



3015 (02-09-04)

ANNUAL REPORT

OF

Name: SHELL LAKE MUNICIPAL UTILITIES

Principal Office: P.O. BOX 332
SHELL LAKE, WI 54871

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: SHELL LAKE MUNICIPAL UTILITIES

Utility Address: P.O. BOX 332
SHELL LAKE, WI 54871

When was utility organized? 1/1/1923

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: BRADLEY PEDERSON

Title: CITY ADMINISTRATOR

Office Address:

P.O. BOX 332
SHELL LAKE, WI 54871

Telephone: (715) 468 - 7679

Fax Number:

E-mail Address:

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

Name: MR DANIEL L. THOLE CPA

Title: INDEPENDENT AUDITOR

Office Address: TRACEY & THOLE, CPA'S

502 SECOND STREET
HUDSON, WI 54016

Telephone: (715) 386 - 2391

Fax Number: (715) 386 - 0535

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: MR DANIEL L. THOLE CPA

Title: INDEPENDENT AUDITOR

Office Address: TRACEY & THOLE, CPA'S

502 SECOND STREET
HUDSON, WI 54016

Telephone: (715) 386 - 2391

Fax Number: (715) 386 - 0535

E-mail Address:

Date of most recent audit report: 1/26/1999

Period covered by most recent audit: 1-1-98 to 12-31-98

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: BRADLEY PEDERSON

Title: CITY ADMINISTRATOR

Office Address:

P.O. BOX 332
SHELL LAKE, WI 54871

Telephone:

Fax Number:

E-mail Address:

Name: CHARLES LUTZ

Title: CITY MAYOR

Office Address:

P.O. BOX 332
SHELL LAKE, WI 54871

Telephone: (715) 468 - 7679

Fax Number:

E-mail Address:

Name: JEFFREY PARKER

Title: PUBLIC WORKS DIRECTOR

Office Address:

P.O. BOX 332
SHELL LAKE, WI 54871

Telephone: (715) 468 - 7679

Fax Number:

E-mail Address:

Name of utility commission/committee: Public Works Committee

Names of members of utility commission/committee:

- REBECCA ANDERSON
- LARRY FLETCHER
- HAROLD HANSON
- DUDLEY LIVINGSTON

Is sewer service rendered by the utility? YES

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.077 of the Wisconsin Statutes? 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:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	158,253	154,415	1
Operating Expenses:			
Operation and Maintenance Expense (401)	64,234	57,093	2
Depreciation Expense (403)	26,440	25,943	3
Amortization Expense (404)	17,186	17,186	4
Taxes (408)	36,845	36,453	5
Total Operating Expenses	144,705	136,675	
Net Operating Income	13,548	17,740	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	13,548	17,740	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	345	266	9
Miscellaneous Nonoperating Income (421)	33,585	13,435	10
Total Other Income	33,930	13,701	
Total Income	47,478	31,441	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	47,478	31,441	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	16,376	0	13
Amortization of Debt Discount and Expense (428)	468		14
Amortization of Premium on Debt--Cr. (429)		(546)	15
Interest on Debt to Municipality (430)	7,124	8,717	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	23,968	9,263	
Net Income	23,510	22,178	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	637,186	615,008	19
Balance Transferred from Income (433)	23,510	22,178	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)	660,696	637,186	

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	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 on Investments	345	4
Total (Acct. 419):	345	
Miscellaneous Nonoperating Income (421):		
Non-Regulated Sewer Department Income	22,920	5
Amortization of Sewer Construction Grant	10,665	6
Total (Acct. 421):	33,585	
Miscellaneous Amortization (425):		
NONE		7
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		8
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		9
Total (Acct. 434):	0	
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):		
NONE		12
Total (Acct. 439)--Debit:	0	

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

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

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	158,253	0	0	0	158,253	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:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	158,253	0	0	0	158,253	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,436,444	1,387,378	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	244,381	217,029	2
Net Utility Plant	1,192,063	1,170,349	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	1,503,650	1,450,415	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	323,506	301,883	4
Net Nonutility Property	1,180,144	1,148,532	
Investment in Municipality (123)	0	0	5
Other Investments (124)	2,000	2,500	6
Special Funds (125)	41,857	50,182	7
Total Other Property and Investments	1,224,001	1,201,214	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	141,170	30,050	8
Temporary Cash Investments (132)	3,600	3,600	9
Notes Receivable (141)	700	700	10
Customer Accounts Receivable (142)	20,954	22,690	11
Other Accounts Receivable (143)	27,008	27,692	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	14,901	13,048	14
Materials and Supplies (150)	16,604	16,252	15
Prepayments (165)	681	648	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	225,618	114,680	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	1,158	1,626	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	81,632	98,818	20
Total Deferred Debits	82,790	100,444	
Total Assets and Other Debits	2,724,472	2,586,687	

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)	505,241	429,168	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	660,696	637,186	23
Total Proprietary Capital	1,165,937	1,066,354	
LONG-TERM DEBT			
Bonds (221)	0		24
Advances from Municipality (223)	111,878	145,211	25
Other long-Term Debt (224)	291,000	0	26
Total Long-Term Debt	402,878	145,211	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	3,443	20,167	28
Payables to Municipality (233)	0	210,179	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	16,842	602	32
Other Current and Accrued Liabilities (238)		5,223	33
Total Current and Accrued Liabilities	20,285	236,171	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	6,086	0	36
Total Deferred Credits	6,086	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	1,129,286	1,138,951	38
Total Liabilities and Other Credits	2,724,472	2,586,687	

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)	1,395,648	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)	40,796				6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	1,436,444	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	244,381	0	0	0	9
Total Accumulated Provision	244,381	0	0	0	
Net Utility Plant	1,192,063	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	217,029				217,029	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	26,440				26,440	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,367				1,367	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	27,807	0	0	0	27,807	13
Debits during year						14
Book cost of plant retired	455				455	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	455	0	0	0	455	19
Balance End of Year	244,381	0	0	0	244,381	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.00%					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	1,450,415	25,446	7,488	1,468,373	1
Other (specify):					
Construction Work In Process	0	35,277		35,277	2
Total Nonutility Property (121)	1,450,415	60,723	7,488	1,503,650	
Less accum. prov. depr. & amort. (122)	301,883	29,111	7,488	323,506	3
Net Nonutility Property	1,148,532	31,612	0	1,180,144	

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	15,215	14,467
Sewer utility	1,389	1,785
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	16,604	16,252

**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)				
Water Mort. Rev. Bonds (Amort. over life of new debt-1993)	468	428	1,158	1
Total			<u>1,158</u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u><u>0</u></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	429,168	1
Changes during year (explain):		
Capital Contributed by Tax Incremental District #2 for Sewer & Water	76,073	2
Balance end of year	<u><u>505,241</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)					
Promissory Note - Water	06/01/1993	12/01/2003	5.00%	74,919	1
Promissory Note - Sewer	06/01/1993	12/01/2003	5.00%	36,959	2
Total for Account 223				111,878	
Other Long-Term Debt (224)					
State Trust Fund Loan - Sewer	02/18/1998	03/15/2017	6.50%	291,000	3
Total for Account 224				291,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	36,845	2
Charged electric department expense		3
Charged sewer department expense	515	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>37,360</u>	
Taxes paid during year:		
County, state and local taxes	35,079	6
Social Security taxes	2,085	7
PSC Remainder Assessment	196	8
Other (explain):		
NONE		9
Total payments and other debits	<u>37,360</u>	
Balance end of year	<u><u>0</u></u>	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
Promissory Note 6/1/93 - Water	397	4,686	4,771	312	2
Promissory Note 6/1/93 - Sewer	205	2,438	2,489	154	3
Subtotal	602	7,124	7,260	466	
Other long-Term Debt (224)					
State Trust Fund Loan 2-18-98 - Sewer	0	16,376	0	16,376	4
Subtotal	0	16,376	0	16,376	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	602	23,500	7,260	16,842	

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	640,576	0	0	498,375	0	1,138,951	1
Add credits during year:							
For Services	1,000					1,000	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
Amortization of Consturcion Grant				10,665		10,665	5
Balance End of Year	641,576	0	0	487,710	0	1,129,286	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
Special Assessments Receivable - Sewer	2,000	2
Total (Acct. 124):	2,000	
Special Funds (125):		
Sewer Replacement Fund	41,857	3
Total (Acct. 125):	41,857	
Notes Receivable (141):		
Beaver Manufacturing Loan	700	4
Total (Acct. 141):	700	
Customer Accounts Receivable (142):		
Water	20,954	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	20,954	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
Washburn Cnty Hwy Dept.	808	11
Local Cable Co.	200	12
Customer Accounts Receivable - Sewer	25,249	13
Receivable - Local Septic Service	716	14
Accrued Interest Receivable	35	15
Total (Acct. 143):	27,008	
Receivables from Municipality (145):		
1998 Tax Roll Items	14,901	16
Total (Acct. 145):	14,901	
Prepayments (165):		
Prepaid Insurance	681	17
Total (Acct. 165):	681	

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)	
Extraordinary Property Losses (182):		
NONE		18
Total (Acct. 182):	0	
Other Deferred Debits (183):		
Deferred Water Tower Painting Expenses	81,632	19
Total (Acct. 183):	81,632	
Payables to Municipality (233):		
NONE		20
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Employee Accrued Fringe Benefits	6,086	21
Total (Acct. 253):	6,086	

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	1,391,513	0	0	0	1,391,513	1
Materials and Supplies	14,841	0	0	0	14,841	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	230,705	0	0	0	230,705	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	641,076	0	0	0	641,076	6
Other (specify):					0	7
Average Net Rate Base	534,573	0	0	0	534,573	
Net Operating Income	13,548	0	0	0	13,548	8
Net Operating Income as a percent of Average Net Rate Base	2.53%	N/A	N/A	N/A	2.53%	

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	467,204	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	648,941	3
Other (Specify):		4
Total Average Proprietary Capital	1,116,145	
Net Income		
Net Income	23,510	5
Percent Return on Proprietary Capital	2.11%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

None

2. Leaseholder changes.

None

3. Extensions of service.

None

4. Estimated changes in revenues due to rate changes.

None

5. Obligations incurred or assumed, excluding commercial paper.

None

6. Formal proceedings with the Public Service Commission.

None

7. Any additional matters.

None

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Contacts (Page iv)

August 26, 1999

Mr. Bradley Pederson, City Administrator
Shell Lake Municipal Utilities
P.O. Box 332
Shell Lake, WI 54871-0332

Re: 1998 Analytical Review DWCCA 5400 ELE

Dear Mr. Pederson:

The analytical review letter you received from the Public Service Commission (PSC), dated July 21, 1999, required a response within 30 days. As of today's date, we have not received a response to this letter. A copy of the letter is enclosed.

Please respond to this letter immediately. Failure to respond to an analytical review letter is in violation of Wisconsin Statutes § 196.07. If a response is not received by September 9, 1999, PSC staff will schedule a visit at your utility. The cost of this visit will be assessed to your utility.

If you have questions prior to preparing your response, please feel free to contact Elaine Engelke at (608) 266-3768.

Sincerely,

Clarence E. Mouglin
Compliance Program Manager
Division of Water, Compliance, and Consumer Affairs

CEM:tlk:w:\compl\mouglin\1998 AR response letters\5400 no response.doc

Enclosure

cc: Ms. Rebecca Anderson (w/out enclosure)

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Commission/Committee (Page iv)

ACCOUNTANTS COMPILATION REPORT

January 26, 1999

To The City Council
City of Shell Lake
Shell Lake, Wisconsin

We have compiled the Annual Report of the City of Shell Lake Municipal Water and Sewer Utility for the year ended December 31, 1998 in accordance with standards established by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Wisconsin Public Service Commission information that is the representation of management. We have not audited or reviewed the Municipal Utility Annual report and, accordingly, do not express an opinion or any other form of assurance on this report. This annual report was compiled by us from financial statements for the same period which were previously audited as indicated in our report dated January 26, 1999. Nonfinancial statistical information was prepared by management.

The aforementioned report was compiled in accordance with requirements of the Wisconsin Public Service Commission which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

Tracey & Thole, S.C.
Certified Public Accountants

September 23, 1999

Mr. Daniel L. Thole, CPA
Tracey & Thole, S.C.
502 Second Street
Hudson, WI 54016-1542

Re: 1998 PSC Analytical Review DWCCA-5400-ELE

Dear Mr. Thole:

Thank you for your prompt reply to our 1998 analytical review letter for Shell Lake Municipal Water Utility. I apologize for the inconvenience two of the letter points have caused yourself and the utility.

1. regarding approval of amortization of the sewer grant reported in Account 271, you are absolutely correct that PSC authorization is not necessary. This is the first year we have designed a computer program to run our reviews from the water database. The computer review program looks at this

FINANCIAL SECTION FOOTNOTES

account for water grants, and this sewer grant was written about in error. We have adjusted the program accordingly.

2. our computerized review program generated an error for the amount reported in Account 404, Amortization Expense, page W-1, because there was not a related footnote. We did not realize this amount was related to the amortization of the water tower painting reported in Account 183. I have enclosed a copy of the authorization for your records and mailed a copy to Shell Lake. You'll note that the debit should be to Account 650, Repairs of Water Plant and not to Account 404, Amortization Expense, which caused the confusion in part.

Again, please accept my sincere apology for the confusion over items 1 and 2. I've made notes regarding both items for the 1999 and future processes. The 1998 analytical review of Shell Lake is closed.

If you have any questions or concerns, please contact me at 608-266-3768.

Sincerely,

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

ELE:tlk:w:\compl\1998 ar response letters\5400 response letter

cc: Mr. Bradley Pederson, City Administrator
Ms. Rebecca Anderson

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

Reponse received 9/22/99

Item 1: our error, sewer grant does not need authorization if sewer is nonregulated. I wrote and apologized.

Item 2: I did locate the authorization, however, the debit should be to account 650 not Account 404. Account 404 is what generated the review item.

Item 3: watch water loss in 1999.

ele

Late letter sent. No response to either. Review 1999 for water loss and amortization in a/c 271 and 404. Call utility if either is a problem. ele

July 21, 1999

Mr. Bradley Pederson, City Administrator
Shell Lake Municipal Utilities
P.O. Box 332
Shell Lake, WI 54871-0332

1998 Analytical Review DWCCA-5400-ELE

Dear Mr. Pederson:

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. During our review, we noted \$10,665 for amortization of a grant reported in Account 271, Contributions in Aid of Construction, page F-17. Please provide the date of the Commission authorization to amortize this grant.

2. During our review, we noted \$17,186, reported in Account 404, Amortization Expense, page W-1. Please provide an explanation of this expense, and the date of the Commission authorization to use this account.

3. During our review, we noted 37% reported as water loss on page W-10 in 1998, and 32% reported in 1997. Due to the large volume of unaccounted for water indicated on page W-10, we recommend that an investigation of leaks be performed for the entire Shell Lake system. If budget and/or personnel constraints prevent your utility from completing this investigation in one year, you may try a phased approach over a number of years. You may be aware that the Wisconsin Rural Water Association has been able to assist many communities with investigating leakage. Their phone number in Plover, Wisconsin is (715) 344-7778. For any questions on this recommendation, please contact Peter Feneht in our office at (608) 266-5614. Your water loss will be reviewed again in 1999.

FINANCIAL SECTION FOOTNOTES

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\July 21 1999 rev letters e 1.doc

cc: Ms. Rebecca Anderson
Mr. Peter Feneht

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	150,383	1
Total Sales of Water	150,383	
Other Operating Revenues		
Forfeited Discounts (470)	1,052	2
Other Water Revenues (474)	6,818	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	7,870	
Total Operating Revenues	158,253	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	42,821	5
General Operating Expenses (680-690)	21,413	6
Total Operation and Maintenance Expenses	64,234	
Other Operating Expenses		
Depreciation Expense (403)	26,440	7
Amortization Expense (404)	17,186	8
Taxes (408)	36,845	9
Total Other Operating Expenses	80,471	
Total Operating Expenses	144,705	
NET OPERATING INCOME	13,548	

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	417	16,726	55,550	4
Commercial	82	11,011	24,999	5
Industrial	5	448	1,179	6
Total Metered Sales to General Customers (461)	504	28,185	81,728	
Private Fire Protection Service (462)	6		1,788	7
Public Fire Protection Service (463)	1		58,658	8
Other Sales to Public Authorities (464)	21	3,228	8,209	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	532	31,413	150,383	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------	----------------------------------	--	-------------------------

NONE

OTHER OPERATING REVENUES (WATER)

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

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1)	58,658	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)	58,658	
Forfeited Discounts (470):		
Customer late payment charges	1,052	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	1,052	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,927	7
Other (specify):		
Charges to utility customers for work on their side of the service lateral.	2,201	8
Water Tower Lease to Cable TV	1,008	9
Water Turn-on Fees	377	10
Bulk Water Sales and Profit on Sale of Materials	1,305	11
Total Other Water Revenues (474)	6,818	
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 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)	21,282	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	5,483	3
Chemicals (630)	586	4
Supplies and Expenses (640)	9,604	5
Repairs of Water Plant (650)	4,627	6
Transportation Expenses (660)	1,239	7
Total Plant Operation and Maintenance Expenses	42,821	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	5,779	8
Office Supplies and Expenses (681)	716	9
Outside Services Employed (682)	2,900	10
Insurance Expense (684)	2,531	11
Employees Pensions and Benefits (686)	9,487	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	21,413	
 Total Operation and Maintenance Expenses	 64,234	

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		35,079	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		515	2
Net property tax equivalent		34,564	
Social Security		2,085	3
PSC Remainder Assessment		196	4
Other (specify): NONE			5
Total tax expense		<u>36,845</u>	

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			Washburn				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.299693				3
County tax rate	mills		9.947624				4
Local tax rate	mills		10.429456				5
School tax rate	mills		17.292435				6
Voc. school tax rate	mills		2.189479				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		40.158687				10
Less: state credit	mills		2.770745				11
Net tax rate	mills		37.387942				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		10.429456				14
Combined School Tax Rate	mills		19.481914				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		29.911370				17
Total Tax Rate	mills		40.158687				18
Ratio of Local and School Tax to Total	dec.		0.744829				19
Total tax net of state credit	mills		37.387942				20
Net Local and School Tax Rate	mills		27.847638				21
Utility Plant, Jan. 1	\$	1,387,378	1,387,378				22
Materials & Supplies	\$	14,466	14,466				23
Subtotal	\$	1,401,844	1,401,844				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	1,401,844	1,401,844				26
Assessment Ratio	dec.		0.665283				27
Assessed Value	\$	932,623	932,623				28
Net Local & School Rate	mills		27.847638				29
Tax Equiv. Computed for Current Year	\$	25,971	25,971				30
Tax Equivalent per 1994 PSC Report	\$	35,079					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	35,079					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)	43,370	1,289	8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	43,370	1,289	
PUMPING PLANT			
Land and Land Rights (320)	600		12
Structures and Improvements (321)	34,537		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	89,115		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	124,252	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	3,066	3,513	22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	3,066	3,513	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	550		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)	455		44,204 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	455	0	44,204
PUMPING PLANT			
Land and Land Rights (320)			600 12
Structures and Improvements (321)			34,537 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			89,115 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	124,252
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			6,579 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	6,579
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			550 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)	263,533		26
Transmission and Distribution Mains (343)	592,315		27
Fire Mains (344)	0		28
Services (345)	145,108	1,500	29
Meters (346)	53,153	2,423	30
Hydrants (348)	143,426		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,198,085	3,923	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	482		35
Computer Equipment (372.1)	2,610		36
Transportation Equipment (373)	8,353		37
Other General Equipment (379)	7,160		38
Other Tangible Property (390)	0		39
Total General Plant	18,605	0	
Total utility plant in service directly assignable	1,387,378	8,725	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,387,378	8,725	

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)			263,533 26
Transmission and Distribution Mains (343)			592,315 27
Fire Mains (344)			0 28
Services (345)			146,608 29
Meters (346)			55,576 30
Hydrants (348)			143,426 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	1,202,008
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			482 35
Computer Equipment (372.1)			2,610 36
Transportation Equipment (373)			8,353 37
Other General Equipment (379)			7,160 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	18,605
Total utility plant in service directly assignable	455	0	1,395,648
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	455	0	1,395,648

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			4,363	4,363	1
February			3,607	3,607	2
March			4,201	4,201	3
April			3,782	3,782	4
May			4,616	4,616	5
June			4,675	4,675	6
July			5,923	5,923	7
August			5,414	5,414	8
September			5,122	5,122	9
October			3,987	3,987	10
November			3,584	3,584	11
December			3,536	3,536	12
Total for year	0	0	52,810	52,810	
Less: Measured or estimated water used in main flushing and water treatment during year					13
Less: Other utility use				2,472	14
Other utility use explanation:					15
Water leaks: 1600					
Environmental Drilling: 2					
Flushing Hydrants: 270					
County Highway Department: 600					
Water pumped into distribution system				50,338	16
Less: Water sold				31,413	17
Losses and unaccounted for				18,925	18
Percent unaccounted for to the nearest whole percent (%)				38%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
The utility is continuing to test old meters for the purpose of eliminating the excess water loss. The utility is also considering a leak study					
Maximum gallons pumped by all methods in any one day during reporting year				422	21
Date of maximum: 8/4/1998					22
Cause of maximum:					23
Flushing of all main lines					
Minimum gallons pumped by all methods in any one day during reporting year				53	24
Date of minimum: 5/3/1998					25
Total KWH used for pumping for the year				76,951	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)	
228 5TH AVENUE	#1	235	12	1,000,000	Yes	1
HWY 63	#2	572	12	792,000	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	#1	#2	1
Location	228 5TH AVENUE	HWY 63	2
Purpose	P	P	3
Destination	R	R	4
Pump Manufacturer	VALLEY PUMP	LAYNE	5
Year Installed	1983	1990	6
Type	SUBMERSIBLE	OTHER	7
Actual Capacity (gpm)	475	525	8
Pump Motor or Standby Engine Mfr	FRANKLIN	LAYNE	10
Year Installed	1983	1951	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	50	50	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	#2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	S	3
Year constructed	1969	1987	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	500	159	6
Total capacity in gallons	100,000	150,000	7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)			9
Points of application (wellhouse, central facilities, booster station, other)			10
Filters, type (gravity, pressure, other, none)			11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			12
Is a corrosion control chemical used (yes, no)?			13
Is water fluoridated (yes, no)?			14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	3.000	564	0	0	0	564	1
M	D	4.000	5,448	0	0	0	5,448	2
M	D	6.000	18,160	0	0	0	18,160	3
P	D	6.000	2,615	0	0	0	2,615	4
M	D	8.000	10,974	0	0	0	10,974	5
P	D	8.000	5,792	0	0	0	5,792	6
M	D	10.000	1,502	0	0	0	1,502	7
P	D	10.000	12,359	0	0	0	12,359	8
Total Within Municipality			57,414	0	0	0	57,414	
Total Utility			57,414	0	0	0	57,414	

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	438	2	0	0	440	53	1
M	1.000	47	0	0	0	47	0	2
M	1.250	2	0	0	0	2		3
M	1.500	4	0	0	0	4		4
M	2.000	6	0	0	0	6		5
M	3.000	1	0	0	0	1		6
M	4.000	3	0	0	0	3		7
M	6.000	1	0	0	0	1		8
M	8.000	1	0	0	0	1		9
Total Utility		503	2	0	0	505	53	

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	577	10	0	0	587	23	1
0.750	0	25			25		2
1.000	16	0	0	0	16		3
1.500	8	1	0	0	9		4
2.000	10	0	0	0	10		5
3.000	3	0	0	0	3		6
4.000	2	0	0	0	2		7
Total:	616	36	0	0	652	23	

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	438	69	0	10	0	70	587	1
0.750	24					1	25	2
1.000	3	8	1	3	0	1	16	3
1.500		5	0	3	0	1	9	4
2.000		2	3	4	0	1	10	5
3.000		2	0	0	0	1	3	6
4.000		0	0	1	0	1	2	7
Total:	465	86	4	21	0	76	652	

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	94				94	2
Total Fire Hydrants	94	0	0	0	94	
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:	94
Number of distribution system valves end of year:	161
Number of distribution valves operated during year:	98

WATER OPERATING SECTION FOOTNOTES

Water Services (Page W-16)

Financing of the water services was provided by the tax incremental district number two. The additions were credited to the capital paid in by municipality account #200.
