 426):	0	25,534	25,534
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(7,150)	25,534	18,384

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	26,938	[REDACTED]	26,938 17
Total (Acct. 427):	26,938	0	26,938
Amortization of Debt Discount and Expense (428):			
AMORTIZATION OF BOND DISC/PREM.	3,716	[REDACTED]	3,716 18
Total (Acct. 428):	3,716	0	3,716
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	[REDACTED]	0 20
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0	[REDACTED]	0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	30,654	0	30,654
NET INCOME:	16,986	(25,534)	(8,548)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	880,498	873,639	1,754,137 23
Total (Acct. 216):	880,498	873,639	1,754,137
Balance Transferred from Income (433):			
Derived	16,986	(25,534)	(8,548) 24
Total (Acct. 433):	16,986	(25,534)	(8,548)
Miscellaneous Credits to Surplus (434):			
TAXES FORGIVEN	59,954	0	59,954 25
Total (Acct. 434):	59,954	0	59,954
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	957,438	848,105	1,805,543

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	248,750	0	0	0	248,750	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	248,750	0	0	0	248,750	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	3,117,713	3,117,713	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	691,177	611,655	2
Net Utility Plant	2,426,536	2,506,058	
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)	34,310	35,914	5
Other Investments (124)	645	893	6
Special Funds (125)	95,037	97,896	7
Total Other Property and Investments	129,992	134,703	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	320,909	227,729	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	39,787	38,088	11
Other Accounts Receivable (143)	248	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	8,025	8,025	14
Materials and Supplies (150)	6,298	5,280	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	375,267	279,122	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	71,718	75,784	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	71,718	75,784	
Total Assets and Other Debits	3,003,513	2,995,667	

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)	372,702	372,702	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	1,805,543	1,754,137	23
Total Proprietary Capital	2,178,245	2,126,839	
LONG-TERM DEBT			
Bonds (221)	670,000	710,000	24
Advances from Municipality (223)	30,000	21,332	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	700,000	731,332	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	884	5,615	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	5,000	5,000	31
Interest Accrued (237)	4,416	4,636	32
Other Current and Accrued Liabilities (238)	563	690	33
Total Current and Accrued Liabilities	10,863	15,941	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	114,405	121,555	36
Total Deferred Credits	114,405	121,555	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	3,003,513	2,995,667	

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	3,117,713	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)	2,007,370	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	1,110,343	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	3,117,713	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)	428,939	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	262,238	0	0	0	12
Total Accumulated Provision	691,177	0	0	0	
Net Utility Plant	2,426,536	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)	374,951				374,951	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	52,561				52,561	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,427				1,427	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	53,988	0	0	0	53,988	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)	428,939	0	0	0	428,939	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)	236,704				236,704	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	25,534				25,534	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	25,534	0	0	0	25,534	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)	262,238	0	0	0	262,238	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	0	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	0	
Balance end of year	0	

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	6,298	5,280 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	<u>6,298</u>	<u>5,280</u>

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

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

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
DEFERRED AMOUNT ON REFUNDING	2,269	428	41,968	1
UNAMORTIZED DEBT DISCOUNT & EXPENSE ON BOND ISSUE	1,448	428	26,781	2
UNAMORTIZED PREMIUM ON RESERVE ACCOUNT INVESTMENTS	349	419	2,969	3
Total			<u><u>71,718</u></u>	
Unamortized premium on debt (251)				
NONE				4
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	372,702	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>372,702</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)	
REVENUE REFUNDING BONDS	08/23/2005	05/01/2019	3.83%	670,000	1
Total Bonds (Account 221):				670,000	

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)	
Advances (223)					
CASH ADVANCE FROM GENERAL FUND	12/31/1999	12/31/2006	0.00%	30,000	1
Total for Account 223				30,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	5,000	1
Accruals:		
Charged water department expense	66,717	2
Charged electric department expense		3
Charged sewer department expense	668	4
Other (explain):		
NONE		5
Total Accruals and other credits	67,385	
Taxes paid during year:		
County, state and local taxes	64,954	6
Social Security taxes	2,154	7
PSC Remainder Assessment	277	8
Other (explain):		
NONE		9
Total payments and other debits	67,385	
Balance end of year	5,000	

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, SERIES 1999	0			0	1
REVENUE REFUNDING BONDS	4,636	26,938	27,158	4,416	2
Subtotal	4,636	26,938	27,158	4,416	
Advances from Municipality (223)					
NONE	0			0	3
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE	0			0	4
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	4,636	26,938	27,158	4,416	

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):		
ADVANCE TO SEWER UTILITY	34,310	1
Total (Acct. 123):	34,310	
Other Investments (124):		
DEFERRED SPECIAL ASSESSMENTS	645	2
Total (Acct. 124):	645	
Special Funds (125):		
RESERVE ACCOUNT INVESTMENT	71,000	3
DEBT SERVICE SAVINGS	23,835	4
DEBT SERVICE CHECKING	202	5
Total (Acct. 125):	95,037	
Notes Receivable (141):		
NONE		6
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	39,787	7
Electric		8
Sewer (Regulated)		9
Other (specify):		
NONE		10
Total (Acct. 142):	39,787	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		11
Merchandising, jobbing and contract work		12
Other (specify):		
NONE		13
SPECIAL ASSESSMENT CURRENT	248	14
Total (Acct. 143):	248	
Receivables from Municipality (145):		
AMOUNT DUE FROM SEWER	8,025	15
Total (Acct. 145):	8,025	
Prepayments (165):		
NONE		16
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		17
Total (Acct. 182):	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)
Other Deferred Debits (183):	
NONE	18
Total (Acct. 183):	0
Payables to Municipality (233):	
NONE	19
Total (Acct. 233):	0
Other Deferred Credits (253):	
Regulatory Liability	114,405 20
NONE	21
Total (Acct. 253):	114,405

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)	2,007,370	0	0	0	2,007,370	1
Materials and Supplies	5,789	0	0	0	5,789	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	401,945	0	0	0	401,945	4
Customer Advances for Construction					0	5
Regulatory Liability	117,980	0	0	0	117,980	6
NONE					0	7
Average Net Rate Base	1,493,234	0	0	0	1,493,234	
Net Operating Income	34,187	0	0	0	34,187	8
Net Operating Income as a percent of						
Average Net Rate Base	2.29%	N/A	N/A	N/A	2.29%	

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	1.1	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	121,555	0	0	0	121,555	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	7,150	0	0	0	7,150	3
Other (specify):						
NONE					0	4
Balance End of Year	114,405	0	0	0	114,405	

FINANCIAL SECTION FOOTNOTES

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

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

A/C 145 THE \$8,025 IS AN ADDITIONAL AMOUNT DUE FROM THE SEWER UTILITY, IT IS ANTICIPATED TO BE REPAID IN THE NEAR FUTURE.

Signature Page (Page ii)

General footnotes

To the Members of the Common Council
The City of Independence
Independence, Wisconsin 54747-0189

We have compiled the balance sheets of the Independence Municipal Water Utility as of December 31, 2007 and 2006, and the related statements of income and retained earnings for the years then ended, included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

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

These financial statements and the supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, the financial statements and supplementary information are not designed for those who are not informed about such differences.

Vig & Associates LLC
March 25, 2008

Identification and Ownership (Page iv)

General footnotes

THE ACTUAL AUDIT REPORT DATE WILL BE DIFFERENT FROM THAT REPORTED HERE AS SAS 103 REQUIRES AN AUDITOR TO DATE THE AUDIT REPORT WHEN ALL DOCUMENTATION, REVIEW, AND DISCLOSURES ARE COMPLETED. THE DATE OF THE AUDIT REPORT IS ANTICIPATED TO BE IN MAY 2008.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	245,807	243,887	1
Total Sales of Water	245,807	243,887	
Other Operating Revenues			
Forfeited Discounts (470)	523	666	2
Other Water Revenues (474)	2,420	1,612	3
Total Other Operating Revenues	2,943	2,278	
Total Operating Revenues	248,750	246,165	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	63,160	55,569	4
General Operating Expenses (680-690)	31,846	48,704	5
Total Operation and Maintenance Expenses	95,006	104,273	
Other Operating Expenses			
Depreciation Expense (403)	52,561	51,245	6
Amortization Expense (404)	0	0	7
Taxes (408)	66,996	59,119	8
Total Other Operating Expenses	119,557	110,364	
Total Operating Expenses	214,563	214,637	
NET OPERATING INCOME	34,187	31,528	

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	44	242	1
Commercial				2
Industrial	1	44	242	3
Total Unmetered Sales to General Customers (460)	2	88	484	
Metered Sales to General Customers (461)				
Residential	455	18,656	104,235	4
Commercial	70	9,728	33,635	5
Industrial	2	169	403	6
Total Metered Sales to General Customers (461)	527	28,553	138,273	
Private Fire Protection Service (462)	2		1,490	7
Public Fire Protection Service (463)	1		89,385	8
Other Sales to Public Authorities (464)	12	6,991	16,175	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	544	35,632	245,807	

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)
------------------------------	----------------------------------	--	-------------------------

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)	89,385	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)	89,385	
Forfeited Discounts (470):		
Customer late payment charges	523	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	523	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,535	7
Other (specify):		
OTHER WATER REVENUE	885	8
Total Other Water Revenues (474)	2,420	

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)	29,099	26,850	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	9,961	8,072	3
Chemicals (630)	9,311	9,330	4
Supplies and Expenses (640)	6,451	4,506	5
Repairs of Water Plant (650)	6,758	5,681	6
Transportation Expenses (660)	1,580	1,130	7
Total Plant Operation and Maintenance Expenses	63,160	55,569	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	5,986	4,274	8
Office Supplies and Expenses (681)	2,526	7,510	9
Outside Services Employed (682)	4,838	13,724	10
Insurance Expense (684)	5,552	4,718	11
Employees Pensions and Benefits (686)	12,013	18,233	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	931	245	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	31,846	48,704	
Total Operation and Maintenance Expenses	95,006	104,273	

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		64,954	57,114	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		668	448	2
Net property tax equivalent		64,286	56,666	
Social Security		2,433	2,263	3
PSC Remainder Assessment		277	190	4
Other (specify): NONE			0	5
Total tax expense		66,996	59,119	

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			Trempealeau				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.167627				3
County tax rate	mills		5.845796				4
Local tax rate	mills		7.410128				5
School tax rate	mills		12.685029				6
Voc. school tax rate	mills		1.890624				7
Other tax rate - Local	mills		0.084431				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		28.083635				10
Less: state credit	mills		1.942258				11
Net tax rate	mills		26.141377				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		7.410128				14
Combined School Tax Rate	mills		14.575653				15
Other Tax Rate - Local	mills		0.084431				16
Total Local & School Tax	mills		22.070212				17
Total Tax Rate	mills		28.083635				18
Ratio of Local and School Tax to Total	dec.		0.785874				19
Total tax net of state credit	mills		26.141377				20
Net Local and School Tax Rate	mills		20.543841				21
Utility Plant, Jan. 1	\$	3,117,713	3,117,713				22
Materials & Supplies	\$	5,280	5,280				23
Subtotal	\$	3,122,993	3,122,993				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	3,122,993	3,122,993				26
Assessment Ratio	dec.		1.012402				27
Assessed Value	\$	3,161,724	3,161,724				28
Net Local & School Rate	mills		20.543841				29
Tax Equiv. Computed for Current Year	\$	64,954	64,954				30
Tax Equivalent per 1994 PSC Report	\$	28,480					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	64,954					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)	23,680		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)	35,577		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	59,257	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	47,408		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	127,328		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	174,736	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	184,054		22
Water Treatment Equipment (332)	653,176		23
Total Water Treatment Plant	837,230	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)			23,680	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)			35,577	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	59,257	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			47,408	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			127,328	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	174,736	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			184,054	22
Water Treatment Equipment (332)			653,176	23
Total Water Treatment Plant	0	0	837,230	

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)	6,050		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	103,278		26
Transmission and Distribution Mains (343)	567,327		27
Fire Mains (344)	0		28
Services (345)	82,069		29
Meters (346)	50,393		30
Hydrants (348)	108,058		31
Other Transmission and Distribution Plant (349)	135		32
Total Transmission and Distribution Plant	917,310	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	2,785		34
Office Furniture and Equipment (372)	389		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	6,773		37
Other General Equipment (379)	8,890		38
Other Tangible Property (390)	0		39
Total General Plant	18,837	0	
Total utility plant in service directly assignable	2,007,370	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	2,007,370	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)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			6,050 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			103,278 26
Transmission and Distribution Mains (343)			567,327 27
Fire Mains (344)			0 28
Services (345)			82,069 29
Meters (346)			50,393 30
Hydrants (348)			108,058 31
Other Transmission and Distribution Plant (349)			135 32
Total Transmission and Distribution Plant	0	0	917,310
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			2,785 34
Office Furniture and Equipment (372)			389 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			6,773 37
Other General Equipment (379)			8,890 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	18,837
Total utility plant in service directly assignable	0	0	2,007,370
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	2,007,370

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)	4,534		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)	28,991		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	33,525	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	83,474		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	15,990		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	99,464	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	333,897		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	333,897	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)			4,534 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)			28,991 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	33,525
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			83,474 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			15,990 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	99,464
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			333,897 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	333,897

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)	0		26
Transmission and Distribution Mains (343)	472,927		27
Fire Mains (344)	0		28
Services (345)	97,738		29
Meters (346)	1,500		30
Hydrants (348)	71,292		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	643,457	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	1,110,343	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,110,343	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)			472,927 27
Fire Mains (344)			0 28
Services (345)			97,738 29
Meters (346)			1,500 30
Hydrants (348)			71,292 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	643,457
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	1,110,343
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	1,110,343

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			3,239	3,239	1
February			3,375	3,375	2
March			3,735	3,735	3
April			3,825	3,825	4
May			4,767	4,767	5
June			4,304	4,304	6
July			4,769	4,769	7
August			4,058	4,058	8
September			3,682	3,682	9
October			3,918	3,918	10
November			3,548	3,548	11
December			3,739	3,739	12
Total annual pumpage	0	0	46,959	46,959	
Less: Water sold				35,632	13
Volume pumped but not sold				11,327	14
Volume sold as a percent of volume pumped				76%	15
Volume used for water production, water quality and system maintenance				7,627	16
Volume related to equipment/system malfunction				50	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				7,677	19
Volume pumped but unaccounted for				3,650	20
Percent of water lost				8%	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.)				415	24
Date of maximum: 5/16/2007					25
Cause of maximum:					26
Flushing hydrants and mains					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				95	27
Date of minimum: 1/23/2007					28
Total KWH used for pumping for the year				104,560	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)	
BIRCH STREET	2	260	16	576,000	Yes	1

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	BOOSTER #1	BOOSTER #2	PUMP ON HAND	1
Location	BIRCH STREET	BIRCH STREET	BIRCH STREET	2
Purpose	B	B	S	3
Destination	D	D		4
Pump Manufacturer	GOULDS	GOULDS	LAYNE NORTHWEST	5
Year Installed	1999	1999		6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	400	400	330	8
Pump Motor or Standby Engine Mfr	U.S. ELECTRIC	U.S. ELECTRIC	LAYNE NORTHWEST	9 10
Year Installed	1999	1999	2004	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	30	30	30	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	WELL #2			14
Location	BIRCH STREET			15
Purpose	P			16
Destination	T			17
Pump Manufacturer	GOULDS			18
Year Installed	2005			19
Type	VERTICAL TURBINE			20
Actual Capacity (gpm)	400			21
Pump Motor or Standby Engine Mfr	U.S. ELECTRIC			22 23
Year Installed	1999			24
Type	ELECTRIC			25
Horsepower	30			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	#2		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R		3
Year constructed	1974		4
Primary material (earthen, steel, concrete, other)	CONCRETE		5
Elevation difference in feet (See Headnote 3.)	160		6
Total capacity in gallons (actual)	400,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	GRAVITY		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.5760		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	1,613	0	0	0	1,613	1
M	D	6.000	24,244	0	0	0	24,244	2
M	D	8.000	10,421	0	0	0	10,421	3
M	D	10.000	10,543	0	0	0	10,543	4
M	D	12.000	5,639	0	0	0	5,639	5
Total Within Municipality			52,460	0	0	0	52,460	
Total Utility			52,460	0	0	0	52,460	

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	254	0	0	0	254	16	1
M	1.000	265	0	0	0	265	28	2
M	1.500	15	0	0	0	15	3	3
M	2.000	17	0	0	0	17	1	4
M	3.000	1	0	0	0	1	1	5
M	4.000	2	0	0	0	2	1	6
M	6.000	5	0	0	0	5		7
M	8.000	1	0	0	0	1		8
Total Utility		560	0	0	0	560	50	

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	575	0	0	0	575	78	1
0.750	4	0	0	0	4	0	2
1.000	7	0	0	0	7	0	3
1.250	1	0	0	0	1	0	4
1.500	11	0	0	0	11	0	5
2.000	5	0	0	0	5	0	6
3.000	3	0	0	0	3	0	7
4.000	1	0	0	0	1	0	8
Total:	607	0	0	0	607	78	

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	505	57	2	5	0	6	575	1
0.750	2	2	0	0	0	0	4	2
1.000	1	3	0	1	0	2	7	3
1.250	0	1	0	0	0	0	1	4
1.500	0	8	0	3	0	0	11	5
2.000	0	3	0	1	1	0	5	6
3.000	0	2	0	1	0	0	3	7
4.000	0	0	0	1	0	0	1	8
Total:	508	76	2	12	1	8	607	

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	104				104	2
Total Fire Hydrants	104	0	0	0	104	
Flushing Hydrants						
	2				2	3
Total Flushing Hydrants	2	0	0	0	2	

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

Number of hydrants operated during year:	104
Number of distribution system valves end of year:	194
Number of distribution valves operated during year:	194

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 30%, but not less \$2,000, please explain.

A/C 681 OFFICE SUPPLIES AND EXPENSES - THE DECREASE IS A RETURN TO NORMAL LEVELS .

A/C 686 EMPLOYEE PENSIONS AND BENEFITS - THE DECREASE IS DUE TO THE CITY PAYING LOWER HEALTH INSURANCE PREMIUMS IN 2007 .

A/C 682 OUTSIDE SERVICES EMPLOYED - DECREASE IS DUE TO LOWER AUDITOR BILLINGS .

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

If Other Tax Rate - Local and/or Other Tax Rate - Non-Local are greater than zero, please explain.

THE OTHER TAX RATE LISTED IN THE CALCULATION IS FOR THE LAKE DISTRICT IN THE CITY .

Meters (Page W-19)

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

YES .
