



3015 (02-02-05)

ANNUAL REPORT

OF

Name: THREE LAKES SANITARY DISTRICT NO.1

Principal Office: P.O. BOX 325
THREE LAKES, WI 54562

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.

SIGNATURE PAGE

I BECKY BELLMAN of
(Person responsible for accounts)

THREE LAKES SANITARY DISTRICT NO.1, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts) 03/31/2008
(Date)

DISTRICT TREASURER
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: THREE LAKES SANITARY DISTRICT NO.1

Utility Address: P.O. BOX 325
THREE LAKES, WI 54562

When was utility organized? 1/1/1954

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: BECKY BELLMAN
Title: DISTRICT TREASURER

Office Address:
P.O. BOX 325
THREE LAKES, WI 54562

Telephone: (715) 546 - 3316

Fax Number:

E-mail Address:

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

Name: RANDALL H BEARD
Title: PARTNER

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: DALE BRUSS
Title: PRESIDENT

Office Address:
6965 WEST SCHOOL STREET
THREE LAKES, WI 54501

Telephone: (715) 346 - 3748

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

Title: PARTNER

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

Date of most recent audit report: 3/9/2007

Period covered by most recent audit: 12/31/2006

Names and titles of utility management including manager or superintendent:

Name: WAYNE RYCHLOCK

Title: OPERATOR

Office Address:
P.O. BOX 325
THREE LAKES, WI 54562

Telephone: (715) 546 - 3748

Fax Number:

E-mail Address:

Name of utility commission/committee: UTILITY COMMISSION

Names of members of utility commission/committee:

- PETER BALTUS, COMMISSIONER
- FRED BONACK, COMMISSIONER
- DALE BRUSS, PRESIDENT

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? YES

Date of Ordinance: 1/1/1954

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)	141,245	130,189	1
Operating Expenses:			
Operation and Maintenance Expense (401)	74,089	66,018	2
Depreciation Expense (403)	22,571	22,406	3
Amortization Expense (404)	179	195	4
Taxes (408)	2,075	2,453	5
Total Operating Expenses	98,914	91,072	
Net Operating Income	42,331	39,117	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	42,331	39,117	
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)	7,946	3,681	9
Miscellaneous Nonoperating Income (421)	3,779	1,455	10
Total Other Income	11,725	5,136	
Total Income	54,056	44,253	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(3,493)	(3,493)	11
Other Income Deductions (426)	3,315	3,309	12
Total Miscellaneous Income Deductions	(178)	(184)	
Income Before Interest Charges	54,234	44,437	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	15,906	14,521	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	15,906	14,521	
Net Income	38,328	29,916	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	353,519	323,603	19
Balance Transferred from Income (433)	38,328	29,916	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)	391,847	353,519	

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	141,245		141,245	1
Total (Acct. 400):	141,245	0	141,245	
Operation and Maintenance Expense (401):				
Derived	74,089		74,089	2
Total (Acct. 401):	74,089	0	74,089	
Depreciation Expense (403):				
Derived	22,571		22,571	3
Total (Acct. 403):	22,571	0	22,571	
Amortization Expense (404):				
Derived	179		179	4
Total (Acct. 404):	179	0	179	
Taxes (408):				
Derived	2,075		2,075	5
Total (Acct. 408):	2,075	0	2,075	
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:	42,331	0	42,331	
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):				
NONE	7,946	0	7,946	10
Total (Acct. 419):	7,946	0	7,946	
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):			
NONREGULATED SEWER	10,587	(6,808)	3,779 12
Total (Acct. 421):	10,587	(6,808)	3,779
TOTAL OTHER INCOME:	18,533	(6,808)	11,725

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(3,493)		(3,493) 13
NONE	0	0	0 14
Total (Acct. 425):	(3,493)	0	(3,493)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		3,315	3,315 15
NONE	0	0	0 16
Total (Acct. 426):	0	3,315	3,315
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(3,493)	3,315	(178)

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	15,906		15,906 17
Total (Acct. 427):	15,906	0	15,906
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:	15,906	0	15,906
NET INCOME:	48,451	(10,123)	38,328
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	80,676	272,843	353,519 23
Total (Acct. 216):	80,676	272,843	353,519
Balance Transferred from Income (433):			
Derived	48,451	(10,123)	38,328 24
Total (Acct. 433):	48,451	(10,123)	38,328
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):	129,127	262,720	391,847

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	141,245	0	0	0	141,245	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	141,245	0	0	0	141,245	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,229,282	1,229,282	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	286,036	259,599	2
Net Utility Plant	943,246	969,683	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	746,390	746,390	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	388,882	375,677	4
Net Nonutility Property	357,508	370,713	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	97,791	93,702	7
Total Other Property and Investments	455,299	464,415	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	196,323	98,871	8
Temporary Cash Investments (132)		0	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	18,126	40,192	11
Other Accounts Receivable (143)	17,800	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	97,951	96,296	14
Materials and Supplies (150)	11,098	5,496	15
Prepayments (165)	5,734	6,102	16
Other Current and Accrued Assets (170)	2,918	666	17
Total Current and Accrued Assets	349,950	247,623	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	179	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	179	
Total Assets and Other Debits	1,748,495	1,681,900	

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)	827,264	772,264	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	391,847	353,519	23
Total Proprietary Capital	1,219,111	1,125,783	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	250,000	275,000	26
Total Long-Term Debt	250,000	275,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	11,765	2,040	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)	2,231	2,186	30
Taxes Accrued (236)	0	1,137	31
Interest Accrued (237)	6,563	2,349	32
Other Current and Accrued Liabilities (238)	2,677	1,247	33
Total Current and Accrued Liabilities	23,236	8,959	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	256,148	272,158	36
Total Deferred Credits	256,148	272,158	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			0 37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	1,748,495	1,681,900	

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	1,229,282	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)	1,054,211	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	175,071	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	1,229,282	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)	199,638	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	86,398	0	0	0	12
Total Accumulated Provision	286,036	0	0	0	
Net Utility Plant	943,246	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)	176,516				176,516	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	22,571				22,571	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	551				551	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	23,122	0	0	0	23,122	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)	199,638	0	0	0	199,638	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)	83,083				83,083	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	3,315				3,315	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	3,315	0	0	0	3,315	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)	86,398	0	0	0	86,398	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	746,390			746,390	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	746,390	0	0	746,390	
Less accum. prov. depr. & amort. (122)	375,677	13,205		388,882	3
Net Nonutility Property	370,713	(13,205)	0	357,508	

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
Other					0	0
Total Electric Utility					<u>0</u>	<u>0</u>

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	11,098	5,496
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	<u>11,098</u>	<u>5,496</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)				
BOND ISSUE COSTS 11/97	179	428	0	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	772,264	1
Changes during year (explain):		
TAX LEVY	55,000	2
Balance end of year	<u>827,264</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)					
BOARD OF COMMISSIONERS OF PUBLIC LANDS	06/26/2007	03/15/2017	5.25%	250,000	1
Total for Account 224				250,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	1,137	1
Accruals:		
Charged water department expense	2,075	2
Charged electric department expense		3
Charged sewer department expense	1,858	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>3,933</u>	
Taxes paid during year:		
County, state and local taxes	143	6
Social Security taxes	4,678	7
PSC Remainder Assessment	249	8
Other (explain):		
NONE		9
Total payments and other debits	<u>5,070</u>	
Balance end of year	<u><u>0</u></u>	

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)					
	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)					
BOARD OF COMMISSIONERS NOTE	0	6,563		6,563	3
GO PROMISSORY NOTES M&I BANK	2,349	9,343	11,692	0	4
Subtotal	2,349	15,906	11,692	6,563	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	2,349	15,906	11,692	6,563	

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):		
DEPRECIATION SINKING FUND	64,313	3
DEBT RETIREMENT SINKING FUND	33,478	4
Total (Acct. 125):	97,791	
Notes Receivable (141):		
NONE		5
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	18,126	6
Electric		7
Sewer (Regulated)		8
Other (specify):		
NONE		9
Total (Acct. 142):	18,126	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	17,800	10
Merchandising, jobbing and contract work		11
Other (specify):		
NONE		12
Total (Acct. 143):	17,800	
Receivables from Municipality (145):		
ACCOUNTS RECEIVABLE TOWN OF THREE LAKES	97,951	13
Total (Acct. 145):	97,951	
Prepayments (165):		
NONE	5,734	14
Total (Acct. 165):	5,734	
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)	
Other Deferred Debits (183):		
NONE	16	
Total (Acct. 183):	0	
Payables to Municipality (233):		
NONE	17	
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Regulatory Liability	55,888	18
REGULATORY LIABILITY - SEWER	200,260	19
Total (Acct. 253):	256,148	

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)	1,054,211	0	0	0	1,054,211	1
Materials and Supplies	8,297	0	0	0	8,297	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	188,077	0	0	0	188,077	4
Customer Advances for Construction					0	5
Regulatory Liability	57,634	0	0	0	57,634	6
NONE					0	7
Average Net Rate Base	816,797	0	0	0	816,797	
Net Operating Income	42,331	0	0	0	42,331	8
Net Operating Income as a percent of						
Average Net Rate Base	5.18%	N/A	N/A	N/A	5.18%	

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	0.6	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	59,381	0	0	0	59,381	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	3,493	0	0	0	3,493	3
Other (specify):						
NONE					0	4
Balance End of Year	55,888	0	0	0	55,888	

FINANCIAL SECTION FOOTNOTES

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

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

Receivables from Municipality (145) is made up of the following:

Tax levy for retirement of bonds...	\$55,000
Public fire protection assessment..	\$36,062
Delinquent water/sewer bills.....	\$5,242
Standby charges water/sewer.....	\$1,646

Identification and Ownership (Page iv)**General footnotes**

ACCOUNTANT'S COMPILATION REPORT
Board of Commissioners
Three Lakes Sanitary District #1
Three Lakes, Wisconsin

We have compiled the balance sheet of Three Lakes Sanitary District #1 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 28, 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)	110,983	110,729	1
Total Sales of Water	110,983	110,729	
Other Operating Revenues			
Forfeited Discounts (470)	0	0	2
Other Water Revenues (474)	30,262	19,460	3
Total Other Operating Revenues	30,262	19,460	
Total Operating Revenues	141,245	130,189	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	43,342	39,041	4
General Operating Expenses (680-690)	30,747	26,977	5
Total Operation and Maintenance Expenses	74,089	66,018	
Other Operating Expenses			
Depreciation Expense (403)	22,571	22,406	6
Amortization Expense (404)	179	195	7
Taxes (408)	2,075	2,453	8
Total Other Operating Expenses	24,825	25,054	
Total Operating Expenses	98,914	91,072	
NET OPERATING INCOME	42,331	39,117	

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	188	6,657	37,659	4
Commercial	74	4,743	28,426	5
Industrial				6
Total Metered Sales to General Customers (461)	262	11,400	66,085	
Private Fire Protection Service (462)	4		1,200	7
Public Fire Protection Service (463)	1		36,062	8
Other Sales to Public Authorities (464)	13	1,960	7,636	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	280	13,360	110,983	

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)	36,062	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)	36,062	
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	766	7
Other (specify): ANTENNA RENTALS AND OTHER WATER REVENUES	29,496	8
Total Other Water Revenues (474)	30,262	

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)	20,746	19,748	1
Purchased Water (610)	0	0	2
Fuel or Power Purchased for Pumping (620)	4,589	4,321	3
Chemicals (630)	6,510	2,040	4
Supplies and Expenses (640)	3,746	7,217	5
Repairs of Water Plant (650)	6,589	4,752	6
Transportation Expenses (660)	1,162	963	7
Total Plant Operation and Maintenance Expenses	43,342	39,041	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	7,084	6,857	8
Office Supplies and Expenses (681)	3,698	2,220	9
Outside Services Employed (682)	4,841	4,807	10
Insurance Expense (684)	5,002	4,405	11
Employees Pensions and Benefits (686)	9,184	8,160	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	938	528	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	30,747	26,977	
Total Operation and Maintenance Expenses	74,089	66,018	

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		1,826	2,288	3
PSC Remainder Assessment		249	165	4
Other (specify): NONE			0	5
Total tax expense		2,075	2,453	

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)	5,160		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)	53,026		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	58,186	0	
PUMPING PLANT			
Land and Land Rights (320)	606		12
Structures and Improvements (321)	17,610		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	25,541		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	8,566		20
Total Pumping Plant	52,323	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	9,145		23
Total Water Treatment Plant	9,145	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)			5,160	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)			53,026	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	58,186	
PUMPING PLANT				
Land and Land Rights (320)			606	12
Structures and Improvements (321)			17,610	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			25,541	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			8,566	20
Total Pumping Plant	0	0	52,323	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			9,145	23
Total Water Treatment Plant	0	0	9,145	

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)	525		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	500,000		26
Transmission and Distribution Mains (343)	366,269		27
Fire Mains (344)	0		28
Services (345)	0		29
Meters (346)	23,039		30
Hydrants (348)	32,478		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	922,311	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	2,662		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	7,381		37
Other General Equipment (379)	2,203		38
Other Tangible Property (390)	0		39
Total General Plant	12,246	0	
Total utility plant in service directly assignable	1,054,211	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,054,211	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			525 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			500,000 26
Transmission and Distribution Mains (343)			366,269 27
Fire Mains (344)			0 28
Services (345)			0 29
Meters (346)			23,039 30
Hydrants (348)			32,478 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	922,311
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			2,662 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			7,381 37
Other General Equipment (379)			2,203 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	12,246
Total utility plant in service directly assignable	0	0	1,054,211
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	1,054,211

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)	0		26
Transmission and Distribution Mains (343)	143,655		27
Fire Mains (344)	0		28
Services (345)	31,416		29
Meters (346)	0		30
Hydrants (348)	0		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	175,071	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	175,071	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	175,071	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)			143,655 27
Fire Mains (344)			0 28
Services (345)			31,416 29
Meters (346)			0 30
Hydrants (348)			0 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	175,071
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	175,071
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	175,071

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Sources of Water Supply					
Month	Purchased Water Gallons (000's)	Surface Water Gallons (000's)	Ground Water Gallons (000's)	Total Gallons All Methods (000's)	
(a)	(b)	(c)	(d)	(e)	
January			3,046	3,046	1
February			2,825	2,825	2
March			4,780	4,780	3
April			2,419	2,419	4
May			1,587	1,587	5
June			1,774	1,774	6
July			2,160	2,160	7
August			2,393	2,393	8
September			1,632	1,632	9
October			1,343	1,343	10
November			2,086	2,086	11
December			3,591	3,591	12
Total annual pumpage	0	0	29,636	29,636	
Less: Water sold				13,360	13
Volume pumped but not sold				16,276	14
Volume sold as a percent of volume pumped				45%	15
Volume used for water production, water quality and system maintenance				10,077	16
Volume related to equipment/system malfunction				5,800	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				15,877	19
Volume pumped but unaccounted for				399	20
Percent of water lost				1%	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.)				213	24
Date of maximum: 4/8/2007					25
Cause of maximum:					26
Water main break on Anderson and Winkler Streets at same time					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				24	27
Date of minimum: 9/30/2007					28
Total KWH used for pumping for the year				51,906	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 #2 - 1861 S MICHIGAN ST	#2	72	12	433,440	Yes	1
WELL #3 - 6911 E SCHOOL ST	#3	63	12	331,200	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	WELL #2	WELL #3	1
Location	1861 S MICHIGAN ST	6911 E SCHOOL ST	2
Purpose	P	P	3
Destination	R	R	4
Pump Manufacturer	LAYNE	LAYNE	5
Year Installed	1998	1974	6
Type	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	350	220	8
Pump Motor or Standby Engine Mfr	US ELECTRIC	GENERAL ELECTRIC	10
Year Installed	1998	1974	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	25	20	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
Year Installed			23
Type			24
Horsepower			25
			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	NEW TOWER 1998		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1998		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	150		6
Total capacity in gallons (actual)	150,000		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)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	1.5229		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	3.000	4,463	0	0	0	4,463	1
M	D	6.000	16,156	0	0	0	16,156	2
M	D	8.000	5,879	0	0	0	5,879	3
M	D	12.000	3,736	0	0	0	3,736	4
Total Within Municipality			30,234	0	0	0	30,234	
M	D	12.000	133	0	0	0	133	5
Total Outside of Municipality			133	0	0	0	133	
Total Utility			30,367	0	0	0	30,367	

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	209	0	0	0	209	5	1
M	1.000	35	0	0	0	35		2
M	1.250	13	0	0	0	13		3
M	1.500	11	0	0	0	11		4
M	2.000	6	0	0	0	6		5
M	3.000	1	0	0	0	1		6
M	4.000	1	0	0	0	1		7
M	6.000	3	0	0	0	3		8
Total Utility		279	0	0	0	279	5	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	250	0	0	(14)	236	13	1
1.000	45	0	0	0	45	0	2
1.500	9	0	0	0	9	0	3
2.000	5	0	0	0	5	0	4
3.000	1	0	0	0	1	0	5
Total:	310	0	0	(14)	296	13	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	169	51	0	6	0	10	236	1
1.000	17	17	0	5	0	6	45	2
1.500	2	3	0	0	0	4	9	3
2.000	0	2	0	2	0	1	5	4
3.000	0	1	0	0	0	0	1	5
Total:	188	74	0	13	0	21	296	

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	44				44	2
Total Fire Hydrants	44	0	0	0	44	
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:	47
Number of distribution system valves end of year:	126
Number of distribution valves operated during year:	110

WATER OPERATING SECTION FOOTNOTES

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

Please explain amounts in Account 474 in excess of \$2,000, including like items grouped. Please provide, for example, a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Other Water Revenues (474) includes:

- Monthly Alltel revenue of \$1,050 for 12 months for a total of \$12,600
 - Monthly American Cellular revenue of \$1,136 for 8 months and \$1,181 for 4 months for a total of \$13,857
 - Quarterly tower rental \$150 for a total of \$600
 - Misc permits and seasonal water turn-ons of \$2,439
-

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.

630: Extra chemicals were used because of water breaks early in the year. The price of chemicals also increased more than usual.

If Employee Pensions and Benefits (686) is zero, yet salary expense accounts exceed \$15,000, please explain.

Meters (Page W-19)

Explain all reported adjustments.

Meters in stock inventory was not accurate in prior years.

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

Through attrition or testing, the District either replaces or tests approximately 10% of its meters each year.

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
