



3015 (02-02-05)

ANNUAL REPORT

OF

Name: LAND O LAKES SANITARY DISTRICT NO. 1

Principal Office: 4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

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: LAND O' LAKES SANITARY DISTRICT NO. 1

Utility Address: 4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

When was utility organized? 4/3/1968

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: TERRY AINSLEY

Title: CLERK

Office Address:

4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

Telephone: (715) 547 - 3429

Fax Number: (715) 547 - 3429

E-mail Address:

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

Name: RANDALL H BEARD

Title: CPA

Office Address: WIPFLI LLP

43A WEST DAVENPORT STREET
RHINELANDER, WI 54501

Telephone: (715) 369 - 1040 EXT 40021

Fax Number: (715) 369 - 5407

E-mail Address: rbeard@wipfli.com

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

Name: MR GREG MALLICK

Title: CHAIRMAN

Office Address:

4382 COUNTY RD B
LAND O' LAKES, WI 54540

Telephone: (715) 547 - 3543

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: RANDALL H BEARD, CPA

Title: PARTNER

Office Address: WIPFLI LLP
43A WEST DAVENPORT STREET
RHINELANDER, WI 54501

Telephone: (715) 369 - 1040

Fax Number: (715) 369 - 5407

E-mail Address: rbeard@wipfli.com

Date of most recent audit report: 3/8/2007

Period covered by most recent audit: JANUARY 1, 2006 - DECEMBER 31, 2006

Names and titles of utility management including manager or superintendent:

Name: THOMAS RIPP

Title: OPERATOR

Office Address:
6388 CHIPPEWA DRIVE
P.O. BOX 246
LAND O' LAKES, WI 54540

Telephone: (715) 547 - 3775

Fax Number:

E-mail Address:

Name of utility commission/committee: Land O' Lakes Sanitary Board

Names of members of utility commission/committee:

- MR ANDREW DORN, TREASURER
 - MR DAVE LAFRISKE, SECRETARY
 - MR GREG MALLICK, 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)	103,492	100,969	1
Operating Expenses:			
Operation and Maintenance Expense (401)	65,482	60,132	2
Depreciation Expense (403)	17,098	17,201	3
Amortization Expense (404)	12,402	12,402	4
Taxes (408)	2,225	2,582	5
Total Operating Expenses	97,207	92,317	
Net Operating Income	6,285	8,652	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	6,285	8,652	
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)	120	121	9
Miscellaneous Nonoperating Income (421)	11,013	132,810	10
Total Other Income	11,133	132,931	
Total Income	17,418	141,583	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(5,917)	(5,917)	11
Other Income Deductions (426)	41,897	27,975	12
Total Miscellaneous Income Deductions	35,980	22,058	
Income Before Interest Charges	(18,562)	119,525	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	73,210	73,676	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	73,210	73,676	
Net Income	(91,772)	45,849	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	2,857,609	2,811,760	19
Balance Transferred from Income (433)	(91,772)	45,849	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)	2,765,837	2,857,609	

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	103,492		103,492	1
Total (Acct. 400):	103,492	0	103,492	
Operation and Maintenance Expense (401):				
Derived	65,482		65,482	2
Total (Acct. 401):	65,482	0	65,482	
Depreciation Expense (403):				
Derived	17,098		17,098	3
Total (Acct. 403):	17,098	0	17,098	
Amortization Expense (404):				
Derived	12,402		12,402	4
Total (Acct. 404):	12,402	0	12,402	
Taxes (408):				
Derived	2,225		2,225	5
Total (Acct. 408):	2,225	0	2,225	
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:	6,285	0	6,285	
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	120	0	120	10
Total (Acct. 419):	120	0	120	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		26,086	26,086	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):			
SEWER OPERATIONS	13,022	(28,095)	(15,073) 12
Total (Acct. 421):	13,022	(2,009)	11,013
TOTAL OTHER INCOME:	13,142	(2,009)	11,133

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(5,917)		(5,917) 13
NONE	0	0	0 14
Total (Acct. 425):	(5,917)	0	(5,917)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		41,897	41,897 15
NONE	0	0	0 16
Total (Acct. 426):	0	41,897	41,897
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(5,917)	41,897	35,980

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	73,210		73,210 17
Total (Acct. 427):	73,210	0	73,210
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:	73,210	0	73,210
NET INCOME:	(47,866)	(43,906)	(91,772)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	(144,496)	3,002,105	2,857,609 23
Total (Acct. 216):	(144,496)	3,002,105	2,857,609
Balance Transferred from Income (433):			
Derived	(47,866)	(43,906)	(91,772) 24
Total (Acct. 433):	(47,866)	(43,906)	(91,772)
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
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 28
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	(192,362)	2,958,199	2,765,837

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

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

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	103,492	0	0	0	103,492	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	103,492	0	0	0	103,492	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	2,885,691	2,875,243	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	219,129	159,952	2
Net Utility Plant	2,666,562	2,715,291	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	2,139,894	2,134,495	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	340,939	293,344	4
Net Nonutility Property	1,798,955	1,841,151	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	1,554	1,538	7
Total Other Property and Investments	1,800,509	1,842,689	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	26,852	17,414	8
Temporary Cash Investments (132)		0	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	18,672	23,010	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	2,146	14
Materials and Supplies (150)	3,577	3,555	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	49,101	46,125	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	12,404	24,806	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	12,404	24,806	
Total Assets and Other Debits	4,528,576	4,628,911	

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)	26,000	16,000	21
Appropriated Earned Surplus (215)		0	22
Unappropriated Earned Surplus (216)	2,765,837	2,857,609	23
Total Proprietary Capital	2,791,837	2,873,609	
LONG-TERM DEBT			
Bonds (221)	1,601,215	1,619,505	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	15,000	0	26
Total Long-Term Debt	1,616,215	1,619,505	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	2,154	5,000	28
Payables to Municipality (233)	0	6,500	29
Customer Deposits (235)		0	30
Taxes Accrued (236)	911	861	31
Interest Accrued (237)	21,768	21,744	32
Other Current and Accrued Liabilities (238)	1,027	1,111	33
Total Current and Accrued Liabilities	25,860	35,216	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)		0	35
Other Deferred Credits (253)	94,664	100,581	36
Total Deferred Credits	94,664	100,581	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)		0	37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	4,528,576	4,628,911	

NET UTILITY PLANT

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

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	2,875,243	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)	1,106,385	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	1,779,306	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	2,885,691	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)	93,734	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	125,395	0	0	0	12
Total Accumulated Provision	219,129	0	0	0	
Net Utility Plant	2,666,562	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)	76,454				76,454	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	17,098				17,098	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	532				532	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	17,630	0	0	0	17,630	16
Debits during year						17
Book cost of plant retired	350				350	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	350	0	0	0	350	25
Balance end of year (110.1)	93,734	0	0	0	93,734	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)	83,498				83,498	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	41,897				41,897	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	41,897	0	0	0	41,897	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	125,395	0	0	0	125,395	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	2,134,495	5,399		2,139,894	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	2,134,495	5,399	0	2,139,894	
Less accum. prov. depr. & amort. (122)	293,344	47,595		340,939	3
Net Nonutility Property	1,841,151	(42,196)	0	1,798,955	

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	3,577	3,555 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	3,577	3,555

**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	16,000	1
Changes during year (explain):		
TAX LEVY	10,000	2
Balance end of year	<u>26,000</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)	
RURAL DEVELOPMENT- WWTF	10/11/2001	10/01/2041	4.50%	956,148	1
RURAL DEVELOPMENT - WATER SYSTEM	03/09/2004	03/01/2044	4.50%	645,067	2
Total Bonds (Account 221):				1,601,215	

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)					
HEADWATERS STATE BANK	04/01/1999	04/01/2009	6.75%	15,000	1
Total for Account 224				15,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	861	1
Accruals:		
Charged water department expense	2,225	2
Charged electric department expense		3
Charged sewer department expense	3,167	4
Other (explain):		
NONE		5
Total Accruals and other credits	5,392	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	5,225	7
PSC Remainder Assessment	117	8
Other (explain):		
NONE		9
Total payments and other debits	5,342	
Balance end of year	911	

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)					
RURAL DEVELOPMENT - SEWER	7,327	29,208	29,298	7,237	1
RURAL DEVELOPMENT - WATER	14,417	43,217	43,370	14,264	2
Subtotal	21,744	72,425	72,668	21,501	
Advances from Municipality (223)					
NONE	0			0	3
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
HEADWATERS STATE BANK	0	785	518	267	4
Subtotal	0	785	518	267	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	21,744	73,210	73,186	21,768	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
DEBT RESERVE	1,554	3
Total (Acct. 125):	1,554	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	18,672	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	18,672	
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):		
NONE		12
Total (Acct. 145):	0	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
DEFERRED DEBITS-2004 LOSS ON DISPOSAL	12,404	14
Total (Acct. 182):	12,404	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Payables to Municipality (233):		
NONE		16
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Regulatory Liability	94,664	17
NONE		18
Total (Acct. 253):	94,664	

RETURN ON RATE BASE COMPUTATION

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

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	1,105,807	0	0	0	1,105,807	1
Materials and Supplies	3,566	0	0	0	3,566	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	85,094	0	0	0	85,094	4
Customer Advances for Construction					0	5
Regulatory Liability	44,243	0	53,379	0	97,622	6
NONE					0	7
Average Net Rate Base	980,036	0	(53,379)	0	926,657	
Net Operating Income	6,285	0	0	0	6,285	8
Net Operating Income as a percent of						
Average Net Rate Base	0.64%	N/A	N/A	N/A	0.68%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	1	1
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	45,584	0	54,997	0	100,581	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	2,682	0	3,235	0	5,917	3
Other (specify):						
NONE					0	4
Balance End of Year	42,902	0	51,762	0	94,664	

FINANCIAL SECTION FOOTNOTES

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

Extraordinary Property Losses (Acct 182): amortization requires PSC authorization. Provide date of authorization.

A one time property loss (Acct 182) was discussed with the PSC on 5/2/05 (per PSC letter dated 5/5/05). The one time loss occurred as a result of a water system project which retired assets that were not fully depreciated. The deferred debit is amortized at a rate of \$12,405 per year for five years starting in 2004 and ending in 2008.

Identification and Ownership - Contacts (Page iv)

General footnotes

Board of Commissioners
Land O Lakes Sanitary District
Land O Lakes, Wisconsin

We have compiled the balance sheet of Land O Lakes Sanitary District as of December 31, 2007 and 2006, and the related income and earned surplus statements for the years then ended included in the accompanying Municipal Utility Annual Report in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the Municipal Annual Report.

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

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

Wipfli LLP

March 31, 2008
Rhineland, Wisconsin

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	101,796	97,066	1
Total Sales of Water	101,796	97,066	
Other Operating Revenues			
Forfeited Discounts (470)	0	0	2
Other Water Revenues (474)	1,696	3,903	3
Total Other Operating Revenues	1,696	3,903	
Total Operating Revenues	103,492	100,969	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	46,208	41,113	4
General Operating Expenses (680-690)	19,274	19,019	5
Total Operation and Maintenance Expenses	65,482	60,132	
Other Operating Expenses			
Depreciation Expense (403)	17,098	17,201	6
Amortization Expense (404)	12,402	12,402	7
Taxes (408)	2,225	2,582	8
Total Other Operating Expenses	31,725	32,185	
Total Operating Expenses	97,207	92,317	
NET OPERATING INCOME	6,285	8,652	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	116	2,766	21,790	4
Commercial	77	8,055	32,553	5
Industrial				6
Total Metered Sales to General Customers (461)	193	10,821	54,343	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		44,558	8
Other Sales to Public Authorities (464)	11	394	2,895	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	205	11,215	101,796	

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	NONE			1
Total		<u>0</u>	<u>0</u>	

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)	44,558	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)	44,558	
Forfeited Discounts (470):		
Customer late payment charges		5
Other (specify): NONE		6
Total Forfeited Discounts (470)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	532	7
Other (specify): ANTENNA RENTAL AND OTHER MISCELLANEOUS	1,164	8
Total Other Water Revenues (474)	1,696	

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)	24,840	27,378	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	7,463	4,442	3
Chemicals (630)	992	1,702	4
Supplies and Expenses (640)	11,262	5,605	5
Repairs of Water Plant (650)	549	714	6
Transportation Expenses (660)	1,102	1,272	7
Total Plant Operation and Maintenance Expenses	46,208	41,113	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	3,865	0	8
Office Supplies and Expenses (681)	2,373	927	9
Outside Services Employed (682)	3,552	9,036	10
Insurance Expense (684)	3,984	4,088	11
Employees Pensions and Benefits (686)	5,445	4,793	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	55	175	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	19,274	19,019	
Total Operation and Maintenance Expenses	65,482	60,132	

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		0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		0	2
Net property tax equivalent		0	0
Social Security		2,108	2,492
PSC Remainder Assessment		117	90
Other (specify): NONE			0
Total tax expense		<u>2,225</u>	<u>2,582</u>

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	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)	7,601		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	7,601	0	
PUMPING PLANT			
Land and Land Rights (320)	500		12
Structures and Improvements (321)	9,144		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	4,748		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	4,532		20
Total Pumping Plant	18,924	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	1,308		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	1,308	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			7,601 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	7,601
PUMPING PLANT			
Land and Land Rights (320)			500 12
Structures and Improvements (321)			9,144 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			4,748 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			4,532 20
Total Pumping Plant	0	0	18,924
WATER TREATMENT PLANT			
Land and Land Rights (330)			1,308 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	1,308

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)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	13,000		26
Transmission and Distribution Mains (343)	743,610		27
Fire Mains (344)	0		28
Services (345)	178,524		29
Meters (346)	14,486	1,505	30
Hydrants (348)	125,132		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,074,752	1,505	
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)	2,645		38
Other Tangible Property (390)	0		39
Total General Plant	2,645	0	
Total utility plant in service directly assignable	1,105,230	1,505	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,105,230	1,505	

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)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			13,000 26
Transmission and Distribution Mains (343)			743,610 27
Fire Mains (344)			0 28
Services (345)			178,524 29
Meters (346)	350		15,641 30
Hydrants (348)			125,132 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	350	0	1,075,907
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)			2,645 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	2,645
Total utility plant in service directly assignable	350	0	1,106,385
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	350	0	1,106,385

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)	160,144		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	358,333		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	266,061		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	784,538	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	7,710		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	144,801		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	3,820		20
Total Pumping Plant	156,331	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)			160,144 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			358,333 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			266,061 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	784,538
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			7,710 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			144,801 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			3,820 20
Total Pumping Plant	0	0	156,331
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)	395,484		26
Transmission and Distribution Mains (343)	283,612		27
Fire Mains (344)	0		28
Services (345)	100,840		29
Meters (346)	8,340		30
Hydrants (348)	38,638		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	826,914	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0	1,044	36
Transportation Equipment (373)	0		37
Other General Equipment (379)	2,230	8,249	38
Other Tangible Property (390)	0		39
Total General Plant	2,230	9,293	
Total utility plant in service directly assignable	1,770,013	9,293	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,770,013	9,293	

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)			395,484 26
Transmission and Distribution Mains (343)			283,612 27
Fire Mains (344)			0 28
Services (345)			100,840 29
Meters (346)			8,340 30
Hydrants (348)			38,638 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	826,914
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)			1,044 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			10,479 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	11,523
Total utility plant in service directly assignable	0	0	1,779,306
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	1,779,306

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.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			1,528	1,528	1
February			1,277	1,277	2
March			1,715	1,715	3
April			1,314	1,314	4
May			1,448	1,448	5
June			1,766	1,766	6
July			1,867	1,867	7
August			1,577	1,577	8
September			1,075	1,075	9
October			1,091	1,091	10
November			1,143	1,143	11
December			1,210	1,210	12
Total annual pumpage	0	0	17,011	17,011	
Less: Water sold				11,215	13
Volume pumped but not sold				5,796	14
Volume sold as a percent of volume pumped				66%	15
Volume used for water production, water quality and system maintenance				1,850	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				1,850	19
Volume pumped but unaccounted for				3,946	20
Percent of water lost				23%	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.)				80	24
Date of maximum: 7/7/2007					25
Cause of maximum:					26
Seasonal due to tourism					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				19	27
Date of minimum: 10/7/2007					28
Total KWH used for pumping for the year				38,000	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)	
200' E OF NE CRN PUMP HOUSE	RI BH108	91	12	500,000	Yes	1
PUMP #2	TT962	185	12	575,000	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	PUMP	PUMP #2	WELL	1
Location	#2 WELL	#1 WELL	WELLHOUSE	2
Purpose	P	P	S	3
Destination	D	D	D	4
Pump Manufacturer	CHRISTENSEN PUMP	BERKLEY PUMP	BERKLEY PUMP	5
Year Installed	2006	1968	1968	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	400	350	350	8
Pump Motor or Standby Engine Mfr	US MOTORS	US ELECTRIC	FORD	9 10
Year Installed	2006	1968	1975	11
Type	ELECTRIC	ELECTRIC	PROPANE	12
Horsepower	40	25	0	13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	#1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	2004		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	160		6
Total capacity in gallons (actual)	125,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	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)	
A	D	6.000	5,582	0	0	0	5,582	1
M	D	8.000	1,802	0	0	0	1,802	2
P	D	8.000	2,000	0	0	0	2,000	3
M	D	12.000	9,800	0	0	0	9,800	4
Total Within Municipality			19,184	0	0	0	19,184	
A	D	6.000	100	0	0	0	100	5
A	D	8.000	2,500	0	0	0	2,500	6
A	S	8.000	25	0	0	0	25	7
M	D	12.000	4,200	0	0	0	4,200	8
M	T	12.000	100	0	0	0	100	9
Total Outside of Municipality			6,925	0	0	0	6,925	
Total Utility			26,109	0	0	0	26,109	

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	112	0	0	0	112	27	1
M	1.000	39	0	0	0	39	9	2
M	1.500	9	0	0	0	9		3
M	2.000	5	0	0	0	5	2	4
M	6.000	2	0	0	0	2		5
Total Utility		167	0	0	0	167	38	

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	164	18	7	0	175	0	1
1.000	14	0	0	0	14	0	2
1.500	3	0	0	0	3	0	3
2.000	4	0	0	0	4	0	4
3.000	3	0	0	0	3	0	5
Total:	188	18	7	0	199	0	

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	106	51	6	0	0	12	175	1
1.000	1	10	2	1	0	0	14	2
1.500	0	3	0	0	0	0	3	3
2.000	0	2	1	0	0	1	4	4
3.000	0	1	1	0	0	1	3	5
Total:	107	67	10	1	0	14	199	

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	8				8	1
Within Municipality	35				35	2
Total Fire Hydrants	43	0	0	0	43	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

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

Number of hydrants operated during year:	43
Number of distribution system valves end of year:	39
Number of distribution valves operated during year:	39

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

If Fuel or Power Purchased for Pumping (620), divided by the Total kWh Used for Pumping on the Source of Supply, Pumping and Purchased Water Statistics schedule, is less than 3 cents or greater than 12 cents, please explain.

620: This account includes costs for propane for running the booster pump. Also, an exhaust system in the wellhouse chemical room runs for 1/2 hour each time the door is opened/closed.

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.

620: This account includes costs for propane for running the booster pump. Also, an exhaust system in the wellhouse chemical room runs for 1/2 hour each time the door is opened/closed. These items were installed during 2006 so expense was expected to increase do to do a full year of these items.

640: At the end of the year the district had left over grant money. Some of these proceeds were spent on small, low-value items.

682: Outside service expense was elevated in 2006 due to a lightning strike to a well. Expenses to contractors to assess the damage and determine repair were recorded in this account in 2006. The 2007 expense reflects the normal operating expense the District incurs for the year.

Meters (Page W-19)

If Tested During Year column total is zero, please explain.

The District replaces meters every ten years.

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

The district replaces meters every ten years.

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

The district does not have any station meters.
