



3015 (02-09-04)

ANNUAL REPORT

OF

Name: MONTREAL MUNICIPAL WATER UTILITY

Principal Office: CITY HALL
MONTREAL, WI 54550

For the Year Ended: DECEMBER 31, 1998

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

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

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MONTREAL MUNICIPAL WATER UTILITY

Utility Address: CITY HALL
MONTREAL, WI 54550

When was utility organized? 2/1/1963

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: LOUIS VALLE
Title: CLERK TREASURER

Office Address:
CITY HALL
MONTREAL, WI 54534

Telephone: (715) 561 - 4955

Fax Number: (715) 561 - 4964

E-mail Address:

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

Name: DAVID TRACZYK CPA
Title: AUDITOR

Office Address:
327 SILVER STREET
HURLEY, WI 54534

Telephone: (715) 561 - 3299

Fax Number: (715) 561 - 4099

E-mail Address: bkkg@portup.com

Are records of utility audited by individuals or firms, other than utility employee? YES

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: 5/27/1998

Period covered by most recent audit: 1997

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: GARY LAGUNA

Title: OPERATOR

Office Address:

CITY HALL
MONTREAL, WI 54550

Telephone: (715) 561 - 4955

Fax Number: (715) 561 - 4964

E-mail Address:

Name of utility commission/committee: PUBLIC WORKS COMMITTEE

Names of members of utility commission/committee:

- KEN GENISOT
- MITCH KOSKI
- ROBERT MORZENTI
- KAREN SECOR
- DALE WICKLUND

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. § 66.077 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:

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)	85,822	85,331	1
Operating Expenses:			
Operation and Maintenance Expense (401)	45,826	43,730	2
Depreciation Expense (403)	18,882	17,189	3
Amortization Expense (404)	0	0	4
Taxes (408)	23,893	21,578	5
Total Operating Expenses	88,601	82,497	
Net Operating Income	(2,779)	2,834	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(2,779)	2,834	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	206	82	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	536	679	9
Miscellaneous Nonoperating Income (421)	2,000	14,000	10
Total Other Income	2,742	14,761	
Total Income	(37)	17,595	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	650	650	12
Total Miscellaneous Income Deductions	650	650	
Income Before Interest Charges	(687)	16,945	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	6,333	6,533	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	10,268	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	2,359		18
Total Interest Charges	14,242	6,533	
Net Income	(14,929)	10,412	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(78,095)	(88,507)	19
Balance Transferred from Income (433)	(14,929)	10,412	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)	(93,024)	(78,095)	

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 SAVINGS ACCOUNT	536	4
Total (Acct. 419):	536	
Miscellaneous Nonoperating Income (421):		
OPERATING TRANSFER FROM GENERAL FUND	2,000	5
Total (Acct. 421):	2,000	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
LEASE PAYMENT ON LAND	650	7
Total (Acct. 426):	650	
Miscellaneous Credits to Surplus (434):		
NONE		8
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		11
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)	568				568	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll	121				121	3
Materials	241				241	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	362	0	0	0	362	
Net income (or loss)	206	0	0	0	206	

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	85,822	0	0	0	85,822	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	85,822	0	0	0	85,822	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,184,709	1,189,952	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	368,462	381,928	2
Net Utility Plant	816,247	808,024	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	11,581	11,581	7
Total Other Property and Investments	11,581	11,581	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	6,641	9,720	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	12,206	11,855	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	500	500	13
Receivables from Municipality (145)	25,891	32,303	14
Materials and Supplies (150)	14,630	13,508	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	58,868	66,886	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	886,696	886,491	

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)	42,897	42,897	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	(93,024)	(78,095)	23
Total Proprietary Capital	(50,127)	(35,198)	
LONG-TERM DEBT			
Bonds (221)	124,000	128,000	24
Advances from Municipality (223)	136,519	161,152	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	260,519	289,152	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	1,057	1,227	28
Payables to Municipality (233)	100,570	54,099	29
Customer Deposits (235)			30
Taxes Accrued (236)	23,485	21,107	31
Interest Accrued (237)	6,827	2,139	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	131,939	78,572	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	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)	544,362	553,965	38
Total Liabilities and Other Credits	886,693	886,491	

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)	1,184,709	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	1,184,709	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	368,462	0	0	0	9
Total Accumulated Provision	368,462	0	0	0	
Net Utility Plant	816,247	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	381,928				381,928	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	18,882				18,882	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	961				961	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	19,843	0	0	0	19,843	13
Debits during year						14
Book cost of plant retired	33,309				33,309	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	33,309	0	0	0	33,309	19
Balance End of Year	368,462	0	0	0	368,462	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						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	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

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

Particulars (a)	Amount (b)	
Balance first of year	500	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	500	

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	14,630	13,508
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	14,630	13,508

**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	42,897	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>42,897</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)	
MORTGAGE REVENUE BONDS	10/30/1981	09/01/2016	5.00%	124,000	1
Total Bonds (Account 221):				124,000	

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)					
ADVANCE FROM MUNICIPALITY	05/22/1997	05/22/2000	5.70%	136,519	1
Total for Account 223				136,519	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	21,107	1
Accruals:		
Charged water department expense	23,893	2
Charged electric department expense		3
Charged sewer department expense	882	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>24,775</u>	
Taxes paid during year:		
County, state and local taxes	21,109	6
Social Security taxes	1,181	7
PSC Remainder Assessment	107	8
Other (explain):		
NONE		9
Total payments and other debits	<u>22,397</u>	
Balance end of year	<u><u>23,485</u></u>	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
MORTGAGE REVENUE BONDS	2,139	6,333	6,400	2,072	1
Subtotal	2,139	6,333	6,400	2,072	
Advances from Municipality (223)					
ASSOCIATED BANK NOTE	0	10,268	5,513	4,755	2
Subtotal	0	10,268	5,513	4,755	
Other long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	2,139	16,601	11,913	6,827	

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	553,965	0	0	0	0	553,965	1
Add credits during year:							
For Services	1,200					1,200	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
GRANT AMORTIZATION	10,803					10,803	5
Balance End of Year	544,362	0	0	0	0	544,362	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	501,665					501,665	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):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
BOND & INTEREST REDEMPTION FUND - CERTIFICATE OF DEPOSIT	11,581	3
Total (Acct. 125):	11,581	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	12,206	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	12,206	
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):		
HYDRANT RENTAL	21,710	12
DUE FROM TAX ROLL	1,350	13
DUE FROM SEWER FUND	2,831	14
Total (Acct. 145):	25,891	
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)
<hr/>	
Other Deferred Debits (183):	
NONE	17
Total (Acct. 183):	0
<hr/>	
Payables to Municipality (233):	
1994, 1996, & 1997 PILOT	63,321 18
INTERFUND TRANSFERS	37,249 19
Total (Acct. 233):	100,570
<hr/>	
Other Deferred Credits (253):	
NONE	20
Total (Acct. 253):	0
<hr/>	

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	978,328	0	0	0	978,328	1
Materials and Supplies	14,069	0	0	0	14,069	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	375,195	0	0	0	375,195	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	549,163	0	0	0	549,163	6
Other (specify):						
NONE					0	7
Average Net Rate Base	68,039	0	0	0	68,039	
Net Operating Income	(2,779)	0	0	0	(2,779)	8
Net Operating Income as a percent of Average Net Rate Base						
	-4.08%	N/A	N/A	N/A	-4.08%	

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	42,897	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(85,559)	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	(42,662)	
Net Income		
Net Income	(14,929)	5
 Percent Return on Proprietary Capital	 N/A	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

ACQUISITIONS. CONSTRUCTION IN PROGRESS HAS BEEN ALLOCATED TO WATERMANS AND HYDRANTS BASED ON ENGINEERING ESTIMATES, ABANDONED MAINS AND HYDRANTS HAVE BEEN REMOVED BASED ON ESTIMATED COST.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

AN APPLICATION FOR A RATE INCREASE HAS BEEN FILED. HEARING IS PENDING.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

DAVID TRACZYK
Certified Public Accountant
327 Silver Street
Hurley, Wisconsin 54534

Board of Commissioners
Montreal Municipal Water Utility
Montreal, Wisconsin

I have compiled the accompanying balance sheets, statements of income and retained earnings, and statistical data of the Montreal Municipal Water Utility for the years ended December 31, 1998 and 1997, included in the accompanying prescribed form, in accordance with statements on standards for accounting and review services issued by the American Institute of certified Public Accountants.

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

January 28, 1999

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

July 9, 1999

Mr. Louis Valle, Clerk Treasurer
Montreal Municipal Water Utility
City Hall
Montreal, WI 54534-9999

1998 Analytical Review DWCCA-3860-PJL

Dear Mr. Valle:

The Public Service Commission (PSC) is in the process of completing an analytical review of your utility's 1998 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. The only item identified in our review was that on page W-1, \$10,803 is reported for Amortization of Construction Grants in Account 475. Our records indicate that authorization for amortization of this balance has not been requested. Please submit a written request to this office for amortization of the \$10,803 balance in Account 475. The request should include: year grant was received; identification of and amount of construction grant; utility plant accounts paid for by grant; rationale for amortizing grant; and the length of the amortization period. After receiving your request, the staff will review the information and submit a written reply to you.

2. During our review, we noted that the utility's water loss reported on page W-10 is very high. Wis. Admin. Code § PSC 185.85 dictates that system losses shall be no greater than 25% for a class D utility. One avenue of assistance for this problem that you may want to consider is the Rural Water Association of Stevens Point. We understand that they do not charge for their time in assisting utilities in investigating leakage and you do not need to be a member of the association to qualify for help. Their number is (715) 344-7778. Their internet home page address is <http://www.wrwa.org>. You will note that they are providing several seminars throughout the state on leak detection between now and the end of the year. You may also call Peter Feneht of our staff at (608) 266-5614 with any questions you may have on this subject.

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.

FINANCIAL SECTION FOOTNOTES

Sincerely,

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

PJL:tlk:w:\compl\analytical review letters\July 9 1999 rev letters L.doc

cc: Mr. Ken Genisot

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	73,884	1
Total Sales of Water	73,884	
Other Operating Revenues		
Forfeited Discounts (470)	148	2
Other Water Revenues (474)	987	3
Amortization of Construction Grants (475)	10,803	4
Total Other Operating Revenues	11,938	
Total Operating Revenues	85,822	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	27,877	5
General Operating Expenses (680-690)	17,949	6
Total Operation and Maintenance Expenses	45,826	
Other Operating Expenses		
Depreciation Expense (403)	18,882	7
Amortization Expense (404)		8
Taxes (408)	23,893	9
Total Other Operating Expenses	42,775	
Total Operating Expenses	88,601	
NET OPERATING INCOME	(2,779)	

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	443	13,905	44,410	4
Commercial	23	1,527	4,156	5
Industrial				6
Total Metered Sales to General Customers (461)	466	15,432	48,566	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		22,643	8
Other Sales to Public Authorities (464)	3	153	929	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)	1	1,039	1,746	11
Interdepartmental Sales (467)				12
Total Sales of Water	471	16,624	73,884	

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)	
CITY OF HURLEY	CITY LIMIT	1,039	1,746	1
Total		1,039	1,746	

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)	22,643	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)	22,643	
Forfeited Discounts (470):		
Customer late payment charges	148	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	148	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	987	7
Other (specify):		
NONE		8
Total Other Water Revenues (474)	987	
Amortization of Construction Grants (475):		
NONE	10,803	9
Total Amortization of Construction Grants (475)	10,803	

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)	9,442	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	8,267	3
Chemicals (630)	729	4
Supplies and Expenses (640)	941	5
Repairs of Water Plant (650)	8,498	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	27,877	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	4,443	8
Office Supplies and Expenses (681)	260	9
Outside Services Employed (682)	1,700	10
Insurance Expense (684)	300	11
Employees Pensions and Benefits (686)	11,118	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	128	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	17,949	
 Total Operation and Maintenance Expenses	 45,826	

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		23,487	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		882	2
Net property tax equivalent		22,605	
Social Security		1,181	3
PSC Remainder Assessment		107	4
Other (specify): NONE			5
Total tax expense		23,893	

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			Iron				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.197887				3
County tax rate	mills		4.890562				4
Local tax rate	mills		5.993700				5
School tax rate	mills		13.964909				6
Voc. school tax rate	mills		1.481969				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		26.529027				10
Less: state credit	mills		2.636563				11
Net tax rate	mills		23.892464				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		5.993700				14
Combined School Tax Rate	mills		15.446878				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		21.440578				17
Total Tax Rate	mills		26.529027				18
Ratio of Local and School Tax to Total	dec.		0.808193				19
Total tax net of state credit	mills		23.892464				20
Net Local and School Tax Rate	mills		19.309726				21
Utility Plant, Jan. 1	\$	1,189,952	1,189,952				22
Materials & Supplies	\$	13,508	13,508				23
Subtotal	\$	1,203,460	1,203,460				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	1,203,460	1,203,460				26
Assessment Ratio	dec.		1.010682				27
Assessed Value	\$	1,216,315	1,216,315				28
Net Local & School Rate	mills		19.309726				29
Tax Equiv. Computed for Current Year	\$	23,487	23,487				30
Tax Equivalent per 1994 PSC Report	\$	21,107					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	23,487					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)	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)	44,451		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	40,947		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	85,398	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	14,592		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	118,761		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	133,353	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	10,357		22
Water Treatment Equipment (332)	50,351		23
Total Water Treatment Plant	60,708	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		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)			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)			44,451 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			40,947 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	85,398
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			14,592 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			118,761 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	133,353
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			10,357 22
Water Treatment Equipment (332)			50,351 23
Total Water Treatment Plant	0	0	60,708
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 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)	78,681		26
Transmission and Distribution Mains (343)	288,469	348,541	27
Fire Mains (344)	0		28
Services (345)	24,233	1,200	29
Meters (346)	61,253	5,671	30
Hydrants (348)	22,832	90,508	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	475,468	445,920	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	3,386		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	5,645		37
Other General Equipment (379)	7,990	150	38
Other Tangible Property (390)	0		39
Total General Plant	17,021	150	
Total utility plant in service directly assignable	771,948	446,070	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	771,948	446,070	

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)			78,681 26
Transmission and Distribution Mains (343)	28,742		608,268 27
Fire Mains (344)			0 28
Services (345)			25,433 29
Meters (346)			66,924 30
Hydrants (348)	4,567		108,773 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	33,309	0	888,079
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			3,386 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			5,645 37
Other General Equipment (379)			8,140 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	17,171
Total utility plant in service directly assignable	33,309	0	1,184,709
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	33,309	0	1,184,709

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			2,213	2,213	1
February			2,434	2,434	2
March			1,977	1,977	3
April			1,972	1,972	4
May			2,508	2,508	5
June			3,065	3,065	6
July			2,265	2,265	7
August			2,332	2,332	8
September			2,174	2,174	9
October			1,900	1,900	10
November			1,688	1,688	11
December			1,719	1,719	12
Total for year	0	0	26,247	26,247	
Less: Measured or estimated water used in main flushing and water treatment during year				2	13
Less: Other utility use				254	14
Other utility use explanation:					15
WATER TANK OVERFLOW	162				
HYDRANT FLUSHING	83				
FIRE FIGHTING	9				
Water pumped into distribution system				25,991	16
Less: Water sold				16,624	17
Losses and unaccounted for				9,367	18
Percent unaccounted for to the nearest whole percent (%)				36%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
KNOWN WATER MAIN BREAKS ACCOUNT FOR AN ESTIMATED LOSS OF 758,000 GALLONS. THESE BREAKS HAVE ALL BEEN REPAIRED.					
Maximum gallons pumped by all methods in any one day during reporting year				564,000	21
Date of maximum: 6/5/1998					22
Cause of maximum:					23
SOLD TO CITY OF HURLEY					
Minimum gallons pumped by all methods in any one day during reporting year				10,000	24
Date of minimum: 9/2/1998					25
Total KWH used for pumping for the year				27,921	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)	
BLANK 3	3	46	16	70,000	Yes	1
BLANK 4	4	46	16	70,000	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	3	4	1
Location	BLANK 3	BLANK 4	2
Purpose	P	P	3
Destination	R	R	4
Pump Manufacturer	LAYNE NW	LAYNE NW	5
Year Installed	1976	1976	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	449	198	8
Pump Motor or Standby Engine Mfr	SQUARE D	SQUARE D	9
Year Installed	1976	1976	10
Type	ELECTRIC	ELECTRIC	11
Horsepower	50	30	12
			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)	R		3
Year constructed	1976		4
Primary material (earthen, steel, concrete, other)	OTHER		5
Elevation difference in feet (See Headnote 3.)	256		6
Total capacity in gallons	250,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	POWDER		9
Points of application (wellhouse, central facilities, booster station, other)	OTHER		10
Filters, type (gravity, pressure, other, none)	OTHER		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	932.0000		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

								Number of Feet	
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)		
M	D	1.000	722	0	0	(176)	546	1	
M	D	1.250	0			176	176	2	
M	D	1.500	500	0	0	0	500	3	
M	D	2.000	1,500	0	590	0	910	4	
M	D	4.000	10,537	0	270	0	10,267	5	
M	D	6.000	36,729	6,310	4,958	0	38,081	6	
M	D	8.000	13,644	555	555	0	13,644	7	
M	D	10.000	140	0	0	0	140	8	
M	D	14.000	150	0	0	0	150	9	
Total Within Municipality			63,922	6,865	6,373	0	64,414		
Total Utility			63,922	6,865	6,373	0	64,414		

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	484	3	0	0	487		1
M	1.500	8	0	0	0	8		2
Total Utility		492	3	0	0	495	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	504	0	0	0	504	72	1
0.750	12	0	0	0	12	0	2
1.000	1	0	0	0	1	0	3
1.500	3	0	0	0	3	3	4
Total:	520	0	0	0	520	75	

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	486	0	0	3	0	15	504	1
0.750	0	11	0	0	0	1	12	2
1.000	0	1	0	0	0	0	1	3
1.500	0	2	0	1	0	0	3	4
Total:	486	14	0	4	0	16	520	

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	85	20	17		88	2
Total Fire Hydrants	85	20	17	0	88	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

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:	88
Number of distribution system valves end of year:	188
Number of distribution valves operated during year:	188

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

A/C 650 REPAIRS - THE UTILITY CONTRACTED THE FOLLOWING REPAIRS TO THE PLANT:

WATERMAIN REPAIRS	2,219
REPAIR WELL CONTROLS & VALVES	4,797
.	-----
.	7,016
NORMAL REPAIRS BY UTILITY	1,482
.	-----
TOTAL REPAIRS TO PLANT	8,498
.	_____

Water Utility Plant in Service (Page W-08)

A/C 346 METERS - THE UTILITY INSTALLED 4 NEW METERS DURING THE YEAR. IN ADDITION, THE UTILITY PURCHASED AND INSTALLED 72 CONVERSION KITS ON EXISTING METERS TO CONVERT THEM TO A NEW TYPE OF READER.

ADDITIONAL CONVERSION KITS WILL BE INSTALLED IN FUTURE YEARS AS FUNDS AVAILABLE.

Water Mains (Page W-15)

WATER MAINS (W-15)

THE WATER MAINS ADDED DURING THE YEAR WERE FINANCED BY A FEDERAL GRANT OF \$250,000 PLUS A BANK LOAN OF \$150,000.

Water Services (Page W-16)

WATER SERVICES (W-16)

THREE WATER SERVICES WERE ADDED DURING THE YEAR. THESE SERVICES WERE PAID FOR BY THE CUSTOMERS @ \$400.00 EACH. THE SERVICES WERE INSTALLED BY UTILITY PERSONAL AT THE ESTIMATED COST OF \$400.00 EACH.
