



3015 (02-09-04)

ANNUAL REPORT

OF

Name: DANE WATER AND SEWER UTILITYPrincipal Office: 102 W MAIN
P.O. BOX 168
DANE, WI 53529For the Year Ended: DECEMBER 31, 1997**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 _____ of
(Person responsible for accounts)

DANE WATER AND SEWER UTILITY , 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) (Date)

(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: DANE WATER AND SEWER UTILITY

Utility Address: 102 W MAIN
P.O. BOX 168
DANE, WI 53529

When was utility organized? 12/31/1948

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MRS PHYLLIS F. SCHWARTZ

Title: CLERK/TREASURER

Office Address:

102 W MAIN
P.O. BOX 168
DANE, WI 53529

Telephone: (608) 849 - 5422

Fax Number: (608) 849 - 6412

E-mail Address:

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

Name: MR DENNIS W. HANSON CPA

Title:

Office Address: DENNIS W. HANSON, CPA

207 SOUTH ST
DEFOREST, WI 53532

Telephone: (608) 846 - 6930

Fax Number:

E-mail Address: werwe@msn.com

Are records of utility audited by individuals or firms, other than utility employee? NO

Individual or firm, if other than utility employee, auditing utility records:

Name: NONE

Title:

Office Address:

Telephone:

Fax Number:

E-mail Address:

Date of most recent audit report:

Period covered by most recent audit:

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: MR DAVID KOENIG JR

Title: UTILITY SUPERINTENDENT

Office Address:

102 W MAIN

P.O. BOX 168

DANE, WI 53529

Telephone: (608) 849 - 5422

Fax Number: (608) 849 - 6412

E-mail Address:

Name of utility commission/committee: DANE WATER AND SEWER UTILITY COMMISSION

Names of members of utility commission/committee:

MR JAMES BALGORD

MR STEVE CLEMENS

MR ROGER SCHMIDT

MR MICHAEL WEBSTER

MR DAVID WIPPERFURTH

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. § 66.077 of the Wisconsin Statutes? YES

Date of Ordinance:

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

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

Firm Name: NONE

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)	72,767	100,036	1
Operating Expenses:			
Operation and Maintenance Expense (401)	45,510	73,875	2
Depreciation Expense (403)	12,469	19,206	3
Amortization Expense (404)	0		4
Taxes (408)	14,594	16,088	5
Total Operating Expenses	72,573	109,169	
Net Operating Income	194	(9,133)	
Income from Utility Plant Leased to Others (412-413)	0		6
Utility Operating Income	194	(9,133)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0		7
Nonoperating Rental Income (418)	0		8
Interest and Dividend Income (419)	1,388	1,989	9
Miscellaneous Nonoperating Income (421)	(37,220)		10
Total Other Income	(35,832)	1,989	
Total Income	(35,638)	(7,144)	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0		11
Other Income Deductions (426)	0		12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	(35,638)	(7,144)	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0		13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	13,589	16,169	16
Other Interest Expense (431)	0		17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	13,589	16,169	
Net Income	(49,227)	(23,313)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(135,887)	(156,847)	19
Balance Transferred from Income (433)	(49,227)	(23,313)	20
Miscellaneous Credits to Surplus (434)	14,606	48,247	21
Miscellaneous Debits to Surplus--Debit (435)	0	3,974	22
Appropriations of Surplus--Debit (436)	0		23
Appropriations of Income to Municipal Funds--Debit (439)	0		24
Total Unappropriated Earned Surplus End of Year (216)	(170,508)	(135,887)	

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)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST EARNED ON TEMPORARY INVESTMENTS	1,388	4
Total (Acct. 419):	1,388	
Miscellaneous Nonoperating Income (421):		
NON-REGULATED SEWER (LOSS)	(37,220)	5
Total (Acct. 421):	(37,220)	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
WRITE OFF TAX EQUIVALENT	13,263	8
ADJUST ACCRUED INTEREST BALANCETO COMPUTED	1,343	9
Total (Acct. 434):	14,606	
Miscellaneous Debits to Surplus (435):		
NONE		10
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		11
NONE		12
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		13
Total (Acct. 439)--Debit:	0	

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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	72,767	0	0	0	72,767	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.)	264				264	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	72,503	0	0	0	72,503	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	703,845	675,866	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	175,042	162,165	2
Net Utility Plant	528,803	513,701	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	327,271	309,235	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	121,863	114,494	4
Net Nonutility Property	205,408	194,741	
Investment in Municipality (123)	0		5
Other Investments (124)	7,353	8,823	6
Special Funds (125)	0		7
Total Other Property and Investments	212,761	203,564	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	7,417	25,756	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0		10
Customer Accounts Receivable (142)	13,433	24,883	11
Other Accounts Receivable (143)	16,948		12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	34,135	79,142	14
Materials and Supplies (150)	6,620	6,791	15
Prepayments (165)	0		16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	78,553	136,572	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0		18
Extraordinary Property Losses (182)	0		19
Other Deferred Debits (183)	0		20
Total Deferred Debits	0	0	
Total Assets and Other Debits	820,117	853,837	

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)	274,547	71,444	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	(170,508)	(135,887)	23
Total Proprietary Capital	104,039	(64,443)	
LONG-TERM DEBT			
Bonds (221)			24
Advances from Municipality (223)	170,000	429,213	25
Other long-Term Debt (224)			26
Total Long-Term Debt	170,000	429,213	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)			27
Accounts Payable (232)	1,281	2,722	28
Payables to Municipality (233)	61,617	44,573	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	8,810	13,122	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	71,708	60,417	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0		34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0		36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	474,370	428,650	38
Total Liabilities and Other Credits	820,117	853,837	

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)	
Plant Accounts:					
Utility Plant in Service (100)	703,845	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	703,845	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	175,042	0	0	0	9
Total Accumulated Provision	175,042	0	0	0	
Net Utility Plant	528,803	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

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	162,165				162,165	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	12,469				12,469	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	408				408	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	12,877	0	0	0	12,877	13
Debits during year						14
Book cost of plant retired					0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	0	0	0	0	0	19
Balance End of Year	175,042	0	0	0	175,042	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	1.93%					22

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	309,235	18,036		327,271	1
Other (specify):					
NONE				0	2
Total Nonutility Property (121)	309,235	18,036	0	327,271	
Less accum. prov. depr. & amort. (122)	114,494	7,369		121,863	3
Net Nonutility Property	194,741	10,667	0	205,408	

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

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

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	6,350	6,417	2
Sewer utility	270	374	3
Gas utility			4
Merchandise			5
Other materials & supplies			6
Total Materials and Supplies	<u>6,620</u>	<u>6,791</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)		
<hr/>				
Unamortized debt discount & expense (181)				1
Total			<u>0</u>	
Unamortized premium on debt (251)				2
<hr/>				
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	71,444	1
Changes during year (explain):		
WRITE OFF ADVANCES FROM MUNICIPALITY	203,103	2
Balance end of year	<u><u>274,547</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)
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NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
STATE TRUST FUND LOAN 02	06/19/1987	03/15/2007	6.00%	85,000	1
STATE TRUST FUND LOAN 01	03/25/1987	03/15/2007	6.00%	85,000	2
Total for Account 223				170,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	14,594	2
Charged electric department expense		3
Charged sewer department expense	1,771	4
Other (explain):		
NONE		5
Total Accruals and other credits	16,365	
Taxes paid during year:		
County, state and local taxes	13,263	6
Social Security taxes	2,936	7
PSC Remainder Assessment	166	8
Other (explain):		
NONE		9
Total payments and other debits	16,365	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE				0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
STFL 01	4,827	5,637	6,059	4,405	2
STFL 02	4,827	5,637	6,059	4,405	3
STFL 03	3,468	2,315	5,783	0	4
Subtotal	13,122	13,589	17,901	8,810	
Other long-Term Debt (224)					
NONE				0	5
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE				0	6
Subtotal	0	0	0	0	
Total	13,122	13,589	17,901	8,810	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	220,874			207,776		428,650	1
Add credits during year:							
For Services	4,184			4,184		8,368	2
For Mains	20,205			13,852		34,057	3
Other (specify):							
HYDRANTS	3,295					3,295	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	248,558	0	0	225,812	0	474,370	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS - W/S IMPROVEMENTS	7,353	2
Total (Acct. 124):	7,353	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	13,433	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	13,433	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	16,948	9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	16,948	
Receivables from Municipality (145):		
PUBLIC FIRE PROTECTION CHARGE	31,222	12
TRAEX W-S IMPROVEMENT	2,913	13
Total (Acct. 145):	34,135	
Prepayments (165):		
NONE		14
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		15
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
NONE		16
Total (Acct. 183):	0	
Payables to Municipality (233):		
1997 STFL INTEREST PAYMENTS	16,559	17
1997 EMPLOYEE BENEFITS	8,504	18
1996 CARRYOVER BALANCE	36,554	19
Total (Acct. 233):	61,617	
Other Deferred Credits (253):		
NONE		20
Total (Acct. 253):	0	

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 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	689,855	0	0	0	689,855	1
Materials and Supplies	6,383	0	0	0	6,383	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	168,603	0	0	0	168,603	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	234,716	0	0	0	234,716	6
Other (specify):					0	7
Average Net Rate Base	292,919	0	0	0	292,919	
Net Operating Income	194	0	0	0	194	8
Net Operating Income as a percent of Average Net Rate Base	0.07%	N/A	N/A	N/A	0.07%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	172,995	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(153,197)	3
Other (Specify):		4
Total Average Proprietary Capital	19,798	
Net Income		
Net Income	(49,227)	5
Percent Return on Proprietary Capital	-248.65%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

Mains and services installed as part of developer financed subdivision.

4. Estimated changes in revenues due to rate changes.

Water rate increase authorized PSC Apr. 24, 1997

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

Accountant's Compilation Report:

I have compiled the accompanying prescribed Municipal Utility Annual Report of the Dane Water and Sewer Utility as of December 31, 1997. Nonfinancial statistical information was prepared by management.

My compilation was limited to presenting in the form prescribed by the Wisconsin Public Service Commission information that is the representation of management. I have not audited nor reviewed the accompanying Municipal Annual Report, and do not express an opinion or any other form of assurance on it.

The Municipal Utility Annual Report is presented in compliance with the requirements of the Wisconsin Public Service Commission which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

Dennis W. Hanson
Certified Public Accountant

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

October 14, 1998

Ms. Phyllis Schwartz, Clerk
Dane Water & Sewer Utility
P.O. Box 168
Dane, WI 53529-0168

1997 Analytical Review DWCCA-1540-PJL

Dear Ms. Schwartz:

The Public Service Commission (Commission) is in the process of completing an analytical review of your utility's 1997 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. A revised composite depreciation rate of 2.00 percent that should have been made effective on January 1, 1997, was authorized in our letter dated March 12, 1997, with regard to your most recent rate case in docket 1540-WR-101. The revised rate of 2.00 percent was not used during 1997, rather the old rate of 1.93 percent was used as reported on page F-7, line 22. Please confirm that the revised composite depreciation rate of 2.00 percent will be used beginning in 1998.
2. During our review of the Listing of Edit Check Results we noted that the explanations requested there had not been provided as footnotes. However, we did later find those explanations in the Important Changes During The Year section of the report. In the future, please provide any explanations which the instructions say should be footnoted in the footnotes portion of the report, or at least put a note in the footnotes section saying "see Important Changes During The Year."
3. During our review, we noted that the Status for several schedules on the Schedule Listing in the electronic annual report was not changed from "not started" and/or "in progress" to "complete." It is important to change the status for all schedules, whether the schedule is left blank or not or is entirely derived from other schedules. That allows the PSC to determine that schedules have been finished, and, where left blank, were intentionally left blank rather than simply overlooked. Staff has changed all schedules' status to "complete" in our electronic copy. Please indicate if any "not started" schedules should have had data or if any "in progress" schedules were not complete. If any schedules were not complete or should not have been blank, please provide that data.
4. As directed in column (a) of line 4 of the Revenues Subject To Wisconsin Remainder Assessment schedule on page F-4, in the future please do not

FINANCIAL SECTION FOOTNOTES

deduct dollars for return on net investment in meters charged to regulated sewer department as your sewer department is no longer regulated.

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 267-9198. Please respond within 30 days of this letter. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Peter J. Leege
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

pjl:mlo:W:\COMPL\LEEGE\1540 ar

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	71,282	1
Total Sales of Water	<u>71,282</u>	
Other Operating Revenues		
Forfeited Discounts (470)	1,221	2
Other Water Revenues (474)	264	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	<u>1,485</u>	
Total Operating Revenues	<u>72,767</u>	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	33,762	5
General Operating Expenses (680-690)	11,748	6
Total Operation and Maintenance Expenses	<u>45,510</u>	
Other Operating Expenses		
Depreciation Expense (403)	12,469	7
Amortization Expense (404)		8
Taxes (408)	14,594	9
Total Other Operating Expenses	<u>27,063</u>	
Total Operating Expenses	<u>72,573</u>	
NET OPERATING INCOME	<u>194</u>	

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. Bulk sales should be account 460.

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	231	14,989	31,013	4
Commercial	27	2,774	5,885	5
Industrial	3	1,652	2,175	6
Total Metered Sales to General Customers (461)	261	19,415	39,073	
Private Fire Protection Service (462)				
Public Fire Protection Service (463)	1		31,222	8
Other Sales to Public Authorities (464)	5	412	987	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	267	19,827	71,282	

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)	31,222	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)	31,222	
Forfeited Discounts (470):		
Customer late payment charges	1,221	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	1,221	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	264	7
Other (specify):		
NONE		8
Total Other Water Revenues (474)	264	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

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)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	13,035	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	1,593	3
Chemicals (630)		4
Supplies and Expenses (640)	19,134	5
Repairs of Water Plant (650)		6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	33,762	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	5,104	8
Office Supplies and Expenses (681)	1,049	9
Outside Services Employed (682)	1,978	10
Insurance Expense (684)	1,000	11
Employees Pensions and Benefits (686)	2,069	12
Regulatory Commission Expenses (688)	548	13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	11,748	
 Total Operation and Maintenance Expenses	 45,510	

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)	Amount (c)	
Property Tax Equivalent		13,263	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		223	2
Net property tax equivalent		13,040	
Social Security		1,388	3
PSC Remainder Assessment		166	4
Other (specify): NONE			5
Total tax expense		14,594	

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, 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 § 66.069(1)(c). 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			Dane				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.217270				3
County tax rate	mills		4.329960				4
Local tax rate	mills		3.949210				5
School tax rate	mills		15.062970				6
Voc. school tax rate	mills		1.614880				7
Other tax rate - Local	mills		0.651820				8
Other tax rate - Non-Local	mills						9
Total tax rate	mills		25.826110				10
Less: state credit	mills		1.764800				11
Net tax rate	mills		24.061310				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		3.949210				14
Combined School Tax Rate	mills		16.677850				15
Other Tax Rate - Local	mills		0.651820				16
Total Local & School Tax	mills		21.278880				17
Total Tax Rate	mills		25.826110				18
Ratio of Local and School Tax to Total	dec.		0.823929				19
Total tax net of state credit	mills		24.061310				20
Net Local and School Tax Rate	mills		19.824810				21
Utility Plant, Jan. 1	\$	675,866	675,866				22
Materials & Supplies	\$	6,417	6,417				23
Subtotal	\$	682,283	682,283				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	682,283	682,283				26
Assessment Ratio	dec.		0.917235				27
Assessed Value	\$	625,814	625,814				28
Net Local & School Rate	mills		19.824810				29
Tax Equiv. Computed for Current Year	\$	12,407	12,407				30
Tax Equivalent per 1994 PSC Report	\$	13,263					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	13,263					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications 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 not supported by statistical schedules.
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)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	2,475		4
Structures and Improvements (311)	16,076		5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)	8,520		8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	27,071	0	
PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)			13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)	32,690		17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)	1,292		20
Total Pumping Plant	33,982	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)	1,354		23
Total Water Treatment Plant	1,354	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	20,159		24
Structures and Improvements (341)			25

WATER UTILITY PLANT IN SERVICE (cont.)

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)			2,475 4
Structures and Improvements (311)			16,076 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			8,520 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	27,071
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)			32,690 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			1,292 20
Total Pumping Plant	0	0	33,982
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			1,354 23
Total Water Treatment Plant	0	0	1,354
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			20,159 24
Structures and Improvements (341)			0 25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications 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 not supported by statistical schedules.
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			
Distribution Reservoirs and Standpipes (342)	242,710		26
Transmission and Distribution Mains (343)	231,589	20,205	27
Fire Mains (344)			28
Services (345)	39,346	4,184	29
Meters (346)	23,165	295	30
Hydrants (348)	42,323	3,295	31
Other Transmission and Distribution Plant (349)	150		32
Total Transmission and Distribution Plant	599,442	27,979	
GENERAL PLANT			
Land and Land Rights (370)			33
Structures and Improvements (371)			34
Office Furniture and Equipment (372)	100		35
Computer Equipment (372.1)	1,935		36
Transportation Equipment (373)	7,679		37
Other General Equipment (379)	4,303		38
Other Tangible Property (390)			39
Total General Plant	14,017	0	
Total utility plant in service directly assignable	675,866	27,979	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	675,866	27,979	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)			242,710 26
Transmission and Distribution Mains (343)			251,794 27
Fire Mains (344)			0 28
Services (345)			43,530 29
Meters (346)			23,460 30
Hydrants (348)			45,618 31
Other Transmission and Distribution Plant (349)			150 32
Total Transmission and Distribution Plant	0	0	627,421
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			100 35
Computer Equipment (372.1)			1,935 36
Transportation Equipment (373)			7,679 37
Other General Equipment (379)			4,303 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	14,017
Total utility plant in service directly assignable	0	0	703,845
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	703,845

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			1,540	1,540	1
February			1,458	1,458	2
March			1,515	1,515	3
April			1,573	1,573	4
May			1,904	1,904	5
June			1,775	1,775	6
July			2,127	2,127	7
August			1,628	1,628	8
September			1,680	1,680	9
October			2,077	2,077	10
November			1,549	1,549	11
December			1,588	1,588	12
Total for year	0	0	20,414	20,414	
Less: Measured or estimated water used in main flushing and water treatment during year				130	13
Less: Other utility use					14
Other utility use explanation:					15
Water pumped into distribution system				20,284	16
Less: Water sold				19,827	17
Losses and unaccounted for				457	18
Percent unaccounted for to the nearest whole percent (%)				2%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
Maximum gallons pumped by all methods in any one day during reporting year				172	21
Date of maximum: 10/9/1997					22
Cause of maximum:					23
Painting Water Tower					
Minimum gallons pumped by all methods in any one day during reporting year				31	24
Date of minimum: 11/24/1997					25
Total KWH used for pumping for the year				41,336	26
If water is purchased: Vendor Name:					27
Point of Delivery:					28

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)	
MILITARY AND MAIN ST.	1	302	8	288,000	Yes	1
WEST ST	2	440	12	324,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	WELL NO. 1	WELL NO. 2	1
Location	MILITARY AND MAIN ST	WEST ST.	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	LAYNE NORTHWEST	LAYNE NORTHWEST	5
Year Installed	1948	1966	6
Type	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	400	820	8
Pump Motor or Standby Engine Mfr	LAYNE	LAYNE	10
Year Installed	1948	1948	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	25	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	NO. 1	NO. 2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	ET	3
Year constructed	1948	1987	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	0	170	6
Total capacity in gallons	22,000	150,000	7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER	OTHER	9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE	10
Filters, type (gravity, pressure, other, none)	NONE	NONE	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000	0.0000	12
Is a corrosion control chemical used (yes, no)?	N	N	13
Is water fluoridated (yes, no)?	N	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)
A	D	6.000	1,240				1,240
M	D	6.000	2,122	33			2,155
A	D	8.000	11,609				11,609
M	D	8.000	5,827	667			6,494
M	D	10.000	1,305				1,305
M	D	12.000	85				85
Total Within Municipality			22,188	700	0	0	22,888
Total Utility			22,188	700	0	0	22,888

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	204				204		1
M	1.000	53	10			63		2
M	1.250	1				1		3
M	1.500	1				1		4
M	2.000	6				6		5
M	3.000	1				1		6
M	6.000	1				1		7
Total Utility		267	10	0	0	277	0	

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 (a).

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	301	6			307	16	1
1.000	1				1		2
1.250	1				1		3
1.500	5				5		4
2.000	6				6		5
3.000	1				1		6
6.000	1				1		7
Total:	316	6	0	0	322	16	

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	231	20		3		53	307	1
1.000				1			1	2
1.250		1					1	3
1.500		4		1			5	4
2.000		2	3			1	6	5
3.000						1	1	6
6.000						1	1	7
Total:	231	27	3	5	0	56	322	

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	1
Within Municipality	46	3			49	2
Total Fire Hydrants	46	3	0	0	49	
Flushing Hydrants						
	3				3	3
Total Flushing Hydrants	3	0	0	0	3	

Wis. Admin. Code § 185.87 requires that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Report the number operated during the year

Number of hydrants operated during year:	52
Number of distribution system valves end of year:	52
Number of distribution valves operated during year:	52

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

ACCOUNT 640 - Supplies and Expenses: \$17,500 Expended during 1997 for painting water tower.

Water Utility Plant in Service (Page W-08)

Additions: Mains (Acct 343) Subdivison installation

Reservoirs, Standpipes & Water Treatment (Page W-14)

Reservior No. 1: Not being used.

SEWER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sewage Operating Revenues		
Sewage Operating Revenues (621-626)	56,444	1
Total Sewage Operating Revenues	56,444	
Other Operating Revenues		
Forfeited Discounts (631)	1,221	2
Servicing of Customers Lateral (632)	0	3
Sale of Fertilizer (633)	0	4
Rent from Sewerage Properties (634)	0	5
Miscellaneous Operating Revenues (635)	1,246	6
Amortization of Construction Grants (636)	0	7
Total Other Operating Revenues	2,467	
Total Operating Revenues	58,911	
Operation and Maintenance Expenses		
Operation Expenses (820-829)	17,391	8
Maintenance Expenses (831-834)	11,063	9
Customer Accounting & Collection Expenses (840-843)	5,099	10
Administrative and General Expenses (850-857)	53,030	11
Total Operation and Maintenance Expenses	86,583	
Other Operating Expenses		
Depreciation Expense (403)	7,777	12
Amortization Expense (404)		13
Taxes (408)	1,771	14
Total Other Operating Expenses	9,548	
Total Operating Expenses	96,131	
NET OPERATING INCOME	(37,220)	

SEWAGE OPERATING REVENUES

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for flat rate service.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. In the gallons column, report metered water or sewage used as the basis in determining customer bills.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons Billed (c)	Amounts (d)	
Operating Revenues				
Sewage Operating Revenues				
Flat Rate Service to General Customers (621)				
Residential Revenues				1
Commercial Revenues				2
Industrial Revenues				3
Revenues from Public Authorities				4
Total Flat Rate Service to General Customers (621)	0	0	0	
Measured Service to General Customers (622)				
Residential Revenues	228	14,843	44,653	5
Commercial Revenues	26	2,293	6,737	6
Industrial Revenues	3	1,652	3,812	7
Revenues from Public Authorities	5	412	1,242	8
Total Measured Service to General Customers (622)	262	19,200	56,444	
Service to Public Authorities (623)				
Service to Other Systems (624)				
Other Sewerage Service (625)				
Interdepartmental Service (626)				
Total Sewage Operating Revenues	262	19,200	56,444	

HIGH STRENGTH CONTRIBUTORS

1. High strength contributor is one with waste stronger than 250 mg/l for B.O.D. or 250 mg/l for suspended solids or 10 mg/l for phosphorus.
2. If domestic strength limits for BOD, SS and Phos. used for rate purposes are different from the levels indicated, please note the limits used in the spaces available.
3. The units "mg/l" are now used in place of the equivalent "ppm."
4. List type, volume, strength.

Type (a)	Volume Annual Gallons (000's) (b)	BOD (mg/l) (c)	SS (mg/l) (d)	Phos (mg/l) (e)
NONE				

OTHER OPERATING REVENUES (SEWER)

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 \$2,000 and all other lesser amounts grouped as Miscellaneous.

Particulars (a)	Amount (b)	
Customers Forfeited Discounts (631):		
SEWER BILLING DISCOUNTS FORFEITED	1,221	1
Total Customers Forfeited Discounts (631)	1,221	
Servicing of Customers Laterals (632):		
NONE		2
Total Servicing of Customers Laterals (632)	0	
Sale of Fertilizer (633):		
NONE		3
Total Sale of Fertilizer (633)	0	
Rent from Sewerage Property (634):		
NONE		4
Total Rent from Sewerage Property (634)	0	
Miscellaneous Operating Revenues (635):		
DISPOSAL FEE - STRANDERS	474	5
REMEDICATION DISCHARGE FEE	872	6
INSURANCE RECOVERY (NET)	(100)	7
Total Miscellaneous Operating Revenues (635)	1,246	
Amortization of Construction Grants (636):		
NONE		8
Total Amortization of Construction Grants (636)	0	

SEWER 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)	Amount (b)	
OPERATION EXPENSES		
Supervision and Labor (820)	13,192	1
Power and Fuel for Pumping (821)	267	2
Power and Fuel for Aeration Equipment (822)		3
Chlorine (823)		4
Phosphorous Removal Chemicals (824)		5
Sludge Conditioning Chemicals (825)		6
Other Chemicals for Sewage Treatment (826)		7
Other Operating Supplies and Expenses (827)	3,932	8
Transportation Expenses (828)		9
Rents (829)		10
Total Operation Expenses	17,391	
MAINTENANCE EXPENSES		
Maintenance of Sewage Collection System (831)		11
Maintenance of Collection System Pumping Equipment (832)	1,228	12
Maintenance of Treatment and Disposal Plant Equipment (833)	6,095	13
Maintenance of General Plant Structures and Equipment (834)	3,740	14
Total Maintenance Expenses	11,063	
CUSTOMER ACCOUNTING & COLLECTION EXPENSES		
Billing, Collecting and Accounting (840)	3,153	15
Flat Rate Inspections (841)		16
Meter Reading (842)	1,946	17
Uncollectible Accounts (843)		18
Total Customer Accounting & Collection Expenses	5,099	
ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (850)	1,951	19
Office Supplies and Expenses (851)	483	20
Outside Services Employed (852)	2,048	21
Insurance Expense (853)	150	22
Employees Pensions and Benefits (854)	2,321	23

SEWER 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)	Amount (b)	
ADMINISTRATIVE AND GENERAL EXPENSES		
Regulatory Commission Expenses (855)		24
Miscellaneous General Expenses (856)	46,077	25
Rents (857)		26
Total Administrative and General Expenses	53,030	
Total Operation and Maintenance Expenses	86,583	

TAXES (ACCT. 408 - SEWER)

When allocation of taxes is made between departments, explain method used.

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Social Security	PAYROLL %	1,548	1
Local and School Tax Equivalent on Meters Charged by Water Department		223	2
PSC Remainder Assessment			3
Other (specify): NONE			4
Total tax expense		<u><u>1,771</u></u>	

SEWER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications 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 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	0	0	
COLLECTION SYSTEM			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Service Connections, Traps, and Accessories (312)	27,686	4,184	6
Collecting Mains and Accessories (313)	183,890	13,852	7
Interceptor Mains and Accessories (314)			8
Force Mains (315)			9
Other Collecting System Equipment (316)	357		10
Total Collection System	211,933	18,036	
COLLECTION SYSTEM PUMPING INSTALLATIONS			
Land and Land Rights (320)	2,000		11
Structures and Improvements (321)	17,691		12
Receiving Wells (322)	6,753		13
Electric Pumping Equipment (323)			14
Other Power Pumping Equipment (324)			15
Miscellaneous Pumping Equipment (325)	17,816		16
Total Collection System Pumping Installations	44,260	0	
TREATMENT AND DISPOSAL PLANT			
Land and Land Rights (330)			17
Structures and Improvements (331)			18
Preliminary Treatment Equipment (332)			19
Primary Treatment Equipment (333)			20
Secondary Treatment Equipment (334)			21
Advanced Treatment Equipment (335)			22
Chlorination Equipment (336)			23
Sludge Treatment and Disposal Equipment (337)	17,348		24
Plant Site Piping (338)			25
Flow Metering and Monitoring Equipment (339)			26
Outfall Sewer Pipes (340)			27

SEWER UTILITY PLANT IN SERVICE (cont.)

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
COLLECTION SYSTEM			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Service Connections, Traps, and Accessories (312)			31,870 6
Collecting Mains and Accessories (313)			197,742 7
Interceptor Mains and Accessories (314)			0 8
Force Mains (315)			0 9
Other Collecting System Equipment (316)			357 10
Total Collection System	0	0	229,969
COLLECTION SYSTEM PUMPING INSTALLATIONS			
Land and Land Rights (320)			2,000 11
Structures and Improvements (321)			17,691 12
Receiving Wells (322)			6,753 13
Electric Pumping Equipment (323)			0 14
Other Power Pumping Equipment (324)			0 15
Miscellaneous Pumping Equipment (325)			17,816 16
Total Collection System Pumping Installations	0	0	44,260
TREATMENT AND DISPOSAL PLANT			
Land and Land Rights (330)			0 17
Structures and Improvements (331)			0 18
Preliminary Treatment Equipment (332)			0 19
Primary Treatment Equipment (333)			0 20
Secondary Treatment Equipment (334)			0 21
Advanced Treatment Equipment (335)			0 22
Chlorination Equipment (336)			0 23
Sludge Treatment and Disposal Equipment (337)			17,348 24
Plant Site Piping (338)			0 25
Flow Metering and Monitoring Equipment (339)			0 26
Outfall Sewer Pipes (340)			0 27

SEWER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications 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 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TREATMENT AND DISPOSAL PLANT			
Other Treatment and Disposal Plant Equipment (341)	22,810		28
Total Treatment and Disposal Plant	40,158	0	
GENERAL PLANT			
Land and Land Rights (370)			29
Structures and Improvements (371)			30
Office Furniture and Equipment (372)			31
Computer Equipment (372.1)	12,882		32
Transportation Equipment (373)			33
Other General Equipment (379)			34
Other Tangible Property (390)			35
Total General Plant	12,882	0	
Total utility plant in service directly assignable	309,233	18,036	
Common Utility Plant Allocated to Sewer Department			36
Total utility plant in service	309,233	18,036	
OTHER UTILITY PLANT			
Utility Plant Purchased or Sold (391)			37
Utility Plant in Process of Reclassification (392)			38
Utility Plant Leased to Others (393)			39
Property Held for Future Use (394)			40
Construction Work in Progress (395)			41
Utility Plant Acquisition Adjustments (396)			42
Other Utility Plant Adjustments (397)			43
Total Other Utility Plant	0	0	
Common Other Utility Plant Allocated to Sewer Department			44
Total utility plant	309,233	18,036	

SEWER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TREATMENT AND DISPOSAL PLANT			
Other Treatment and Disposal Plant Equipment (341)			22,810 28
Total Treatment and Disposal Plant	0	0	40,158
GENERAL PLANT			
Land and Land Rights (370)			0 29
Structures and Improvements (371)			0 30
Office Furniture and Equipment (372)			0 31
Computer Equipment (372.1)			12,882 32
Transportation Equipment (373)			0 33
Other General Equipment (379)			0 34
Other Tangible Property (390)			0 35
Total General Plant	0	0	12,882
Total utility plant in service directly assignable	0	0	327,269
Common Utility Plant Allocated to Sewer Department			0 36
Total utility plant in service	0	0	327,269
OTHER UTILITY PLANT			
Utility Plant Purchased or Sold (391)			0 37
Utility Plant in Process of Reclassification (392)			0 38
Utility Plant Leased to Others (393)			0 39
Property Held for Future Use (394)			0 40
Construction Work in Progress (395)			0 41
Utility Plant Acquisition Adjustments (396)			0 42
Other Utility Plant Adjustments (397)			0 43
Total Other Utility Plant	0	0	0
Common Other Utility Plant Allocated to Sewer Department			0 44
Total utility plant	0	0	327,269

SEWER 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 disconnected 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 diameter; pipe materials do not need to be specified.

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)	
Sewer	4.000	262	10			272		1
Sewer	6.000	4				4		2
Total Utility		266	10	0	0	276	0	

SEWER MAINS

1. Report mains separately by diameter. Pipe materials do not need to be specified.
2. Explain all reported adjustments as a schedule footnote.
3. For main additions reported in column (c), 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						
Diameter in Inches (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	
2.000	340				340	1
6.000	403				403	2
8.000	20,479	551			21,030	3
Total Utility	21,222	551	0	0	21,773	

SEWER OPERATING SECTION FOOTNOTES

Sewer Operation & Maintenance Expenses (Page N-05)

General Expenses:

Wastewater Facility Plan \$45813

Other \$264

Sewer Utility Plant in Service (Page N-07)

Additions: Mains (Acct 313) Subdivision installation

Computer code: 372.1 includes all General Plant amounts. No space for other items.
