



3014 (02-02-05)

ANNUAL REPORT

OF

Name: CITY OF MERRILL WATER UTILITY

Principal Office: 1004 EAST FIRST STREET
MERRILL, WI 54452

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.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: CITY OF MERRILL WATER UTILITY

Utility Address: 1004 EAST FIRST STREET
MERRILL, WI 54452

When was utility organized? 7/31/1947

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MR TONY CHLADEK

Title: CITY ADMINISTRATOR

Office Address:

1004 EAST FIRST STREET
MERRILL, WI 54452

Telephone: (715) 536 - 5594

Fax Number: (715) 539 - 2668

E-mail Address: tonychladek@merrill.ci.wi.us

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

Name: JASON HILGER

Title: MANGER

Office Address: SCHENCK BUSINESS SOLUTIONS

2831 POST ROAD
P.O. BOX 130
PLOVER, WI 54467

Telephone: (920) 455 - 4153

Fax Number: (920) 617 - 2496

E-mail Address: jason.hilger@schencksolutions.com

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

Name: KURT HELMSTADTER

Title: CHAIRMAN

Office Address:

1004 EAST FIRST STREET
MERRILL, WI 54452

Telephone:

Fax Number:

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: JASON HILGER

Title: MANAGER

Office Address: SCHENCK BUSINESS SOLUTIONS

2831 POST ROAD

P.O. BOX 130

PLOVER, WI 54467

Telephone: (920) 455 - 4153

Fax Number: (920) 617 - 2496

E-mail Address: jason.hilger@schencksolutions.com

Date of most recent audit report: 5/18/2007

Period covered by most recent audit: 2006

Names and titles of utility management including manager or superintendent:

Name: MR TONY CHLADEK

Title: CITY ADMINISTRATOR

Office Address:

1004 EAST FIRST STREET

MERRILL, WI 54452

Telephone: (715) 536 - 5594

Fax Number: (715) 539 - 2668

E-mail Address: pg2001@CI.MERRILL.WI.US

Name of utility commission/committee: WATER AND SEWAGE COMMITTEE

Names of members of utility commission/committee:

MR JOHN BURGNER, COMMITTEEPERSON

MR STEVE HASS, COMMITTEEPERSON

MR KURT HELMSTADTER, CHAIRMAN

Is sewer service rendered by the utility? YES

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

Date of Ordinance:

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

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

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	1,187,318	1,184,827	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	506,264	529,882	2
Depreciation Expense (403)	177,283	166,222	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	217,650	203,706	5
Total Operating Expenses	901,197	899,810	
Net Operating Income	286,121	285,017	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	286,121	285,017	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	4,729	5,201	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	40,341	48,973	10
Miscellaneous Nonoperating Income (421)	36,111	0	11
Total Other Income	81,181	54,174	
Total Income	367,302	339,191	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(27,345)	(27,345)	12
Other Income Deductions (426)	38,882	38,835	13
Total Miscellaneous Income Deductions	11,537	11,490	
Income Before Interest Charges	355,765	327,701	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	14
Amortization of Debt Discount and Expense (428)	1,476	1,438	15
Amortization of Premium on Debt--Cr. (429)	0	0	16
Interest on Debt to Municipality (430)	48,374	68,811	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0	0	19
Total Interest Charges	49,850	70,249	
Net Income	305,915	257,452	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	6,336,989	6,105,340	20
Balance Transferred from Income (433)	305,915	257,452	21
Miscellaneous Credits to Surplus (434)	0	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	25,803	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)	6,642,904	6,336,989	

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	1,187,318		1,187,318	1
Total (Acct. 400):	1,187,318	0	1,187,318	
Operation and Maintenance Expense (401-402):				
Derived	506,264		506,264	2
Total (Acct. 401-402):	506,264	0	506,264	
Depreciation Expense (403):				
Derived	177,283		177,283	3
Total (Acct. 403):	177,283	0	177,283	
Amortization Expense (404-407):				
Derived	0		0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	217,650		217,650	5
Total (Acct. 408):	217,650	0	217,650	
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:	286,121	0	286,121	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	4,729		4,729	8
Total (Acct. 415-416):	4,729	0	4,729	
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):			
INTEREST ON INVESTMENTS	40,341	0	40,341 11
Total (Acct. 419):	40,341	0	40,341
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water		36,111	36,111 12
NONE	0	0	0 13
Total (Acct. 421):	0	36,111	36,111
TOTAL OTHER INCOME:	45,070	36,111	81,181
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(27,345)		(27,345) 14
NONE	0	0	0 15
Total (Acct. 425):	(27,345)	0	(27,345)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		38,882	38,882 16
NONE	0	0	0 17
Total (Acct. 426):	0	38,882	38,882
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(27,345)	38,882	11,537
INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	0		0 18
Total (Acct. 427):	0	0	0
Amortization of Debt Discount and Expense (428):			
AMORTIZED DEBT DISCOUNT	1,476		1,476 19
Total (Acct. 428):	1,476	0	1,476
Amortization of Premium on Debt--Cr. (429):			
NONE	0		0 20
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	48,374		48,374 21
Total (Acct. 430):	48,374	0	48,374

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:	49,850	0	49,850
NET INCOME:	308,686	(2,771)	305,915
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	4,880,181	1,456,808	6,336,989 24
Total (Acct. 216):	4,880,181	1,456,808	6,336,989
Balance Transferred from Income (433):			
Derived	308,686	(2,771)	305,915 25
Total (Acct. 433):	308,686	(2,771)	305,915
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):	5,188,867	1,454,037	6,642,904

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)	11,808				11,808	1
Costs & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold	4,975				4,975	2
Payroll	1,950				1,950	3
Materials	154				154	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	7,079	0	0	0	7,079	
Net income (or loss)	4,729	0	0	0	4,729	

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	1,187,318	0	0	0	1,187,318	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:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	1,187,318	0	0	0	1,187,318	

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	220,077		220,077	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	220,077	0	220,077	

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	4.9	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)	10,678,783	10,206,418	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	3,184,793	2,993,748	2
Net Utility Plant	7,493,990	7,212,670	
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)	835	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	835	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	1,368,444	1,475,725	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	195,707	195,756	11
Other Accounts Receivable (143)	50,618	4,591	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	2,939	0	14
Materials and Supplies (150)	21,869	23,317	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	1,639,577	1,699,389	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	8,628	10,104	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	40,770	44,476	20
Total Deferred Debits	49,398	54,580	
Total Assets and Other Debits	9,183,800	8,966,639	

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)	752,008	752,008	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	6,642,904	6,336,989	23
Total Proprietary Capital	7,394,912	7,088,997	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	1,134,428	1,316,369	25
Other Long-Term Debt (224)	0	0	26
Total Long-Term Debt	1,134,428	1,316,369	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	131,849	12,092	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	12,764	12,968	32
Other Current and Accrued Liabilities (238)	72,343	71,364	33
Total Current and Accrued Liabilities	216,956	96,424	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	437,504	464,849	36
Total Deferred Credits	437,504	464,849	
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	9,183,800	8,966,639	

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	10,206,418	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)	8,473,857	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	2,190,382	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)	14,544				9
Utility Plant Acquisition Adjustments (108)					10
Other Utility Plant Adjustments (109)					11
Total Utility Plant	10,678,783	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)	2,448,448	0	0	0	12
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	736,345	0	0	0	13
Total Accumulated Provision	3,184,793	0	0	0	
Net Utility Plant	7,493,990	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)	2,286,462				2,286,462	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	177,283				177,283	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	12,329				12,329	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	189,612	0	0	0	189,612	16
Debits during year						17
Book cost of plant retired	27,626				27,626	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	27,626	0	0	0	27,626	25
Balance end of year (110.1)	2,448,448	0	0	0	2,448,448	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)	707,286				707,286	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	38,882				38,882	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	38,882	0	0	0	38,882	16
Debits during year						17
Book cost of plant retired	9,823				9,823	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	9,823	0	0	0	9,823	25
Balance end of year (110.1)	736,345	0	0	0	736,345	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					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	21,869	23,317	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	21,869	23,317	

**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)				
GO BONDS 11/98	1,476	428	8,628	1
Total			<u><u>8,628</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	752,008	1
Changes during year (explain):		2
Balance end of year	752,008	

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
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NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
GENERAL OBLIGATION NOTE	01/15/2005	10/18/2020	2.00%	320,723	1
GENERAL OBLIGATION REFUNDING BONDS	11/01/1998	11/01/2013	4.00%	417,330	2
GENERAL OBLIGATION NOTE	03/15/2002	03/15/2010	4.22%	396,375	3
Total for Account 223				1,134,428	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	212,808	2
Charged electric department expense		3
Charged sewer department expense	4,842	4
Other (explain):		
NONE		5
Total Accruals and other credits	217,650	
Taxes paid during year:		
County, state and local taxes	202,795	6
Social Security taxes	13,594	7
PSC Remainder Assessment	1,261	8
Other (explain):		
NONE		9
Total payments and other debits	217,650	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
3/15/02 G.O. NOTE	2,524	20,862	20,390	2,996	2
1/18/05 G.O. NOTE	6,860	6,683	6,683	6,860	3
11/98 G.O. REFUNDING BONDS	3,584	20,829	21,505	2,908	4
Subtotal	12,968	48,374	48,578	12,764	
Other Long-Term Debt (224)					
NONE	0			0	5
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	6
Subtotal	0	0	0	0	
Total	12,968	48,374	48,578	12,764	

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):		
SPECIAL ASSESSMENTS	835	2
Total (Acct. 124):	835	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	195,707	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	195,707	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work	74	10
Other (specify):		
RECEIVABLES DUE FROM ANNEXATION OF TOWN OF PINE RIVER	50,544	11
Total (Acct. 143):	50,618	
Receivables from Municipality (145):		
DELINQUENT UTILITIES ON TAX ROLL	2,939	12
Total (Acct. 145):	2,939	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
EARLY RET WRS-UAAL TO 2018 (AUTHORIZED MANTHEY LTR 1/05)	40,770	15
Total (Acct. 183):	40,770	

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):		
NONE		16
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Regulatory Liability	437,504	17
NONE		18
Total (Acct. 253):	437,504	

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)	8,258,090	0	0	0	8,258,090	1
Materials and Supplies	22,593	0	0	0	22,593	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	2,367,455	0	0	0	2,367,455	4
Customer Advances for Construction					0	5
Regulatory Liability	451,176	0	0	0	451,176	6
					0	7
Average Net Rate Base	5,462,052	0	0	0	5,462,052	
Net Operating Income	286,121	0	0	0	286,121	8
Net Operating Income as a percent of Average Net Rate Base	5.24%	N/A	N/A	N/A	5.24%	

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	464,849	0	0	0	464,849	1
Add credits during year:					0	2
Deduct charges:						
Miscellaneous Amortization (425)	27,345	0	0	0	27,345	3
Other (specify):					0	4
Balance End of Year	437,504	0	0	0	437,504	

FINANCIAL SECTION FOOTNOTES

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

Other Deferred Debits (Acct 183): amortization requires PSC authorization. Provide date of authorization.

Early retirement Manthey letter authorized by PSC 1/05.

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.

Done

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	1,112,645	1,117,361	1
Total Sales of Water	1,112,645	1,117,361	
Other Operating Revenues			
Forfeited Discounts (470)	2,432	2,525	2
Miscellaneous Service Revenues (471)	5,973	7,436	3
Rents from Water Property (472)	56,040	48,715	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	10,228	8,790	6
Total Other Operating Revenues	74,673	67,466	
Total Operating Revenues	1,187,318	1,184,827	
Operation and Maintenance Expenses			
Source of Supply Expenses (600-605)	0	0	7
Pumping Expenses (620-625)	102,467	96,791	8
Water Treatment Expenses (630-635)	45,479	60,205	9
Transmission and Distribution Expenses (640-655)	120,295	182,242	10
Customer Accounts Expenses (901-904)	49,850	47,311	11
Sales Expenses (910)	0	0	12
Administrative and General Expenses (920-935)	188,173	143,333	13
Total Operation and Maintenance Expenses	506,264	529,882	
Other Operating Expenses			
Depreciation Expense (403)	177,283	166,222	14
Amortization Expense (404-407)		0	15
Taxes (408)	217,650	203,706	16
Total Other Operating Expenses	394,933	369,928	
Total Operating Expenses	901,197	899,810	
NET OPERATING INCOME	286,121	285,017	

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	12	50	1
Commercial	10	332	1,561	2
Industrial				3
Total Unmetered Sales to General Customers (460)	11	344	1,611	
Metered Sales to General Customers (461)				
Residential	3,348	141,992	547,753	4
Commercial	406	58,399	160,112	5
Industrial	60	23,203	49,440	6
Total Metered Sales to General Customers (461)	3,814	223,594	757,305	
Private Fire Protection Service (462)	57		31,668	7
Public Fire Protection Service (463)	1		277,455	8
Other Sales to Public Authorities (464)	58	17,422	44,606	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	3,941	241,360	1,112,645	

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)	277,455	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)	277,455	
Forfeited Discounts (470):		
Customer late payment charges	2,432	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	2,432	
Miscellaneous Service Revenues (471):		
WATER TURN ON CHARGES	2,900	7
SPECIAL ASSESS INFO REQUESTS BY ABSTRACTORS AND OTHERS	3,073	8
Total Miscellaneous Service Revenues (471)	5,973	
Rents from Water Property (472):		
WATER TOWER RENT FOR ANTENNA SERVICE PROVIDERS	56,040	9
Total Rents from Water Property (472)	56,040	
Interdepartmental Rents (473):		
NONE		10
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	8,672	11
Other (specify): MISCELLANEOUS REVENUES	1,370	12
INSURANCE RECOVERIES	186	13
Total Other Water Revenues (474)	10,228	

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)		0	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	0	0	
PUMPING EXPENSES			
Operation Labor (620)	15,040	14,904	5
Fuel for Power Production (621)		0	6
Fuel or Power Purchased for Pumping (622)	41,702	41,932	7
Operation Supplies and Expenses (623)	501	1,153	8
Maintenance of Pumping Plant (625)	45,224	38,802	9
Total Pumping Expenses	102,467	96,791	
WATER TREATMENT EXPENSES			
Operation Labor (630)	15,823	20,480	10
Chemicals (631)	22,582	31,879	11
Operation Supplies and Expenses (632)	1,561	2,795	12
Maintenance of Water Treatment Plant (635)	5,513	5,051	13
Total Water Treatment Expenses	45,479	60,205	
TRANSMISSION AND DISTRIBUTION EXPENSES			
Operation Labor (640)	30,551	26,294	14
Operation Supplies and Expenses (641)	6,640	8,388	15
Maintenance of Distribution Reservoirs and Standpipes (650)	14,816	55,309	16
Maintenance of Mains (651)	27,910	46,567	17
Maintenance of Services (652)	19,766	21,569	18
Maintenance of Meters (653)	11,712	7,141	19
Maintenance of Hydrants (654)	4,794	5,293	20
Maintenance of Other Plant (655)	4,106	11,681	21
Total Transmission and Distribution Expenses	120,295	182,242	

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)	4,928	5,111	22
Accounting and Collecting Labor (902)	41,275	39,528	23
Supplies and Expenses (903)	3,647	2,672	24
Uncollectible Accounts (904)		0	25
Total Customer Accounts Expenses	49,850	47,311	
SALES EXPENSES			
Sales Expenses (910)		0	26
Total Sales Expenses	0	0	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (920)	34,279	23,679	27
Office Supplies and Expenses (921)	5,554	542	28
Administrative Expenses Transferred--Credit (922)		0	29
Outside Services Employed (923)	7,363	12,265	30
Property Insurance (924)	6,013	5,760	31
Injuries and Damages (925)	5,490	8,093	32
Employee Pensions and Benefits (926)	124,372	87,696	33
Regulatory Commission Expenses (928)	218	965	34
Miscellaneous General Expenses (930)	298	0	35
Transportation Expenses (933)	4,586	4,333	36
Maintenance of General Plant (935)		0	37
Total Administrative and General Expenses	188,173	143,333	
Total Operation and Maintenance Expenses	506,264	529,882	

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		202,795	193,076	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		4,842	4,734	2
Net property tax equivalent		197,953	188,342	
Social Security		18,436	14,364	3
PSC Remainder Assessment		1,261	1,000	4
Other (specify): NONE			0	5
Total tax expense		217,650	203,706	

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			Lincoln				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.181040				3
County tax rate	mills		5.312826				4
Local tax rate	mills		11.959240				5
School tax rate	mills		8.507202				6
Voc. school tax rate	mills		1.988217				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		27.948525				10
Less: state credit	mills		1.626499				11
Net tax rate	mills		26.322026				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		11.959240				14
Combined School Tax Rate	mills		10.495419				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		22.454659				17
Total Tax Rate	mills		27.948525				18
Ratio of Local and School Tax to Total	dec.		0.803429				19
Total tax net of state credit	mills		26.322026				20
Net Local and School Tax Rate	mills		21.147882				21
Utility Plant, Jan. 1	\$	10,206,418	10,206,418				22
Materials & Supplies	\$	23,317	23,317				23
Subtotal	\$	10,229,735	10,229,735				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	10,229,735	10,229,735				26
Assessment Ratio	dec.		0.937400				27
Assessed Value	\$	9,589,354	9,589,354				28
Net Local & School Rate	mills		21.147882				29
Tax Equiv. Computed for Current Year	\$	202,795	202,795				30
Tax Equivalent per 1994 PSC Report	\$	56,160					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	202,795					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)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	219,572		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	219,572	0	
PUMPING PLANT			
Land and Land Rights (320)	14,856		12
Structures and Improvements (321)	161,022		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	120,259		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	2,593	14,476	20
Total Pumping Plant	298,730	14,476	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	821		22
Water Treatment Equipment (332)	56,687	978	23
Total Water Treatment Plant	57,508	978	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			219,572	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	219,572	
PUMPING PLANT				
Land and Land Rights (320)			14,856	12
Structures and Improvements (321)			161,022	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			120,259	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			17,069	20
Total Pumping Plant	0	0	313,206	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			821	22
Water Treatment Equipment (332)			57,665	23
Total Water Treatment Plant	0	0	58,486	

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)	885		24
Structures and Improvements (341)	4,251		25
Distribution Reservoirs and Standpipes (342)	333,690		26
Transmission and Distribution Mains (343)	4,859,055	307,319	27
Fire Mains (344)	0		28
Services (345)	293,239	60,689	29
Meters (346)	488,527	9,936	30
Hydrants (348)	573,649	32,602	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	6,553,296	410,546	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	574,856		34
Office Furniture and Equipment (391)	45,971		35
Computer Equipment (391.1)	33,588	11,267	36
Transportation Equipment (392)	124,321	12,515	37
Stores Equipment (393)	1,413		38
Tools, Shop and Garage Equipment (394)	40,472	3,000	39
Laboratory Equipment (395)	1,420		40
Power Operated Equipment (396)	20,532	77	41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	59,664		43
Miscellaneous Equipment (398)	10,981	6,300	44
Other Tangible Property (399)	0		45
Total General Plant	913,218	33,159	
Total utility plant in service directly assignable	8,042,324	459,159	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	8,042,324	459,159	

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)			885 24
Structures and Improvements (341)			4,251 25
Distribution Reservoirs and Standpipes (342)			333,690 26
Transmission and Distribution Mains (343)	24,790		5,141,584 27
Fire Mains (344)			0 28
Services (345)	987		352,941 29
Meters (346)	700		497,763 30
Hydrants (348)	1,149		605,102 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	27,626	0	6,936,216
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			574,856 34
Office Furniture and Equipment (391)			45,971 35
Computer Equipment (391.1)			44,855 36
Transportation Equipment (392)			136,836 37
Stores Equipment (393)			1,413 38
Tools, Shop and Garage Equipment (394)			43,472 39
Laboratory Equipment (395)			1,420 40
Power Operated Equipment (396)			20,609 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			59,664 43
Miscellaneous Equipment (398)			17,281 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	946,377
Total utility plant in service directly assignable	27,626	0	8,473,857
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	27,626	0	8,473,857

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)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	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	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			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	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	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)	1,105		26
Transmission and Distribution Mains (343)	1,485,847	26,244	27
Fire Mains (344)	0		28
Services (345)	651,525	9,867	29
Meters (346)	0		30
Hydrants (348)	25,617		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	2,164,094	36,111	
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	2,164,094	36,111	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	2,164,094	36,111	

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)			1,105 26
Transmission and Distribution Mains (343)	7,580		1,504,511 27
Fire Mains (344)			0 28
Services (345)	2,193		659,199 29
Meters (346)			0 30
Hydrants (348)	50		25,567 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	9,823	0	2,190,382
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	9,823	0	2,190,382
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	9,823	0	2,190,382

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			22,476	22,476	1
February			22,336	22,336	2
March			23,954	23,954	3
April			21,840	21,840	4
May			26,213	26,213	5
June			24,878	24,878	6
July			25,261	25,261	7
August			26,418	26,418	8
September			21,425	21,425	9
October			24,374	24,374	10
November			20,482	20,482	11
December			21,709	21,709	12
Total annual pumpage	0	0	281,366	281,366	
Less: Water sold				241,360	13
Volume pumped but not sold				40,006	14
Volume sold as a percent of volume pumped				86%	15
Volume used for water production, water quality and system maintenance				12,017	16
Volume related to equipment/system malfunction				1,905	17
Non-utility volume NOT included in water sales				2,254	18
Total volume not sold but accounted for				16,176	19
Volume pumped but unaccounted for				23,830	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.)				1,447	24
Date of maximum: 5/24/2007					25
Cause of maximum:					26
Flushing					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				512	27
Date of minimum: 11/24/2007					28
Total KWH used for pumping for the year				322,161	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)	
MEMORIAL AND STURDEVENT	1	116	16	213,414	Yes	1
NORTH FOSTER -AT OTTO'S PARK	2	80	18	23,586	Yes	2
OREGON AND WATER	3	79	16	14,751	Yes	3
EAST MAIN AND PEARL	4	125	16	252,447	Yes	4
THIELMANN AND GEM	5	120	20	264,668	Yes	5

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	1	2	3	1
Location	MORIAL AND STURDEVENT FOSTER - AT OTTO'S PARK		OREGON AND WATER	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	LAYNE	LAYNE	LAYNE	5
Year Installed	1948	1948	1948	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	1,250	630	363	8
Pump Motor or Standby Engine Mfr	U.S.	LAYNE	U.S.	10
Year Installed	1990	1990	1997	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	100	40	25	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	4	5		14
Location	EAST MAIN AND PEARL	THIELMANN AND GEM		15
Purpose	P	P		16
Destination	D	D		17
Pump Manufacturer	LAYNE	LAYNE		18
Year Installed	1960	1975		19
Type	CENTRIFUGAL	CENTRIFUGAL		20
Actual Capacity (gpm)	1,200	1,853		21
Pump Motor or Standby Engine Mfr	U.S.	LAYNE		23
Year Installed	1991	1975		24
Type	ELECTRIC	ELECTRIC		25
Horsepower	100	150		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	A	B		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET		3
Year constructed	1947	1979		4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL		5
Elevation difference in feet (See Headnote 3.)	165	175		6
Total capacity in gallons (actual)	200,000	200,000		7
WATER TREATMENT PLANT				8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000	0.0000		12
Is a corrosion control chemical used (yes, no)?	Y	Y		13
Is water fluoridated (yes, no)?	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	514	0	0	0	514
L	D	1.000	75	0	0	0	75
M	D	1.000	1,056	0	0	0	1,056
M	D	1.500	254	0	0	0	254
M	D	2.000	28,783	0	1,800	0	26,983
M	D	4.000	587	0	0	0	587
M	D	5.000	250	0	0	0	250
M	D	6.000	145,938	1,002	3,522	0	143,418
P	D	6.000	440	0	0	0	440
M	D	8.000	87,009	4,132	0	0	91,141
M	D	10.000	45,918	73	73	0	45,918
M	D	12.000	60,968	1,404	0	0	62,372
M	D	16.000	7,826	0	0	0	7,826
Total Within Municipality			379,618	6,611	5,395	0	380,834
Total Utility			379,618	6,611	5,395	0	380,834

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	2,691	1	48		2,644	52	1
L	0.750	34	0	0		34	8	2
M	1.000	1,054	39	3		1,090	93	3
L	1.000	4	0	0		4	1	4
M	1.250	17	0	0		17	0	5
M	1.500	100	1	1		100	13	6
M	2.000	93	1	1		93	3	7
P	2.000	1	1	0		2	0	8
M	3.000	4	0	0		4	0	9
M	4.000	28	0	0		28	2	10
M	6.000	30	1	0		31	1	11
M	8.000	46	3	0		49	14	12
M	10.000	4	0	0		4	0	13
M	12.000	1	0	0		1	0	14
Total Utility		4,107	47	53	0	4,101	187	

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	3,536	54	20	(6)	3,564	298	1
0.750	187	1	0	(1)	187	8	2
1.000	98	0	0	(1)	97	13	3
1.250	0	0	0	0	0	0	4
1.500	41	2	0	(1)	42	1	5
2.000	68	2	0	0	70	10	6
3.000	12	4	0	(1)	15	12	7
4.000	3	0	0	0	3	3	8
6.000	1	0	0	0	1	1	9
Total:	3,946	63	20	(10)	3,979	346	

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	3,205	210	24	8	0	117	3,564	1
0.750	108	52	12	8	0	7	187	2
1.000	17	46	16	6	0	12	97	3
1.250	0	0	0	0	0	0	0	4
1.500	1	31	4	2	0	4	42	5
2.000	0	34	15	15	0	6	70	6
3.000	0	3	3	3	0	6	15	7
4.000	0	0	0	2	0	1	3	8
6.000	0	0	1	0	0	0	1	9
Total:	3,331	376	75	44	0	153	3,979	

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	566	9	8		567	2
Total Fire Hydrants	566	9	8	0	567	
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: 117
 Number of distribution system valves end of year: 1,978
 Number of distribution valves operated during year: 362

WATER OPERATING SECTION FOOTNOTES

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

Please explain amounts in Account 474 in excess of \$5,000, including like items grouped. Please provide, for example, a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Return on meters charged to sewer department.

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.

(926) employee pensions and benefits was higher in 2007 because of a change in classification of employees between sewer and water and the liability associated with their respective sick leave balances.

(921) office supplies and expenses was higher in 2007 than prior years due to the purchase of many small office and computer supplies.

(631) chemicals were lower than the prior year due to a more accurate recording of usage between water and sewer.

(655) maintenance of other plant was lower than the prior year because 2006 included substantial buildings and grounds maintenance.

(651) maintenance of mains was lower than the prior year due to less maintenance required in 2007.

(650) maintenance of distribution reservoirs and standpipes was lower than the prior year due to less maintenance required in 2007. Note that 2006 was an unusually high year for maintenance.

(920) administrative and general salaries was higher than the prior year due to change in Utility management, including sick leave payouts. In addition there is an allocation of time for a Utility assistant engineer.

(653) maintenance of meters is higher than the prior year due to increase maintenance required for 2007. The 2007 maintenance cost is comparable to 2005 and prior years.

(655) maintenance of other plant was lower than last year

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.

910 feet of mains were paid through special assessments (contributions in aid) from an annexation of the Town of Pine River. The other additions to mains were paid for by the Utility.

Meters (Page W-19)

Explain all reported adjustments.

Adjustments were made to more accurately report the proper number of meters.

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

The Utility has a policy to test approximately 10% of meters 1" or smaller annually.

WATER OPERATING SECTION FOOTNOTES

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

Hydrants and Distribution System Valves (Page W-20)

General footnotes

As utility management has changed the utility is working a plan to test and operate the correct number of hydrants in the future.
