



3015 (02-02-05)

ANNUAL REPORT

OF

Name: KOHLER MUNICIPAL WATER UTILITY

Principal Office: 319 HIGHLAND
KOHLER, WI 53044

For the Year Ended: DECEMBER 31, 2007

**WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

TABLE OF CONTENTS

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

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: KOHLER MUNICIPAL WATER UTILITY

Utility Address: 319 HIGHLAND
KOHLER, WI 53044

When was utility organized? 1/1/1916

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MS. LAURIE LINDOW
Title: CLERK - TREASURER

Office Address:
319 HIGHLAND
KOHLER, WI 53044

Telephone: (920) 459 - 3873

Fax Number: (920) 459 - 3289

E-mail Address: llindow@kohlevillage.org

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

Name: DON VILIONE
Title: PARTNER

Office Address: VIRCHOW, KRAUSE & COMPANY
115 SOUTH 84TH STREET, SUITE 400
MILWAUKEE, WI 53214

Telephone: (414) 777 - 5424

Fax Number: (414) 777 - 5555

E-mail Address:

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

Name: THOMAS LEONHARDT
Title: PRESIDENT

Office Address:
319 HIGHLAND
KOHLER, WI 53044

Telephone: (920) 459 - 3873

Fax Number: (920) 459 - 3289

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: DON VILIONE

Title: PARTNER

Office Address: VIRCHOW, KRAUSE & COMPANY
115 SOUTH 84TH STREET, SUITE 400
MILWAUKEE, WI 53214

Telephone: (414) 777 - 5424

Fax Number: (414) 777 - 5555

E-mail Address:

Date of most recent audit report: 2/1/2007

Period covered by most recent audit: 1/1/2007 - 12/31/2007

Names and titles of utility management including manager or superintendent:

Name: BRUCE NEERHOF

Title: UTILITY MANAGER

Office Address:
319 HIGHLAND
KOHLER, WI 53044

Telephone: (920) 459 - 3873

Fax Number: (920) 459 - 3289

E-mail Address:

Name of utility commission/committee: MR. THOMAS LEONHARDT, VILLAGE PRESIDENT

Names of members of utility commission/committee:
MR THOMAS LEONHARDT, VILLAGE PRESIDENT

Is sewer service rendered by the utility? NO
If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? NO
Date of Ordinance: [REDACTED]

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

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

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	604,579	575,205	1
Operating Expenses:			
Operation and Maintenance Expense (401)	539,317	543,266	2
Depreciation Expense (403)	31,028	28,846	3
Amortization Expense (404)	0	0	4
Taxes (408)	57,925	57,213	5
Total Operating Expenses	628,270	629,325	
Net Operating Income	(23,691)	(54,120)	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(23,691)	(54,120)	
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)	19,841	16,965	9
Miscellaneous Nonoperating Income (421)	1,000	189,080	10
Total Other Income	20,841	206,045	
Total Income	(2,850)	151,925	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(18,453)	(18,453)	11
Other Income Deductions (426)	36,557	34,682	12
Total Miscellaneous Income Deductions	18,104	16,229	
Income Before Interest Charges	(20,954)	135,696	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	11,439	6,644	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)	6,353	7,019	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	17,792	13,663	
Net Income	(38,746)	122,033	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	2,098,186	1,976,153	19
Balance Transferred from Income (433)	(38,746)	122,033	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)	2,059,440	2,098,186	

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	604,579		604,579	1
Total (Acct. 400):	604,579	0	604,579	
Operation and Maintenance Expense (401):				
Derived	539,317		539,317	2
Total (Acct. 401):	539,317	0	539,317	
Depreciation Expense (403):				
Derived	31,028		31,028	3
Total (Acct. 403):	31,028	0	31,028	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	57,925		57,925	5
Total (Acct. 408):	57,925	0	57,925	
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:	(23,691)	0	(23,691)	
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 ON INVESTMENT AND SPECIAL ASSESSMENT	19,841	0	19,841	10
Total (Acct. 419):	19,841	0	19,841	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		1,000	1,000	11

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NONE	0	0	0 12
Total (Acct. 421):	0	1,000	1,000
TOTAL OTHER INCOME:	19,841	1,000	20,841

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(18,453)	[REDACTED]	(18,453) 13
NONE	0	0	0 14
Total (Acct. 425):	(18,453)	0	(18,453)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	36,557	36,557 15
NONE	0	0	0 16
Total (Acct. 426):	0	36,557	36,557
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(18,453)	36,557	18,104

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	11,439	[REDACTED]	11,439 17
Total (Acct. 427):	11,439	0	11,439
Amortization of Debt Discount and Expense (428):			
NONE	0	[REDACTED]	0 18
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	6,353	[REDACTED]	6,353 20
Total (Acct. 430):	6,353	0	6,353
Other Interest Expense (431):			
Derived	0	[REDACTED]	0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	17,792	0	17,792
NET INCOME:	(3,189)	(35,557)	(38,746)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	772,590	1,325,596	2,098,186 23
Total (Acct. 216):	772,590	1,325,596	2,098,186
Balance Transferred from Income (433):			
Derived	(3,189)	(35,557)	(38,746) 24
Total (Acct. 433):	(3,189)	(35,557)	(38,746)
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 25
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	769,401	1,290,039	2,059,440

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

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	604,579	0	0	0	604,579	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	604,579	0	0	0	604,579	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	3,545,862	3,518,596	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	1,005,642	938,107	2
Net Utility Plant	2,540,220	2,580,489	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	7,490	7,490	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	3,730	3,730	4
Net Nonutility Property	3,760	3,760	
Investment in Municipality (123)	0	0	5
Other Investments (124)	52,163	62,926	6
Special Funds (125)	0	0	7
Total Other Property and Investments	55,923	66,686	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	393,946	386,094	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	117,985	126,108	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	60,809	39,920	14
Materials and Supplies (150)	20,186	15,343	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	592,926	567,465	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	48,501	72,751	20
Total Deferred Debits	48,501	72,751	
Total Assets and Other Debits	3,237,570	3,287,391	

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)	220,072	220,072	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	2,059,440	2,098,186	23
Total Proprietary Capital	2,279,512	2,318,258	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	107,640	111,608	25
Other long-Term Debt (224)	247,491	303,000	26
Total Long-Term Debt	355,131	414,608	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	30,623	31,090	28
Payables to Municipality (233)	219,562	150,948	29
Customer Deposits (235)			30
Taxes Accrued (236)	51,614	51,614	31
Interest Accrued (237)	5,883	7,175	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	307,682	240,827	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	295,245	313,698	36
Total Deferred Credits	295,245	313,698	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	3,237,570	3,287,391	

NET UTILITY PLANT

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

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	3,518,596	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)	1,717,519	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	1,828,343	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	3,545,862	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)	467,338	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	538,304	0	0	0	12
Total Accumulated Provision	1,005,642	0	0	0	
Net Utility Plant	2,540,220	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)	436,360				436,360	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	31,028				31,028	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	3,000				3,000	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	34,028	0	0	0	34,028	16
Debits during year						17
Book cost of plant retired	3,050				3,050	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	3,050	0	0	0	3,050	25
Balance end of year (110.1)	467,338	0	0	0	467,338	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	2.00%					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)	501,747				501,747	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	36,557				36,557	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	36,557	0	0	0	36,557	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)	538,304	0	0	0	538,304	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	2.00%					28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
3.1 acres of land	3,760			3,760	2
Valley road pump house	3,730			3,730	3
Total Nonutility Property (121)	7,490	0	0	7,490	
Less accum. prov. depr. & amort. (122)	3,730			3,730	4
 Net Nonutility Property	 3,760	 0	 0	 3,760	

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	20,186	15,343	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	20,186	15,343	

**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	220,072	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>220,072</u></u>	

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	------------------------------	------------------------------------	------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
2000 ADVANCE FOR HIGHLAND DRIVE	02/01/2000	12/01/2018	5.70%	107,640	1
Total for Account 223				107,640	
Other Long-Term Debt (224)					
2006 GO NOTES	06/29/2006	07/02/2011	4.34%	247,491	2
Total for Account 224				247,491	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	51,614	1
Accruals:		
Charged water department expense	57,925	2
Charged electric department expense		3
Charged sewer department expense	1,900	4
Other (explain):		
NONE		5
Total Accruals and other credits	59,825	
Taxes paid during year:		
County, state and local taxes	51,614	6
Social Security taxes	7,608	7
PSC Remainder Assessment	603	8
Other (explain):		
NONE		9
Total payments and other debits	59,825	
Balance end of year	51,614	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE	0			0	2
2000 ADVANCE FOR HIGHLAND DRIVE	531	6,353	6,371	513	3
Subtotal	531	6,353	6,371	513	
Other long-Term Debt (224)					
2006 GO NOTES	6,644	11,439	12,713	5,370	4
Subtotal	6,644	11,439	12,713	5,370	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	7,175	17,792	19,084	5,883	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSEMENT RECEIVABLES	52,163	2
Total (Acct. 124):	52,163	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	117,985	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	117,985	
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):		
AMOUNT DUE FROM VILLAGE - FOR PUBLIC FIRE PROTECTION	29,790	12
AMOUNT DUE FROM VILLAGE - SPECIAL ASSESSMENTS	9,454	13
AMOUNT DUE FROM VILLAGE - 2007 SEWER DEBT PAYMENTS	21,565	14
Total (Acct. 145):	60,809	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
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):		
WATER TOWER PAINTING	48,501	17
Total (Acct. 183):	48,501	
Payables to Municipality (233):		
AMOUNT DUE TO VILLAGE - 2007 OPERATING EXPENSES	219,562	18
Total (Acct. 233):	219,562	
Other Deferred Credits (253):		
Regulatory Liability	295,245	19
NONE		20
Total (Acct. 253):	295,245	

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)	1,704,386	0	0	0	1,704,386	1
Materials and Supplies	17,764	0	0	0	17,764	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	451,849	0	0	0	451,849	4
Customer Advances for Construction					0	5
Regulatory Liability	304,471	0	0	0	304,471	6
NONE					0	7
Average Net Rate Base	965,830	0	0	0	965,830	
Net Operating Income	(23,691)	0	0	0	(23,691)	8
Net Operating Income as a percent of						
Average Net Rate Base	-2.45%	N/A	N/A	N/A	-2.45%	

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	1.4	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	313,698	0	0	0	313,698	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	18,453	0	0	0	18,453	3
Other (specify):						
NONE					0	4
Balance End of Year	295,245	0	0	0	295,245	

FINANCIAL SECTION FOOTNOTES

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

General footnotes

Account 124: "Special Assessments Receivable": This receivable relates to a watermain project on Woodland Road completed in 2006. There were no additions to special assessments in 2007, but there was \$9,474 put on the 2007 tax roll.

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

January 26, 2006

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.

Accounts 145 and 233: Done on F-18.

Signature Page (Page ii)

General footnotes

ACCOUNTANTS' COMPILATION REPORT

Village of Kohler
Kohler, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balance sheets of the water utility, an enterprise fund of the Village of Kohler as of December 31, 2007 and 2006, and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the years ended December 31, 2007 and 2006 in the accompanying prescribed form.

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

The financial statements and related supplemental schedules are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Public Service Commission of Wisconsin and is not intended and should not be used by anyone other than the specified party.

Virchow, Krause & Company, LLP

Milwaukee, Wisconsin
March 5, 2008

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	599,747	570,172	1
Total Sales of Water	599,747	570,172	
Other Operating Revenues			
Forfeited Discounts (470)	832	1,033	2
Other Water Revenues (474)	4,000	4,000	3
Total Other Operating Revenues	4,832	5,033	
Total Operating Revenues	604,579	575,205	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	431,202	438,424	4
General Operating Expenses (680-690)	108,115	104,842	5
Total Operation and Maintenance Expenses	539,317	543,266	
Other Operating Expenses			
Depreciation Expense (403)	31,028	28,846	6
Amortization Expense (404)		0	7
Taxes (408)	57,925	57,213	8
Total Other Operating Expenses	88,953	86,059	
Total Operating Expenses	628,270	629,325	
NET OPERATING INCOME	(23,691)	(54,120)	

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	861	61,957	164,919	4
Commercial	55	70,009	110,846	5
Industrial	1	238,639	197,672	6
Total Metered Sales to General Customers (461)	917	370,605	473,437	
Private Fire Protection Service (462)	4		3,978	7
Public Fire Protection Service (463)	1		114,674	8
Other Sales to Public Authorities (464)	3	2,183	7,658	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	925	372,788	599,747	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
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NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
 2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
 3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	114,674	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)	114,674	
Forfeited Discounts (470):		
Customer late payment charges	832	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	832	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	4,000	7
Other (specify): NONE		8
Total Other Water Revenues (474)	4,000	

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)	64,357	58,094	1
Purchased Water (610)	226,117	222,295	2
Fuel or Power Purchased for Pumping (620)	36,529	27,627	3
Chemicals (630)	0	0	4
Supplies and Expenses (640)	34,190	49,367	5
Repairs of Water Plant (650)	66,467	77,934	6
Transportation Expenses (660)	3,542	3,107	7
Total Plant Operation and Maintenance Expenses	431,202	438,424	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	35,426	32,975	8
Office Supplies and Expenses (681)	3,889	5,799	9
Outside Services Employed (682)	22,266	26,749	10
Insurance Expense (684)	7,944	8,085	11
Employees Pensions and Benefits (686)	33,209	31,116	12
Regulatory Commission Expenses (688)	4,791	0	13
Miscellaneous General Expenses (689)	590	118	14
Uncollectible Accounts (690)	0	0	15
Total General Operating Expenses	108,115	104,842	
Total Operation and Maintenance Expenses	539,317	543,266	

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		51,614	51,614	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		1,900	1,900	2
Net property tax equivalent		49,714	49,714	
Social Security		7,608	7,005	3
PSC Remainder Assessment		603	494	4
Other (specify): NONE			0	5
Total tax expense		57,925	57,213	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Sheboygan				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.173150				3
County tax rate	mills		5.220045				4
Local tax rate	mills		4.084648				5
School tax rate	mills		10.364794				6
Voc. school tax rate	mills		1.505451				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		21.348088				10
Less: state credit	mills		1.636456				11
Net tax rate	mills		19.711632				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		4.084648				14
Combined School Tax Rate	mills		11.870245				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		15.954893				17
Total Tax Rate	mills		21.348088				18
Ratio of Local and School Tax to Total	dec.		0.747369				19
Total tax net of state credit	mills		19.711632				20
Net Local and School Tax Rate	mills		14.731857				21
Utility Plant, Jan. 1	\$	3,518,596	3,518,596				22
Materials & Supplies	\$	15,343	15,343				23
Subtotal	\$	3,533,939	3,533,939				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	3,533,939	3,533,939				26
Assessment Ratio	dec.		0.971876				27
Assessed Value	\$	3,434,550	3,434,550				28
Net Local & School Rate	mills		14.731857				29
Tax Equiv. Computed for Current Year	\$	50,597	50,597				30
Tax Equivalent per 1994 PSC Report	\$	51,614					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	51,614					34

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	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)	192,354		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	192,354	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	73,543		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	18,053		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	22,349		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	113,945	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 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)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			192,354 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	192,354
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			73,543 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			18,053 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			22,349 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	113,945
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 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)	3,000		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	87,815		26
Transmission and Distribution Mains (343)	817,805		27
Fire Mains (344)	0		28
Services (345)	51,629		29
Meters (346)	145,013	13,423	30
Hydrants (348)	104,518		31
Other Transmission and Distribution Plant (349)	191		32
Total Transmission and Distribution Plant	1,209,971	13,423	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	8,910	5,265	35
Computer Equipment (372.1)	36,788	511	36
Transportation Equipment (373)	89,598		37
Other General Equipment (379)	39,687	10,117	38
Other Tangible Property (390)	0		39
Total General Plant	174,983	15,893	
Total utility plant in service directly assignable	1,691,253	29,316	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,691,253	29,316	

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)			3,000 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			87,815 26
Transmission and Distribution Mains (343)			817,805 27
Fire Mains (344)			0 28
Services (345)			51,629 29
Meters (346)	3,050		155,386 30
Hydrants (348)			104,518 31
Other Transmission and Distribution Plant (349)			191 32
Total Transmission and Distribution Plant	3,050	0	1,220,344
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			14,175 35
Computer Equipment (372.1)			37,299 36
Transportation Equipment (373)			89,598 37
Other General Equipment (379)			49,804 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	190,876
Total utility plant in service directly assignable	3,050	0	1,717,519
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	3,050	0	1,717,519

**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)	1,473,945		27
Fire Mains (344)	0		28
Services (345)	129,857	1,000	29
Meters (346)	0		30
Hydrants (348)	223,541		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,827,343	1,000	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	1,827,343	1,000	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,827,343	1,000	

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)			1,473,945 27
Fire Mains (344)			0 28
Services (345)			130,857 29
Meters (346)			0 30
Hydrants (348)			223,541 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	1,828,343
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	1,828,343
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	1,828,343

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

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

Sources of Water Supply					
Month	Purchased Water Gallons (000's)	Surface Water Gallons (000's)	Ground Water Gallons (000's)	Total Gallons All Methods (000's)	
(a)	(b)	(c)	(d)	(e)	
January	25,229			25,229	1
February	26,868			26,868	2
March	28,758			28,758	3
April	26,130			26,130	4
May	28,957			28,957	5
June	35,498			35,498	6
July	32,149			32,149	7
August	40,926			40,926	8
September	46,316			46,316	9
October	38,392			38,392	10
November	31,527			31,527	11
December	31,042			31,042	12
Total annual pumpage	391,792	0	0	391,792	
Less: Water sold				372,788	13
Volume pumped but not sold				19,004	14
Volume sold as a percent of volume pumped				95%	15
Volume used for water production, water quality and system maintenance				1,170	16
Volume related to equipment/system malfunction				0	17
Non-utility volume NOT included in water sales				0	18
Total volume not sold but accounted for				1,170	19
Volume pumped but unaccounted for				17,834	20
Percent of water lost				5%	21
If more than 25%, indicate causes:					22
If more than 25%, state what action has been taken to reduce water loss:					23
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				1,833	24
Date of maximum: 7/31/2007					25
Cause of maximum:					26
Dry Weather					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				863	27
Date of minimum: 11/23/2007					28
Total KWH used for pumping for the year				154,400	29
If water is purchased: Vendor Name: City of Sheboygan					30
Point of Delivery: Booster pump station at water tower					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)
-------------------------	--	----------------------------------	--	---	--

NONE

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	BOOSTER			1
Location	PUMP STATION			2
Purpose	B			3
Destination	D			4
Pump Manufacturer	ALLIS CHALMERS			5
Year Installed	1973			6
Type	CENTRIFUGAL			7
Actual Capacity (gpm)	1,350			8
Pump Motor or Standby Engine Mfr	ALLIS CHALMERS			10
Year Installed	1973			11
Type	ELECTRIC			12
Horsepower	40			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	1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1962		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	165		6
Total capacity in gallons (actual)	250,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)			9
Points of application (wellhouse, central facilities, booster station, other)			10
Filters, type (gravity, pressure, other, none)			11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			12
Is a corrosion control chemical used (yes, no)?			13
Is water fluoridated (yes, no)?			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	500	0	0	0	500	1
M	D	6.000	34,077	0	0	0	34,077	2
P	D	6.000	1,827	0	0	0	1,827	3
M	D	8.000	16,948	0	0	0	16,948	4
P	D	8.000	7,414	0	0	0	7,414	5
M	T	10.000	14,101	0	0	0	14,101	6
P	D	10.000	3,293	0	0	0	3,293	7
P	T	10.000	1,401	0	0	0	1,401	8
M	T	12.000	23,727	0	0	0	23,727	9
P	T	12.000	5,178	0	0	0	5,178	10
M	T	14.000	2,465	0	0	0	2,465	11
P	T	14.000	45	0	0	0	45	12
M	T	16.000	13,002	0	0	0	13,002	13
P	T	16.000	810	0	0	0	810	14
Total Within Municipality			124,788	0	0	0	124,788	
Total Utility			124,788	0	0	0	124,788	

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)	
L	0.625	414	0	0	0	414		1
L	1.000	12	0	0	0	12		2
M	1.000	348	1	0	0	349	34	3
M	1.500	5	0	0	0	5		4
L	1.500	2	0	0	0	2		5
M	2.000	6	0	0	0	6		6
L	2.000	5	0	0	0	5		7
M	3.000	1	0	0	0	1		8
M	4.000	6	0	0	0	6	2	9
M	6.000	28	0	0	0	28	13	10
L	6.000	1	0	0	0	1		11
M	8.000	18	0	0	0	18	8	12
M	10.000	4	0	0	0	4	2	13
M	12.000	2	0	0	0	2	1	14
Total Utility		852	1	0	0	853	60	

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	428	66	24	(29)	441	24	1
0.750	300	0	13	(1)	286	13	2
1.000	216	1	12	33	238	12	3
1.500	28	1	0	(2)	27	0	4
2.000	21	0	0	(3)	18	0	5
3.000	1	0	0	0	1	0	6
4.000	11	0	0	(4)	7		7
6.000	3	0	0	(1)	2	2	8
8.000	7	0	0	(4)	3	3	9
12.000	1	0	0	0	1	1	10
Total:	1,016	68	49	(11)	1,024	55	

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	418	3	0	1	0	19	441	1
0.750	226	4	0	2	0	54	286	2
1.000	218	11	0	2	0	7	238	3
1.500	2	18	0	2	0	5	27	4
2.000	0	10	0	3	0	5	18	5
3.000	0	1	0	0	0	0	1	6
4.000	0	6	0	0	0	1	7	7
6.000	0	0	1	1	0	0	2	8
8.000	0	0	3	0	0	0	3	9
12.000	0	0	0	0	1	0	1	10
Total:	864	53	4	11	1	91	1,024	

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	178				178	2
Total Fire Hydrants	178	0	0	0	178	
Flushing Hydrants						
	2				2	3
Total Flushing Hydrants	2	0	0	0	2	

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

Number of hydrants operated during year:	178
Number of distribution system valves end of year:	371
Number of distribution valves operated during year:	371

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.

Done

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.

Amount is greater than 12 cents due to a significant increase in electrical and natural gas prices.

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.

Acct 620 "Fuel or Power Purchased for pumping" - Amount increased due to increased increase in electrical and natural gas prices and a colder winter than in 2006.

Acct 688 "Regulatory Commission Expense" - Amount increased due to the water utility applying for a water increase during 2007.

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$10,000, please explain. If applicable, provide construction authorization.

The \$10,117 in additions to acct 379 relates to 2 pieces of equipment. First, there was a motor actuator. The motor actuator is a valve that regulates water flow to fire hydrants. The second piece of the equipment was a pump installed in the water tower to circulate water so that it doesn't freeze.

Water Services (Page W-18)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

There was one 1" service installed during the year and was financed by the developer.

Meters (Page W-19)

Explain all reported adjustments.

The reason for the reported adjustments is the utility took a more accurate inventory at year-end and adjusted their inventory numbers accordingly. Also, the adjustment for the .625 meters includes two components: 1) an addition adjustment of 36 to reflect meters that the water utility borrowed from Manitowoc Water Utility in December 2007 and returned in January of 2008 and 2) a reduction adjustment of 65 to reconcile the year end balance to the actual inventory count.

The Utility ordered meters in December 2007 but they were not received by the Utility until early January 2008. In December the Utility was in need of the meters that were on order, so they temporarily borrowed 36 meters from the Manitowoc Water Utility and returned the meters Manitowoc once their order from Badger Meter was received in early January 2008.

WATER OPERATING SECTION FOOTNOTES

Meters (Page W-19)

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

Station meters are tested once every 2 years.
