



3014 (02-09-04)

ANNUAL REPORT

OF

Name: VILLAGE OF PORT EDWARDS WATER UTILITY

Principal Office: 201 MARKET AVENUE
P.O. BOX 10
PORT EDWARDS, WI 54469

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: VILLAGE OF PORT EDWARDS WATER UTILITY

Utility Address: 201 MARKET AVENUE
P.O. BOX 10
PORT EDWARDS, WI 54469

When was utility organized? 1/1/1948

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MR JOSEPH M. TERRY

Title: MANAGER

Office Address:

201 MARKET STREET
PORT EDWARDS, WI 54469

Telephone: (715) 887 - 3511

Fax Number: (715) 887 - 3512

E-mail Address: VPEJMT @ WCTC.NET

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

Name: CAVANAUGH - LIGMAN CPA

Title:

Office Address: CAVANAUGH - LIGMAN CPA

1335 8TH STREET SOUTH
WISCONSIN RAPIDS, WI 54494

Telephone: (715) 421 - 0550

Fax Number:

E-mail Address:

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: CAVANAUGH - LIGMAN CPA

Title:

Office Address: CAVANAUGH - LIGMAN CPA

1335 8TH STREET SOUTH
WISCONSIN RAPIDS, WI 54494

Telephone: (715) 421 - 0550

Fax Number:

E-mail Address:

Date of most recent audit report: 5/20/1998

Period covered by most recent audit: year ended 12/31/97

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: JOSEPH M. TERRY

Title: MANAGER

Office Address:

201 MARKET AVENUE
PORT EDWARDS, WI 54469

Telephone: (715) 887 - 3511

Fax Number: (715) 887 - 3512

E-mail Address: vpejmt@wctc.net

Name of utility commission/committee: VILLAGE BOARD

Names of members of utility commission/committee:

- MR GARY ALLWORDEN
 - MR ROBERT BASSUENER
 - MR J. MARSHALL BUEHLER
 - MR WILLIAM KARBERG
 - MS SALLY KISSNER
 - MR STEPHEN TURNER
-

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:

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)	282,462	278,819	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	96,163	115,908	2
Depreciation Expense (403)	38,781	35,325	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	48,647	48,533	5
Total Operating Expenses	183,591	199,766	
Net Operating Income	98,871	79,053	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	98,871	79,053	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	2,135	2,557	10
Miscellaneous Nonoperating Income (421)	0	0	11
Total Other Income	2,135	2,557	
Total Income	101,006	81,610	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	12
Other Income Deductions (426)	0	0	13
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	101,006	81,610	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	14
Amortization of Debt Discount and Expense (428)	0		15
Amortization of Premium on Debt--Cr. (429)	0		16
Interest on Debt to Municipality (430)	16,821	19,348	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0		19
Total Interest Charges	16,821	19,348	
Net Income	84,185	62,262	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(166,444)	(114,240)	20
Balance Transferred from Income (433)	84,185	62,262	21
Miscellaneous Credits to Surplus (434)	5,789	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	4,466	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	50,000	110,000	25
Total Unappropriated Earned Surplus End of Year (216)	(126,470)	(166,444)	

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 Income from Nonutility Operations, Account 417.

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	
Income from Nonutility Operations (417):		
NONE		3
Total (Acct. 417):	0	
Nonoperating Rental Income (418):		
NONE		4
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST	2,135	5
Total (Acct. 419):	2,135	
Miscellaneous Nonoperating Income (421):		
NONE		6
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		7
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		8
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
PRIOR YEAR AUDIT ADJUSTMENTS - NET	5,789	9
Total (Acct. 434):	5,789	
Miscellaneous Debits to Surplus (435):		
NONE		10
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		11
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
TRANSFER TO GENERAL FUND	50,000	12
Total (Acct. 439)--Debit:	50,000	

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 & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	282,462	0	0	0	282,462	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	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	282,462	0	0	0	282,462	

DISTRIBUTION OF TOTAL PAYROLL

1. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
2. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
3. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	46,956		46,956	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts			0	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
Total Payroll	46,956	0	46,956	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	2,261,633	2,158,049	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	589,044	551,492	2
Net Utility Plant	1,672,589	1,606,557	
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)	0	0	7
Total Other Property and Investments	0	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	46,905	17,446	8
Temporary Cash Investments (132)		0	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	50,249	57,822	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	3,492	0	14
Materials and Supplies (150)	12,157	11,866	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)		3	17
Total Current and Accrued Assets	112,803	87,137	
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	1,785,392	1,693,694	

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)	1,009,716	1,009,716	21
Appropriated Earned Surplus (215)	0	0	22
Unappropriated Earned Surplus (216)	(126,470)	(166,444)	23
Total Proprietary Capital	883,246	843,272	
LONG-TERM DEBT			
Bonds (221)	0		24
Advances from Municipality (223)	283,780	315,386	25
Other Long-Term Debt (224)	0	0	26
Total Long-Term Debt	283,780	315,386	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	2,743	3,097	28
Payables to Municipality (233)	35,450	46,557	29
Customer Deposits (235)		0	30
Taxes Accrued (236)	46,502	44,148	31
Interest Accrued (237)	1,345	730	32
Other Current and Accrued Liabilities (238)	3,121	1,484	33
Total Current and Accrued Liabilities	89,161	96,016	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)	0	0	35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Property Insurance Reserve (261)		0	37
Injuries and Damages Reserve (262)		0	38
Pensions and Benefits Reserve (263)		0	39
Miscellaneous Operating Reserves (265)		0	40
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	529,205	439,020	41
Total Liabilities and Other Credits	1,785,392	1,693,694	

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 (101)	2,261,633	0	0	0	1
Utility Plant Purchased or Sold (102)					2
Utility Plant in Process of Reclassification (103)					3
Utility Plant Leased to Others (104)					4
Property Held for Future Use (105)					5
Completed Construction not Classified (106)					6
Construction Work in Progress (107)					7
Utility Plant Acquisition Adjustments (108)					8
Other Utility Plant Adjustments (109)					9
Total Utility Plant	2,261,633	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	589,044	0	0	0	10
Total Accumulated Provision	589,044	0	0	0	
Net Utility Plant	1,672,589	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	551,492				551,492	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	38,781				38,781	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	38,781	0	0	0	38,781	13
Debits during year						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
PRIOR YEAR AUDIT ADJUSTMENT	1,229				1,229	18
Total debits	1,229	0	0	0	1,229	19
Balance End of Year	589,044	0	0	0	589,044	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	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	0
Other					0	0
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	12,157	11,866
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	12,157	11,866

**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	1,009,716	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>1,009,716</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)					
M & I MIDSTATE BANK - NOTE PAYABLE	10/14/1998	10/14/2003	4.60%	101,098	1
FIRSTAR - NOTE PAYABLE	12/28/1993	12/14/2003	4.78%	182,682	2
Total for Account 223				283,780	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	44,148	1
Accruals:		
Charged water department expense	48,647	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>48,647</u>	
Taxes paid during year:		
County, state and local taxes	44,148	6
Social Security taxes	1,791	7
PSC Remainder Assessment	354	8
Other (explain):		
NONE		9
Total payments and other debits	<u>46,293</u>	
Balance end of year	<u><u>46,502</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)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
ADVANCES FROM MUNIC.	730	16,821	16,206	1,345	2
Subtotal	730	16,821	16,206	1,345	
Other Long-Term Debt (224)					
NONE	0		0	0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	730	16,821	16,206	1,345	

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	439,020	0	0	0	0	439,020	1
Add credits during year:							
For Services	11,175					11,175	2
For Mains	75,050					75,050	3
Other (specify):							
HYDRANTS	3,960					3,960	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	529,205	0	0	0	0	529,205	
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):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	50,249	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	50,249	
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):		
ADDITIONAL HYDRANT RENTAL	3,492	12
Total (Acct. 145):	3,492	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Payables to Municipality (233):		
INSURANCE AND 4TH QUARTER BILLS	35,450	16
Total (Acct. 233):	35,450	
Other Deferred Credits (253):		
NONE		17
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	2,209,841	0	0	0	2,209,841	1
Materials and Supplies	12,011	0	0	0	12,011	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	570,268	0	0	0	570,268	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	484,112	0	0	0	484,112	6
Other (specify):						
NONE					0	7
Average Net Rate Base	1,167,472	0	0	0	1,167,472	
Net Operating Income	98,871	0	0	0	98,871	8
Net Operating Income as a percent of Average Net Rate Base						
	8.47%	N/A	N/A	N/A	8.47%	

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	1,009,716	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(146,457)	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	863,259	
Net Income		
Net Income	84,185	5
Percent Return on Proprietary Capital	9.75%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

NONE

2. Leaseholder changes.

NONE

3. Extensions of service.

1847 FEET OF WATER MAIN - EXTENSION TO INDUSTRIAL CUSTOMER TO "LOOP"
THE SYSTEM

4. Estimated changes in revenues due to rate changes.

NONE

5. Obligations incurred or assumed, excluding commercial paper.

REFINANCED ONE OUTSTANDING NOTE FOR LOWER INTEREST RATE.

6. Formal proceedings with the Public Service Commission.

NONE

7. Any additional matters.

THE VILLAGE MAY BE APPLYING FOR A RATE INCREASE IN 1999.

FINANCIAL SECTION FOOTNOTES

Income Statement Account Details (Page F-02)

PRIOR YEAR NET AUDIT ADJUSTMENT RELATES TO ADDITIONAL ACCRUAL ADJUSTMENTS

Signature Page (Page ii)

To the Village Board
Village of Port Edwards
Port Edwards, WI

We have compiled the balance sheets of the Village of Port Edwards, Wisconsin as of December 31, 1998 and 1997 and the related income statements for the years then ended, 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. We have also compiled supplementary information presented in the prescribed form.

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

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

Cavanaugh - Ligman CPA
March 22, 1999

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

Response received 9/2/99

Item 1: adjustments will be made in 1999 and spreadsheet has been revised to reflect appropriate rates.

Item 2: new rate will be used.

ele

August 10, 1999

Mr. Joseph M. Terry, Manager
Port Edwards Water Utility
201 Market Street
Port Edwards, WI 54469-1347

1998 Analytical Review DWCCA-4770-ELE

Dear Mr. Terry:

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 Commission adopted benchmark depreciation ranges during 1996, with the effective date of January 1, 1997. By letter dated October 17, 1996, with regard to analytical review of the 1995 annual report, your utility was provided with a schedule of depreciation rates for computing depreciation expense on each of the water utility plant accounts. A copy of these depreciation rates is enclosed. It appears that your utility did not use the authorized depreciation rates during 1997 and 1998, as indicated below.

For 1997, the authorized depreciation rates times the average of first of year and end of year plant investment result in total accruals of \$41,897, whereas only \$35,325 is reported on page F-8, line 4. The apparent under accrual is \$6,572.

For 1998, the authorized depreciation rates times the average of first of year and end of year plant investment result in total accruals of \$43,471, whereas only \$38,781 is reported on page F-8, line 4. The apparent under accrual is \$4,690.

We highly recommend that these under accruals be recorded as adjusting journal entries during 1999 by debiting Account 435, Miscellaneous Debits to Surplus, and crediting Account 110, Accumulated Depreciation. This will more properly reflect exhaustion of service life of plant assets so that retirement losses will not occur in the future. If your utility does not adopt the authorized benchmark depreciation rates, the utility's file at the PSC will be updated to indicate this fact, and this would be a consideration in future rate cases if amortization of retirement losses was requested by

FINANCIAL SECTION FOOTNOTES

your utility. Please state your intentions with regard to this matter.

2. Page W-8, line 37, column (c), reports a \$12,254 addition to Account 392, Transportation Equipment. This is an account which was previously not used by the water utility. A depreciation rate of 10.50 percent is authorized for Account 392, effective January 1, 1999.

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) 266-3768. Please respond within 30 days of this letter. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Elaine Engelke
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

ELE:tlk:w:\compl\analytical review letters\Aug 10 1999 rev letters e 1.doc

Enclosure

cc: Mr. Gary Allworden

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	278,851	1
Total Sales of Water	278,851	
Other Operating Revenues		
Forfeited Discounts (470)	318	2
Miscellaneous Service Revenues (471)	3,293	3
Rents from Water Property (472)	0	4
Interdepartmental Rents (473)	0	5
Other Water Revenues (474)	0	6
Amortization of Construction Grants (475)	0	7
Total Other Operating Revenues	3,611	
Total Operating Revenues	282,462	
Operation and Maintenance Expenses		
Source of Supply Expenses (600-605)	534	8
Pumping Expenses (620-625)	36,012	9
Water Treatment Expenses (630-635)	25,934	10
Transmission and Distribution Expenses (640-655)	13,211	11
Customer Accounts Expenses (901-904)	4,469	12
Sales Expenses (910)	0	13
Administrative and General Expenses (920-935)	16,003	14
Total Operation and Maintenance Expenses	96,163	
Other Operating Expenses		
Depreciation Expense (403)	38,781	15
Amortization Expense (404-407)		16
Taxes (408)	48,647	17
Total Other Operating Expenses	87,428	
Total Operating Expenses	183,591	
NET OPERATING INCOME	98,871	

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	1	623	561	2
Industrial				3
Total Unmetered Sales to General Customers (460)	1	623	561	
Metered Sales to General Customers (461)				
Residential	647	46,053	71,018	4
Commercial	33	19,402	23,127	5
Industrial	2	119,731	83,453	6
Total Metered Sales to General Customers (461)	682	185,186	177,598	
Private Fire Protection Service (462)	1		1,052	7
Public Fire Protection Service (463)	1		92,122	8
Other Sales to Public Authorities (464)	30	4,451	7,518	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	715	190,260	278,851	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
NONE	NONE		1
Total		<u>0</u>	<u>0</u>

OTHER OPERATING REVENUES (WATER)

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

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1)	92,122	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)	92,122	
Forfeited Discounts (470):		
Customer late payment charges	318	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	318	
Miscellaneous Service Revenues (471):		
MISCELLANEOUS CHARGES	3,293	7
Total Miscellaneous Service Revenues (471)	3,293	
Rents from Water Property (472):		
NONE		8
Total Rents from Water Property (472)	0	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		10
Other (specify):		
NONE		11
Total Other Water Revenues (474)	0	
Amortization of Construction Grants (475):		
NONE		12
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 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
SOURCE OF SUPPLY EXPENSES		
Operation Labor (600)	478	1
Purchased Water (601)	0	2
Operation Supplies and Expenses (602)		3
Maintenance of Water Source Plant (605)	56	4
Total Source of Supply Expenses	534	
 PUMPING EXPENSES		
Operation Labor (620)	18,139	5
Fuel for Power Production (621)	0	6
Fuel or Power Purchased for Pumping (622)	15,177	7
Operation Supplies and Expenses (623)	1,894	8
Maintenance of Pumping Plant (625)	802	9
Total Pumping Expenses	36,012	
 WATER TREATMENT EXPENSES		
Operation Labor (630)	12,660	10
Chemicals (631)	12,215	11
Operation Supplies and Expenses (632)	1,059	12
Maintenance of Water Treatment Plant (635)		13
Total Water Treatment Expenses	25,934	
 TRANSMISSION AND DISTRIBUTION EXPENSES		
Operation Labor (640)	9,193	14
Operation Supplies and Expenses (641)		15
Maintenance of Distribution Reservoirs and Standpipes (650)	50	16
Maintenance of Mains (651)	1,581	17
Maintenance of Services (652)		18
Maintenance of Meters (653)	1,859	19
Maintenance of Hydrants (654)	528	20
Maintenance of Other Plant (655)		21
Total Transmission and Distribution Expenses	13,211	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
CUSTOMER ACCOUNTS EXPENSES		
Meter Reading Labor (901)	1,172	22
Accounting and Collecting Labor (902)	2,505	23
Supplies and Expenses (903)	792	24
Uncollectible Accounts (904)		25
Total Customer Accounts Expenses	4,469	
SALES EXPENSES		
Sales Expenses (910)		26
Total Sales Expenses	0	
ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (920)	2,810	27
Office Supplies and Expenses (921)	480	28
Administrative Expenses Transferred--Credit (922)		29
Outside Services Employed (923)	630	30
Property Insurance (924)	3,600	31
Injuries and Damages (925)		32
Employee Pensions and Benefits (926)	5,830	33
Regulatory Commission Expenses (928)		34
Miscellaneous General Expenses (930)		35
Transportation Expenses (933)	2,653	36
Maintenance of General Plant (935)		37
Total Administrative and General Expenses	16,003	
Total Operation and Maintenance Expenses	96,163	

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		44,651	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
Net property tax equivalent		44,651	
Social Security		3,642	3
PSC Remainder Assessment		354	4
Other (specify): NONE			5
Total tax expense		48,647	

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			Wood				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.209285				3
County tax rate	mills		6.053457				4
Local tax rate	mills		13.117851				5
School tax rate	mills		14.357598				6
Voc. school tax rate	mills		1.707500				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		35.445691				10
Less: state credit	mills		2.807554				11
Net tax rate	mills		32.638137				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		13.117851				14
Combined School Tax Rate	mills		16.065098				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		29.182949				17
Total Tax Rate	mills		35.445691				18
Ratio of Local and School Tax to Total	dec.		0.823314				19
Total tax net of state credit	mills		32.638137				20
Net Local and School Tax Rate	mills		26.871449				21
Utility Plant, Jan. 1	\$	2,158,049	2,158,049				22
Materials & Supplies	\$	11,866	11,866				23
Subtotal	\$	2,169,915	2,169,915				24
Less: Plant Outside Limits	\$	428,534	428,534				25
Taxable Assets	\$	1,741,381	1,741,381				26
Assessment Ratio	dec.		0.954205				27
Assessed Value	\$	1,661,634	1,661,634				28
Net Local & School Rate	mills		26.871449				29
Tax Equiv. Computed for Current Year	\$	44,651	44,651				30
Tax Equivalent per 1994 PSC Report	\$	44,148					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	44,651					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 \$50,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 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)	72		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	72	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)	257,344	226	8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	25,670		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	283,014	226	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	52,591		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	61,223		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	4,112		20
Total Pumping Plant	117,926	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	32,610		21
Structures and Improvements (331)	95,180		22
Water Treatment Equipment (332)	236,988		23
Total Water Treatment Plant	364,778	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	100		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)			72	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	72	
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)			257,570	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			25,670	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	283,240	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			52,591	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			61,223	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			4,112	20
Total Pumping Plant	0	0	117,926	
WATER TREATMENT PLANT				
Land and Land Rights (330)			32,610	21
Structures and Improvements (331)			95,180	22
Water Treatment Equipment (332)			236,988	23
Total Water Treatment Plant	0	0	364,778	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			100	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 \$50,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 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)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	180,367		26
Transmission and Distribution Mains (343)	940,100	71,706	27
Fire Mains (344)	0		28
Services (345)	125,950	14,519	29
Meters (346)	38,272		30
Hydrants (348)	72,096	4,879	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,356,885	91,104	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	25,946		34
Office Furniture and Equipment (391)	0		35
Computer Equipment (391.1)	1,902		36
Transportation Equipment (392)	0	12,254	37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	7,526		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	35,374	12,254	
Total utility plant in service directly assignable	2,158,049	103,584	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	2,158,049	103,584	

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)			180,367 26
Transmission and Distribution Mains (343)			1,011,806 27
Fire Mains (344)			0 28
Services (345)			140,469 29
Meters (346)			38,272 30
Hydrants (348)			76,975 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	1,447,989
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			25,946 34
Office Furniture and Equipment (391)			0 35
Computer Equipment (391.1)			1,902 36
Transportation Equipment (392)			12,254 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)		7,526	7,526 39
Laboratory Equipment (395)		(7,526)	0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	47,628
Total utility plant in service directly assignable	0	0	2,261,633
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	0	0	2,261,633

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			15,343	15,343	1
February			15,066	15,066	2
March			15,159	15,159	3
April			14,878	14,878	4
May			17,903	17,903	5
June			18,355	18,355	6
July			21,067	21,067	7
August			17,966	17,966	8
September			17,106	17,106	9
October			15,151	15,151	10
November			13,977	13,977	11
December			15,041	15,041	12
Total for year	0	0	197,012	197,012	
Less: Measured or estimated water used in main flushing and water treatment during year				588	13
Less: Other utility use				440	14
Other utility use explanation: BREAKS IN MAINS					15
Water pumped into distribution system				195,984	16
Less: Water sold				190,260	17
Losses and unaccounted for				5,724	18
Percent unaccounted for to the nearest whole percent (%)				3%	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				889	21
Date of maximum: 7/14/1998					22
Cause of maximum: DRY SUMMER DAY - SPRINKLING					23
Minimum gallons pumped by all methods in any one day during reporting year				259	24
Date of minimum: 2/26/1998					25
Total KWH used for pumping for the year				230,673	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)	
PORT EDWARDS	# 2	38	60	350,000	Yes	1
PORT EDWARDS	# 3	42	42	450,000	Yes	2
PORT EDWARDS	# 4	43	42	450,000	Yes	3
PORT EDWARDS	# 5	56	42	450,000	Yes	4

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	WELL # 2	WELL # 3	WELL # 4	1
Location	PORT EDWARDS	PORT EDWARDS	PORT EDWARDS	2
Purpose	S	P	P	3
Destination	D	D	D	4
Pump Manufacturer	LAYNE	POMONA	PEERLESS	5
Year Installed	1975	1980	1982	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	225	290	310	8
Pump Motor or Standby Engine Mfr	GENERAL ELECTRIC	U.S.	U.S.	9 10
Year Installed	1975	1995	1983	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	25	25	20	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	WELL # 5			14
Location	PORT EDWARDS			15
Purpose	P			16
Destination	D			17
Pump Manufacturer	LAYNE			18
Year Installed	1993			19
Type	VERTICAL TURBINE			20
Actual Capacity (gpm)	300			21
Pump Motor or Standby Engine Mfr	U.S.			22 23
Year Installed	1993			24
Type	ELECTRIC			25
Horsepower	20			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	2ND STREET	VER BUNKER	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET	3
Year constructed	1945	1970	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	119	119	6
Total capacity in gallons	60,000	500,000	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)?	Y	Y	13
Is water fluoridated (yes, no)?	Y	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	2.000	3,570	0	0	0	3,570	1
M	D	3.000	1,000	0	0	0	1,000	2
M	D	4.000	10,505	0	0	0	10,505	3
M	D	6.000	40,296	0	0	0	40,296	4
M	D	8.000	12,100	96	0	0	12,196	5
M	D	10.000	17,741	1,751	0	0	19,492	6
M	D	12.000	4,754	0	0	0	4,754	7
Total Within Municipality			89,966	1,847	0	0	91,813	
M	T	6.000	850	0	0	0	850	8
M	T	8.000	779	0	0	0	779	9
M	T	10.000	8,446	0	0	0	8,446	10
Total Outside of Municipality			10,075	0	0	0	10,075	
Total Utility			100,041	1,847	0	0	101,888	

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	712	2	0	0	714	61	1
M	1.000	32	0	0	0	32		2
M	1.250	1	0	0	0	1		3
M	1.500	6	0	0	0	6		4
M	2.000	9	0	0	0	9		5
M	3.000	1	0	0	0	1		6
M	4.000	9	0	0	0	9		7
Total Utility		770	2	0	0	772	61	

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	673	0	0	0	673	0	1
0.750	18	0	0	0	18	0	2
1.000	23	0	0	0	23	0	3
1.500	9	0	0	0	9	0	4
2.000	10	0	0	0	10	10	5
3.000	2	0	0	0	2	2	6
4.000	4	0	0	0	4	4	7
Total:	739	0	0	0	739	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	619	14	0	1	0	39	673	1
0.750	15	0	0	0	0	3	18	2
1.000	10	7	0	2	0	4	23	3
1.500	1	5	0	1	0	2	9	4
2.000	0	8	0	2	0	0	10	5
3.000	0	1	1	0	0	0	2	6
4.000	0	1	1	2	0	0	4	7
Total:	645	36	2	8	0	48	739	

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	4				4	1
Within Municipality	127	3			130	2
Total Fire Hydrants	131	3	0	0	134	
Flushing Hydrants						
	127			(127)	0	3
Total Flushing Hydrants	127	0	0	(127)	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:	134
Number of distribution system valves end of year:	426
Number of distribution valves operated during year:	85

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

PRIOR YEAR EXPENSES WERE HIGH DUE TO PROBLEMS WITH BROKEN MAINS. THIS YEAR MORE CONSTRUCTION WAS DONE AND THUS LESS MAINTENANCE.

Water Utility Plant in Service (Page W-08)

ASSETS WERE REPORTED INCORRECTLY AS LABORATORY IN PRIOR YEAR. THEY SHOULD BE TOOLS AND EQUIPMENT AS RECLASSIFIED.

A TRUCK WAS PURCHASED THUS INCREASING THE TRANSPORTATION EQUIPMENT ACCOUNT.

Water Mains (Page W-15)

THE ADDITION TO THE WATER MAINS RELATE TO THE EXTENSION OF SERVICE TO AN INDUSTRIAL CUSTOMER TO "LOOP" THE SYSTEM. THE EXTENSION IS BEING CHARGED TO THE CUSTOMER BASED ON COST; PART OF WHICH HAS BEEN PAID AND THE REMAINING IS A DEFERRED ASSESSMENT.

Water Services (Page W-16)

THE ADDITION IS PART OF THE MAIN EXTENSION NOTED IN THE W-15 NOTE.

Hydrants and Distribution System Valves (Page W-18)

FLUSHING HYDRANTS HAVE BEEN CORRECTED TO AGREE WITH PRIOR YEAR'S LETTER.

IT IS THE INTENT OF MANAGEMENT TO OPERATE FIFTY PERCENT OF THE DISTRIBUTION SYSTEM VALVES AND THE HYDRANTS WITHIN A TWO YEAR PERIOD.
