



3015 (02-02-05)

ANNUAL REPORT

OF

Name: HIGHLAND MUNICIPAL WATER UTILITY

Principal Office: 530 MAIN ST
P.O. BOX 284
HIGHLAND, WI 53543

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: HIGHLAND MUNICIPAL WATER UTILITY

Utility Address: 530 MAIN ST
P.O. BOX 284
HIGHLAND, WI 53543

When was utility organized? 1/1/1960

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: THERESA C. MICHEK

Title: CLERK/TREASURER

Office Address:

530 MAIN ST
P.O. BOX 284
HIGHLAND, WI 53543

Telephone: (608) 929 - 7781

Fax Number: (608) 929 - 7781

E-mail Address: highlandclerk@charter.net

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

Name: CORTNEY LEUTHOLD

Title: STAFF ACCOUNTANT

Office Address: JOHNSON BLOCK & CO, INC.

2500 BUSINESS PARK ROAD
P.O. BOX 311
MINERAL POINT, WI 53565

Telephone: (608) 987 - 2206

Fax Number: (608) 987 - 3391

E-mail Address: cleuthold@johnsonblock.com

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

Name: NEIL MICHEK

Title: VILLAGE PRESIDENT

Office Address:

530 MAIN STREET
P.O. BOX 284
HIGHLAND, WI 53543

Telephone: (608) 929 - 7781

Fax Number: (608) 929 - 7781

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: ALAN BREY

Title: SHAREHOLDER

Office Address: JOHNSON BLOCK & CO, INC.
2500 BUSINESS PARK ROAD
P.O. BOX 311
MINERAL POINT, WI 53565

Telephone: (608) 987 - 2206

Fax Number: (608) 987 - 3391

E-mail Address: abrey@johnsonblock.com

Date of most recent audit report: 6/8/2007

Period covered by most recent audit: 1/1/06-12/31/06

Names and titles of utility management including manager or superintendent:

Name: NEIL MICHEK

Title: VILLAGE PRESIDENT

Office Address:
530 MAIN ST
P.O. BOX 284
HIGHLAND, WI 53543

Telephone: (608) 929 - 7781

Fax Number: (608) 929 - 7781

E-mail Address:

Name of utility commission/committee: VILLAGE OF HIGHLAND BOARD MEMBERS

Names of members of utility commission/committee:

- TERESA BOMKAMP, BOARD MEMBER
- TONY KASTER, BOARD MEMBER
- NEIL MICHEK, VILLAGE PRESIDENT
- DOUG OLESON, BOARD MEMBER
- DENNIS RICHGELS, BOARD MEMBER
- GEORGE WALLENKAMP, BOARD MEMBER
- DEB WOLFE, BOARD MEMBER

Is sewer service rendered by the utility? YES

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

Date of Ordinance:

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

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

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

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

NONE

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	99,384	97,452	1
Operating Expenses:			
Operation and Maintenance Expense (401)	44,850	37,177	2
Depreciation Expense (403)	18,846	16,205	3
Amortization Expense (404)	0	0	4
Taxes (408)	20,773	21,642	5
Total Operating Expenses	84,469	75,024	
Net Operating Income	14,915	22,428	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	14,915	22,428	
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)	2,539	2,271	9
Miscellaneous Nonoperating Income (421)	16,500	0	10
Total Other Income	19,039	2,271	
Total Income	33,954	24,699	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(3,165)	(3,165)	11
Other Income Deductions (426)	6,970	6,863	12
Total Miscellaneous Income Deductions	3,805	3,698	
Income Before Interest Charges	30,149	21,001	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)	0	0	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	0	0	
Net Income	30,149	21,001	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	818,103	797,102	19
Balance Transferred from Income (433)	30,149	21,001	20
Miscellaneous Credits to Surplus (434)	0	0	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)	848,252	818,103	

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	99,384		99,384	1
Total (Acct. 400):	99,384	0	99,384	
Operation and Maintenance Expense (401):				
Derived	44,850		44,850	2
Total (Acct. 401):	44,850	0	44,850	
Depreciation Expense (403):				
Derived	18,846		18,846	3
Total (Acct. 403):	18,846	0	18,846	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	20,773		20,773	5
Total (Acct. 408):	20,773	0	20,773	
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:	14,915	0	14,915	
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	2,539	0	2,539	10
Total (Acct. 419):	2,539	0	2,539	
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):			
CAPITAL CONTRIBUTION		16,500	16,500 12
Total (Acct. 421):	0	16,500	16,500
TOTAL OTHER INCOME:	2,539	16,500	19,039

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(3,165)		(3,165) 13
NONE	0	0	0 14
Total (Acct. 425):	(3,165)	0	(3,165)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		6,970	6,970 15
NONE	0	0	0 16
Total (Acct. 426):	0	6,970	6,970
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(3,165)	6,970	3,805

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	0		0 17
Total (Acct. 427):	0	0	0
Amortization of Debt Discount and Expense (428):			
NONE	0		0 18
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0		0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0		0 20
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0		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:	0	0	0
NET INCOME:	20,619	9,530	30,149
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	508,162	309,941	818,103 23
Total (Acct. 216):	508,162	309,941	818,103
Balance Transferred from Income (433):			
Derived	20,619	9,530	30,149 24
Total (Acct. 433):	20,619	9,530	30,149
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 25
Total (Acct. 434):	0	0	0
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):	528,781	319,471	848,252

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):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	99,384	0	0	0	99,384	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:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	99,384	0	0	0	99,384	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,588,871	1,253,893	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	235,972	227,985	2
Net Utility Plant	1,352,899	1,025,908	
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)	1,579	1,671	6
Special Funds (125)	65,086	107,148	7
Total Other Property and Investments	66,665	108,819	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	(4,709)	5,404	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	13,257	14,198	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	3,482	2,265	14
Materials and Supplies (150)	2,882	4,218	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	14,912	26,085	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	1,434,476	1,160,812	

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)	416,114	254,347	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	848,252	818,103	23
Total Proprietary Capital	1,264,366	1,072,450	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	100,000	0	26
Total Long-Term Debt	100,000	0	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)		8,168	28
Payables to Municipality (233)	0	6,130	29
Customer Deposits (235)			30
Taxes Accrued (236)	19,478	20,267	31
Interest Accrued (237)	0	0	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	19,478	34,565	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	50,632	53,797	36
Total Deferred Credits	50,632	53,797	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	1,434,476	1,160,812	

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	1,253,893	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	1,144,657	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	413,165	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)	31,049				8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	1,588,871	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)	141,232	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	94,740	0	0	0	12
Total Accumulated Provision	235,972	0	0	0	
Net Utility Plant	1,352,899	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)	135,194				135,194	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	18,846				18,846	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	921				921	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	19,767	0	0	0	19,767	16
Debits during year						17
Book cost of plant retired	13,729				13,729	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	13,729	0	0	0	13,729	25
Balance end of year (110.1)	141,232	0	0	0	141,232	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)	92,791				92,791	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	6,970				6,970	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	6,970	0	0	0	6,970	16
Debits during year						17
Book cost of plant retired	5,021				5,021	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	5,021	0	0	0	5,021	25
Balance end of year (110.1)	94,740	0	0	0	94,740	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	2,882	4,218 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	<u>2,882</u>	<u>4,218</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)				
NONE				1
Total			<u>0</u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	254,347	1
Changes during year (explain):		
PLANT FINANCED BY TIF DISTRICT #2	161,767	2
Balance end of year	<u><u>416,114</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)
-------------------------------------	------------------------------	------------------------------------	------------------------------	---

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)	
Other Long-Term Debt (224)					
HIGHLAND STATE BANK	10/05/2007	10/05/2008	4.25%	100,000	1
Total for Account 224				100,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	20,267	1
Accruals:		
Charged water department expense	20,773	2
Charged electric department expense		3
Charged sewer department expense	236	4
Other (explain):		
NONE		5
Total Accruals and other credits	21,009	
Taxes paid during year:		
County, state and local taxes	20,267	6
Social Security taxes	1,423	7
PSC Remainder Assessment	108	8
Other (explain):		
NONE		9
Total payments and other debits	21,798	
Balance end of year	19,478	

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)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	0	0	0	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)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS RECEIVABLE	1,579	2
Total (Acct. 124):	1,579	
Special Funds (125):		
BOND AND INTEREST REDEMPTION FUND	65,086	3
Total (Acct. 125):	65,086	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	13,257	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	13,257	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DUE FROM MUNICIPALITY - TAX ROLL ITEMS	1,768	12
DUE FROM SEWER - SHARED METER COSTS	1,714	13
Total (Acct. 145):	3,482	
Prepayments (165):		
NONE		14
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		15
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)
<hr/>	
Other Deferred Debits (183):	
NONE	16
Total (Acct. 183):	0
<hr/>	
Payables to Municipality (233):	
NONE	17
Total (Acct. 233):	0
<hr/>	
Other Deferred Credits (253):	
Regulatory Liability	50,632 18
NONE	19
Total (Acct. 253):	50,632

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)	982,735	0	0	0	982,735	1
Materials and Supplies	3,550	0	0	0	3,550	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	138,213	0	0	0	138,213	4
Customer Advances for Construction					0	5
Regulatory Liability	52,214	0	0	0	52,214	6
					0	7
Average Net Rate Base	795,858	0	0	0	795,858	
Net Operating Income	14,915	0	0	0	14,915	8
Net Operating Income as a percent of Average Net Rate Base	1.87%	N/A	N/A	N/A	1.87%	

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	0.6	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	53,797	0	0	0	53,797	1
Add credits during year:					0	2
Deduct charges:						
Miscellaneous Amortization (425)	3,165	0	0	0	3,165	3
Other (specify):					0	4
Balance End of Year	50,632	0	0	0	50,632	

FINANCIAL SECTION FOOTNOTES

Interest Accrued (Acct. 237) (Page F-17)

If Interest Accrued During Year (for other than Bonds (221)) is zero AND the Notes Payable and Miscellaneous Long-Term Debt schedule shows a Principal Amount EOY greater than zero, please explain.

Accrued Interest in 2007 was immaterial to record.

Signature Page (Page ii)

General footnotes

COMPILATION REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

March 27, 2008

Village Board
Village of Highland
Highland, Wisconsin 53543

We have compiled the accompanying prescribed Municipal Utility Annual Report of the Village of Highland Water Utility as of December 31, 2007, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying Municipal Utility annual Report and, accordingly, do not express an opinion or any other form of assurance on this report.

The aforementioned report was prepared for the purpose of complying with statutory requirements, rules, regulations and guidelines of the Wisconsin Public Service Commission and is not intended to be a complete presentation in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the management of the Village of Highland and the Wisconsin Public Service Commission, and should not be used for any other purpose.

JOHNSON BLOCK AND COMPANY, INC

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	98,397	96,520	1
Total Sales of Water	98,397	96,520	
Other Operating Revenues			
Forfeited Discounts (470)	335	377	2
Other Water Revenues (474)	652	555	3
Total Other Operating Revenues	987	932	
Total Operating Revenues	99,384	97,452	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	27,734	21,071	4
General Operating Expenses (680-690)	17,116	16,106	5
Total Operation and Maintenance Expenses	44,850	37,177	
Other Operating Expenses			
Depreciation Expense (403)	18,846	16,205	6
Amortization Expense (404)		0	7
Taxes (408)	20,773	21,642	8
Total Other Operating Expenses	39,619	37,847	
Total Operating Expenses	84,469	75,024	
NET OPERATING INCOME	14,915	22,428	

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	1	68	1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	1	1	68	
Metered Sales to General Customers (461)				
Residential	344	13,742	42,024	4
Commercial	48	2,970	8,253	5
Industrial				6
Total Metered Sales to General Customers (461)	392	16,712	50,277	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		44,925	8
Other Sales to Public Authorities (464)	12	1,023	3,127	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	406	17,736	98,397	

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)	44,925	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)	44,925	
Forfeited Discounts (470):		
Customer late payment charges	335	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	335	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	652	7
Other (specify): NONE		8
Total Other Water Revenues (474)	652	

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)	15,387	12,563	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	5,783	4,961	3
Chemicals (630)	284	626	4
Supplies and Expenses (640)	3,057	963	5
Repairs of Water Plant (650)	3,038	1,072	6
Transportation Expenses (660)	185	886	7
Total Plant Operation and Maintenance Expenses	27,734	21,071	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	4,606	3,382	8
Office Supplies and Expenses (681)	961	887	9
Outside Services Employed (682)	2,425	4,303	10
Insurance Expense (684)	863	940	11
Employees Pensions and Benefits (686)	7,684	5,899	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	577	695	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	17,116	16,106	
Total Operation and Maintenance Expenses	44,850	37,177	

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		19,478	20,267	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		236	283	2
Net property tax equivalent		19,242	19,984	
Social Security		1,423	1,585	3
PSC Remainder Assessment		108	73	4
Other (specify): NONE			0	5
Total tax expense		20,773	21,642	

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			Iowa				1
SUMMARY OF TAX RATES							
State tax rate	mills		0.199880				3
County tax rate	mills		6.014060				4
Local tax rate	mills		3.365750				5
School tax rate	mills		15.212920				6
Voc. school tax rate	mills		2.030170				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		26.822780				10
Less: state credit	mills		2.482640				11
Net tax rate	mills		24.340140				12
PROPERTY TAX EQUIVALENT CALCULATION							
Local Tax Rate	mills		3.365750				14
Combined School Tax Rate	mills		17.243090				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		20.608840				17
Total Tax Rate	mills		26.822780				18
Ratio of Local and School Tax to Total	dec.		0.768333				19
Total tax net of state credit	mills		24.340140				20
Net Local and School Tax Rate	mills		18.701345				21
Utility Plant, Jan. 1	\$	1,222,499	1,222,499				22
Materials & Supplies	\$	4,218	4,218				23
Subtotal	\$	1,226,717	1,226,717				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	1,226,717	1,226,717				26
Assessment Ratio	dec.		0.849049				27
Assessed Value	\$	1,041,543	1,041,543				28
Net Local & School Rate	mills		18.701345				29
Tax Equiv. Computed for Current Year	\$	19,478	19,478				30
Tax Equivalent per 1994 PSC Report	\$	21,429					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	19,478					33
Tax equiv. for current year (see note 6)	\$	19,478					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)	200		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	200	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	11,312		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	29,354		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	40,666	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	4,571		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	24,516		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	29,087	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	1,713		23
Total Water Treatment Plant	1,713	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)			200	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	200	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			11,312	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			29,354	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	40,666	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			4,571	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			24,516	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	29,087	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			1,713	23
Total Water Treatment Plant	0	0	1,713	

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)	8,750		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	133,490		26
Transmission and Distribution Mains (343)	407,926	281,027	27
Fire Mains (344)	0		28
Services (345)	84,403	27,870	29
Meters (346)	33,524		30
Hydrants (348)	63,910	28,676	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	732,003	337,573	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	5,622		35
Computer Equipment (372.1)	1,272		36
Transportation Equipment (373)	8,433		37
Other General Equipment (379)	1,817		38
Other Tangible Property (390)	0		39
Total General Plant	17,144	0	
Total utility plant in service directly assignable	820,813	337,573	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	820,813	337,573	

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)			8,750 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			133,490 26
Transmission and Distribution Mains (343)	10,914		678,039 27
Fire Mains (344)			0 28
Services (345)	1,307		110,966 29
Meters (346)	50		33,474 30
Hydrants (348)	1,458		91,128 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	13,729	0	1,055,847
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			5,622 35
Computer Equipment (372.1)			1,272 36
Transportation Equipment (373)			8,433 37
Other General Equipment (379)			1,817 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	17,144
Total utility plant in service directly assignable	13,729	0	1,144,657
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	13,729	0	1,144,657

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	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 \$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)	203,085		26
Transmission and Distribution Mains (343)	171,411	13,333	27
Fire Mains (344)	0		28
Services (345)	25,368		29
Meters (346)	0		30
Hydrants (348)	1,822	3,167	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	401,686	16,500	
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	401,686	16,500	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	401,686	16,500	

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)			203,085 26
Transmission and Distribution Mains (343)	4,586		180,158 27
Fire Mains (344)			0 28
Services (345)	393		24,975 29
Meters (346)			0 30
Hydrants (348)	42		4,947 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	5,021	0	413,165
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	5,021	0	413,165
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	5,021	0	413,165

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			2,106	2,106	1
February			2,076	2,076	2
March			2,282	2,282	3
April			2,003	2,003	4
May			2,227	2,227	5
June			1,877	1,877	6
July			2,429	2,429	7
August			1,899	1,899	8
September			1,701	1,701	9
October			1,624	1,624	10
November			1,588	1,588	11
December			1,757	1,757	12
Total annual pumpage	0	0	23,569	23,569	
Less: Water sold				17,736	13
Volume pumped but not sold				5,833	14
Volume sold as a percent of volume pumped				75%	15
Volume used for water production, water quality and system maintenance				956	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				956	19
Volume pumped but unaccounted for				4,877	20
Percent of water lost				21%	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.)				146	24
Date of maximum: 8/3/2007					25
Cause of maximum:					26
Landscape outside of town required watering and the dust on County I construction needed cleaning up.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				21	27
Date of minimum: 8/11/2007					28
Total KWH used for pumping for the year				84,336	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)	
WELL-HIGHLAND	1	455	4	50,000	Yes	1
WELL-HIGHLAND	2	930	6	100,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	1	2	1
Location	HIGHLAND	HIGHLAND	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	UNKNOWN	WELLINGTON	5
Year Installed	1983	1968	6
Type	SUBMERSIBLE	VERTICAL TURBINE	7
Actual Capacity (gpm)	100	350	8
Pump Motor or Standby Engine Mfr	UNKNOWN	US VERT HOLLOWSHAFT	9
Year Installed	1983	2003	10
Type	ELECTRIC	ELECTRIC	11
Horsepower	20	60	12

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R		3
Year constructed	1988		4
Primary material (earthen, steel, concrete, other)	OTHER		5
Elevation difference in feet (See Headnote 3.)	250		6
Total capacity in gallons (actual)	200,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER		9
Points of application (wellhouse, central facilities, booster station, other)	OTHER		10
Filters, type (gravity, pressure, other, none)	OTHER		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	650.0000		12
Is a corrosion control chemical used (yes, no)?	N		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	2,400	5	0	0	2,405	1
M	D	6.000	9,720	0	1,550	0	8,170	2
P	D	6.000	4,630	125	0	0	4,755	3
M	D	8.000	850	0	0	0	850	4
P	D	8.000	9,215	1,170	0	0	10,385	5
M	D	10.000	0	125			125	6
P	D	10.000	5,050	2,340	0	0	7,390	7
Total Within Municipality			31,865	3,765	1,550	0	34,080	
Total Utility			31,865	3,765	1,550	0	34,080	

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	383	17	17	0	383	11	1
M	1.000	5	0	0	0	5		2
M	1.500	2	0	0	0	2		3
M	2.000	6	0	0	0	6		4
M	3.000	1	0	0	0	1		5
Total Utility		397	17	17	0	397	11	

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)	
0.750	396	0	1	0	395	38	1
1.000	5	0	0	0	5	0	2
1.500	2	0	0	0	2	0	3
2.000	6	0	0	0	6	0	4
3.000	1	0	0	0	1	0	5
6.000	0	0	0	0	0	0	6
Total:	410	0	1	0	409	38	

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)	
0.750	338	39	0	7	0	11	395	1
1.000	0	3	0	2	0	0	5	2
1.500	0	2	0	0	0	0	2	3
2.000	0	4	0	2	0	0	6	4
3.000	0	0	0	1	0	0	1	5
6.000	0	0	0	0	0	0	0	6
Total:	338	48	0	12	0	11	409	

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	57	9	3		63	2
Total Fire Hydrants	57	9	3	0	63	
Flushing Hydrants						
	3				3	3
Total Flushing Hydrants	3	0	0	0	3	

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:	62
Number of distribution system valves end of year:	81
Number of distribution valves operated during year:	80

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.

Supplies and Expenses (640) increased due to the increased repair and maintenance expenses incurred for the year.

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

IF total for Utility Plant, Jan. 1 on this schedule does not match Total Utility Plant - First of Year on the Net Utility Plant schedule, please explain.

Utility Plant, Jan 1 does not match Total Utility Plant - First of Year due to Construction Work in Progress.

Property Tax Equivalent (Water) - Part 2 (Page W-07)

If Lower Tax Equivalent authorized by municipality is greater than or equal to zero, please explain.

On 11/4/96, a resolution was passed by the Village Board authorizing the Village to pay the lesser of the tax equivalent as allowed by th Wisc. statute 66.0811 (2) or the prior year's allowed amount.

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.

The water main additions were financed by the Utility's operating revenues. In addition, 400 feet of 8" plastic water main was financed by developers at a cost of \$13,333.

Meters (Page W-19)

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

Utility personnel are aware of the requirement that meters 1" or smaller be tested every 10 years or replaced every 20 years. Utility personnel are attempting to meet this requirement.

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.
