



3015 (02-09-04)

ANNUAL REPORT

OF

Name: SPENCER MUNICIPAL WATER UTILITYPrincipal Office: 105 PARK STREET
P.O. BOX 360
SPENCER, WI 54479For 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: SPENCER MUNICIPAL WATER UTILITY

Utility Address: 105 PARK STREET
P.O. BOX 360
SPENCER, WI 54479

When was utility organized? 12/1/1940

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: GERALD KOBS
Title: VILLAGE CLERK TREASURER

Office Address: VILLAGE OF SPENCER
105 PARK STREET
P.O. BOX 360
SPENCER, WI 54479

Telephone: (715) 659 - 5423

Fax Number: (715) 659 - 5358

E-mail Address:

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

Name: NONE
Title:

Office Address:

Telephone:

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: MIKE FOTH
Title:

Office Address: HAWKINS, ASH, BAPTIE AND COMPANY
101 WEST 29TH STREET
MARSHFIELD, WI 54449

Telephone: (715) 387 - 1131

Fax Number:

E-mail Address:

Date of most recent audit report: 3/1/1999

Period covered by most recent audit: 12-31-1998

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: EUGENE BIALOZOR

Title: WATER PLANT OPERATOR

Office Address: VILLAGE OF SPENCER
608 EAST DEPOT STREET
P.O. BOX 360
SPENCER, WI 54479

Telephone: (715) 659 - 5443

Fax Number: (715) 659 - 3835

E-mail Address:

Name of utility commission/committee: UTILITIES COMMITTEE

Names of members of utility commission/committee:

GREG GRIEPENTROG
DEANN LUEPKE, CHAIRPERSON
MIKE SZYBOWICZ

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: N/A

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)	242,869	236,317	1
Operating Expenses:			
Operation and Maintenance Expense (401)	98,751	89,276	2
Depreciation Expense (403)	27,225	26,593	3
Amortization Expense (404)	0	0	4
Taxes (408)	2,993	2,726	5
Total Operating Expenses	128,969	118,595	
Net Operating Income	113,900	117,722	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	113,900	117,722	
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)	4,323	3,119	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	4,323	3,119	
Total Income	118,223	120,841	
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	118,223	120,841	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	23,210	13,805	13
Amortization of Debt Discount and Expense (428)	440	440	14
Amortization of Premium on Debt--Cr. (429)	0		15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	23,650	14,245	
Net Income	94,573	106,596	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	175,649	69,053	19
Balance Transferred from Income (433)	94,573	106,596	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)	270,222	175,649	

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):		
Explanation in footnotes	4,323	4
Total (Acct. 419):	4,323	
Miscellaneous Nonoperating Income (421):		
None		5
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
None		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
None		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
None		8
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		11
Total (Acct. 439)--Debit:	0	

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)	0				0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE	0	0	0	0	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	242,869	0	0	0	242,869	1
Less: interdepartmental sales	0	0	0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	242,869	0	0	0	242,869	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	2,203,210	1,564,523	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	377,820	353,295	2
Net Utility Plant	1,825,390	1,211,228	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	1,025	1,025	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	1,025	1,025	
Investment in Municipality (123)	0	0	5
Other Investments (124)	54,615	69,851	6
Special Funds (125)	9,285	12,293	7
Total Other Property and Investments	64,925	83,169	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	(197,055)	(236,120)	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	15,793	15,325	11
Other Accounts Receivable (143)	2,152	2,828	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	11,353	8,232	14
Materials and Supplies (150)	11,828	11,266	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)	0		17
Total Current and Accrued Assets	(155,929)	(198,469)	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	1,115	1,555	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	1,115	1,555	
Total Assets and Other Debits	1,735,501	1,097,483	

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)	244,700	244,700	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	270,222	175,649	23
Total Proprietary Capital	514,922	420,349	
LONG-TERM DEBT			
Bonds (221)	0		24
Advances from Municipality (223)	103,615	43,618	25
Other long-Term Debt (224)	688,474	223,237	26
Total Long-Term Debt	792,089	266,855	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	2,446	37,000	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	12,233	4,056	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	14,679	41,056	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	413,811	369,223	38
Total Liabilities and Other Credits	1,735,501	1,097,483	

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)	1,426,680	0	0	0	1
Utility Plant Purchased or Sold (391)	0				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)	776,530				6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	2,203,210	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	377,820	0	0	0	9
Total Accumulated Provision	377,820	0	0	0	
Net Utility Plant	1,825,390	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	353,295				353,295	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	27,225				27,225	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	900				900	6
Accruals charged other						7
accounts (specify):						8
	0				0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	28,125	0	0	0	28,125	13
Debits during year						14
Book cost of plant retired	3,600				3,600	15
Cost of removal	0				0	16
Other debits (specify):						17
					0	18
Total debits	3,600	0	0	0	3,600	19
Balance End of Year	377,820	0	0	0	377,820	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	1.96%					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	1,025	0		1,025	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	1,025	0	0	1,025	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	1,025	0	0	1,025	

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

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

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	11,828	11,266
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	11,828	11,266

**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)				
BOND ISSUANCE COST	4,400	-3285	1,115	1
Total			<u>1,115</u>	
Unamortized premium on debt (251)				
NONE	0	0	0	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	244,700	1
Changes during year (explain):		
NONE	0	2
Balance end of year	<u><u>244,700</u></u>	

BONDS (ACCT. 221)

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

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

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
DUE TO GENERAL FUND	00/00/0000	00/00/0000	0.00%	103,615	1
Total for Account 223				103,615	
Other Long-Term Debt (224)					
LOAN @ SSB	07/07/1995	07/03/2005	6.00%	14,448	2
Loan @ SSB	05/22/1998	05/22/2008	4.90%	250,000	3
Loan @ SSB	10/30/1998	11/30/1999	4.30%	250,000	4
LOAN @ SSB 3	07/24/1989	07/24/1999	5.00%	40,624	5
LOAN @ CHEMICAL BANK	04/01/1992	04/01/2002	5.00%	133,402	6
Total for Account 224				688,474	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	2,993	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>2,993</u>	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	2,587	7
PSC Remainder Assessment	406	8
Other (explain):		
NONE		9
Total payments and other debits	<u>2,993</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)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
BLANK	4,056	23,210	15,033	12,233	3
Subtotal	4,056	23,210	15,033	12,233	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	4,056	23,210	15,033	12,233	

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	369,223	0	0	0	0	369,223	1
Add credits during year:							
For Services	0					0	2
For Mains						0	3
Other (specify):							
Grant Received for Water Treatment Facility	44,588					44,588	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	413,811	0	0	0	0	413,811	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	44,588					44,588	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 Receivables	54,615	2
Total (Acct. 124):	54,615	
Special Funds (125):		
Debt Service Funds	9,285	3
Total (Acct. 125):	9,285	
Notes Receivable (141):		
None		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	15,793	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	15,793	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
Due From Sewer Meter Costs	2,152	11
Total (Acct. 143):	2,152	
Receivables from Municipality (145):		
Tax Account	11,353	12
Total (Acct. 145):	11,353	
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)
<hr/>	
Payables to Municipality (233):	
None	16
Total (Acct. 233):	0
<hr/>	
Other Deferred Credits (253):	
None	17
Total (Acct. 253):	0
<hr/>	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	1,403,643	0	0	0	1,403,643	1
Materials and Supplies	11,547	0	0	0	11,547	2
Other (specify):						
None					0	3
Less Average:						
Reserve for Depreciation	365,557	0	0	0	365,557	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	391,517	0	0	0	391,517	6
Other (specify):						
NONE					0	7
Average Net Rate Base	658,116	0	0	0	658,116	
Net Operating Income	113,900	0	0	0	113,900	8
Net Operating Income as a percent of Average Net Rate Base	17.31%	N/A	N/A	N/A	17.31%	

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	244,700	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	222,935	3
Other (Specify):		
None		4
Total Average Proprietary Capital	467,635	
Net Income		
Net Income	94,573	5
Percent Return on Proprietary Capital	20.22%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

We added approximately 1530' of water line to our new Water Treatment Facility which went on line December, 1998.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Income Statement Account Details (Page F-02)

Account 419

Funds were borrowed in April of 1992 to replace water lines on Highway 98 and there are some monies still left over for final payment. Funds are invested with Local Government Investment Pool.

Notes Payable & Miscellaneous Long-Term Debt (Page F-14)

Advances (223)

The Village of Spencer does not charge the Utility any interest on funds used.

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

Other Investments (124)

Included in this number is special assessments for water mains of \$50,372.00 Also laterals that are booked from prior years at a cost of \$4,243.00.

Special Funds (125)

Monies we have set aside to repair our 50,000 gallon water tower.

Customer Accounts Receivable (142)

Monies owed to the Village for Novembers water bill.

Other Accounts Receivable (143)

Due from meter costs from sewer.

Receivables from the Municipality (145)

Monies owed to the Village from customers during the year which we placed or the taxes for payment.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

May 20, 1999

Mr. Gerald Kobs, Village Clerk Treasurer
Spencer Municipal Water Utility
105 Park Street
P.O. Box 360
Spencer, WI 54479-0360

1998 Analytical Review DWCCA-5620-PJL

Dear Mr. Kobs:

The Public Service Commission has completed their analytical review of your 1998 annual report. The primary purpose of our analytical review is to detect possible accounting related errors and to identify significant fluctuations from prior year's data, which are not sufficiently explained in the footnotes of your annual report.

During our review we noted that while you report that the new water mains reported as added during the year were paid for by the village, we do not see any dollars reported as changes during the year in Account 200, Capital Paid in by Municipality on page F-12. Please explain.

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

Sincerely,

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

PJL:tlk:w:\compl\1999 analytical review letters\May 20 99 rev letters L 1.dc

Response received 6/21/99.

Mains actually paid for by the utility through a grant from the department of commerce.

Review closed.

PJL

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	241,607	1
Total Sales of Water	241,607	
Other Operating Revenues		
Forfeited Discounts (470)	0	2
Other Water Revenues (474)	1,262	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	1,262	
Total Operating Revenues	242,869	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	64,933	5
General Operating Expenses (680-690)	33,818	6
Total Operation and Maintenance Expenses	98,751	
Other Operating Expenses		
Depreciation Expense (403)	27,225	7
Amortization Expense (404)	0	8
Taxes (408)	2,993	9
Total Other Operating Expenses	30,218	
Total Operating Expenses	128,969	
NET OPERATING INCOME	113,900	

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	0			1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	641	23,892	119,399	4
Commercial	92	8,936	32,861	5
Industrial	6	2,919	9,758	6
Total Metered Sales to General Customers (461)	739	35,747	162,018	
Private Fire Protection Service (462)	7		4,740	7
Public Fire Protection Service (463)	1		69,126	8
Other Sales to Public Authorities (464)	10	1,678	5,723	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	757	37,425	241,607	

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)	69,126	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)	69,126	
Forfeited Discounts (470):		
Customer late payment charges	0	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,165	7
Other (specify):		
Curb stop turn on and hooking up water meters	97	8
Total Other Water Revenues (474)	1,262	
Amortization of Construction Grants (475):		
None	0	9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	22,766	1
Purchased Water (610)	0	2
Fuel or Power Purchased for Pumping (620)	5,359	3
Chemicals (630)	13,467	4
Supplies and Expenses (640)	7,897	5
Repairs of Water Plant (650)	15,444	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	64,933	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	12,177	8
Office Supplies and Expenses (681)	1,745	9
Outside Services Employed (682)	7,688	10
Insurance Expense (684)	4,458	11
Employees Pensions and Benefits (686)	7,750	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	33,818	
 Total Operation and Maintenance Expenses	 98,751	

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		0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
Net property tax equivalent		0	
Social Security		2,587	3
PSC Remainder Assessment		406	4
Other (specify): NONE		0	5
Total tax expense		2,993	

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			Marathon				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.229900				3
County tax rate	mills		7.122200				4
Local tax rate	mills		11.544000				5
School tax rate	mills		11.614000				6
Voc. school tax rate	mills		2.077600				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		32.587700				10
Less: state credit	mills		2.132200				11
Net tax rate	mills		30.455500				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		11.544000				14
Combined School Tax Rate	mills		13.691600				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		25.235600				17
Total Tax Rate	mills		32.587700				18
Ratio of Local and School Tax to Total	dec.		0.774390				19
Total tax net of state credit	mills		30.455500				20
Net Local and School Tax Rate	mills		23.584445				21
Utility Plant, Jan. 1	\$	1,565,548	1,565,548				22
Materials & Supplies	\$	11,266	11,266				23
Subtotal	\$	1,576,814	1,576,814				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	1,576,814	1,576,814				26
Assessment Ratio	dec.		0.869600				27
Assessed Value	\$	1,371,197	1,371,197				28
Net Local & School Rate	mills		23.584445				29
Tax Equiv. Computed for Current Year	\$	32,339	32,339				30
Tax Equivalent per 1994 PSC Report	\$	0					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	0					32 33
Tax equiv. for current year (see note 6)	\$	0					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)	400	0	1
Franchises and Consents (302)	134		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	534	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)	111,698	12,755	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	111,698	12,755	
PUMPING PLANT			
Land and Land Rights (320)	3,541	27,000	12
Structures and Improvements (321)	43,181		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	175		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	31,737		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	7,900		20
Total Pumping Plant	86,534	27,000	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	217,395		23
Total Water Treatment Plant	217,395	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			400	1
Franchises and Consents (302)			134	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	534	
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)			124,453	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	124,453	
PUMPING PLANT				
Land and Land Rights (320)			30,541	12
Structures and Improvements (321)			43,181	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			175	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			31,737	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			7,900	20
Total Pumping Plant	0	0	113,534	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			217,395	23
Total Water Treatment Plant	0	0	217,395	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			0	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	92,950		26
Transmission and Distribution Mains (343)	643,212	5,134	27
Fire Mains (344)	0		28
Services (345)	110,517		29
Meters (346)	44,395	4,784	30
Hydrants (348)	66,470		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	957,544	9,918	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	6,902		38
Other Tangible Property (390)	0		39
Total General Plant	6,902	0	
Total utility plant in service directly assignable	1,380,607	49,673	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,380,607	49,673	

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)			92,950 26
Transmission and Distribution Mains (343)			648,346 27
Fire Mains (344)			0 28
Services (345)			110,517 29
Meters (346)	3,600		45,579 30
Hydrants (348)			66,470 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	3,600	0	963,862
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			6,902 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	6,902
Total utility plant in service directly assignable	3,600	0	1,426,680
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	3,600	0	1,426,680

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			3,985	3,985	1
February			3,919	3,919	2
March			4,699	4,699	3
April			4,792	4,792	4
May			4,377	4,377	5
June			3,349	3,349	6
July			4,479	4,479	7
August			3,710	3,710	8
September			4,301	4,301	9
October			5,059	5,059	10
November			3,605	3,605	11
December			3,724	3,724	12
Total for year	0	0	49,999	49,999	
Less: Measured or estimated water used in main flushing and water treatment during year				1,300	13
Less: Other utility use				3,014	14
Other utility use explanation:					15
Backwashing					
Water pumped into distribution system				45,685	16
Less: Water sold				37,425	17
Losses and unaccounted for				8,260	18
Percent unaccounted for to the nearest whole percent (%)				18%	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				288	21
Date of maximum: 4/21/1998					22
Cause of maximum:					23
High Use on 4-21-98					
Minimum gallons pumped by all methods in any one day during reporting year				1	24
Date of minimum: 2/7/1998					25
Total KWH used for pumping for the year				76,323	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)	
307 SOUTH LASALLE	1	42	30	5,000	Yes	1
406 JEFFERSON	3	33	26	7,000	Yes	2
404 SOUTH LASALLE	4	44	30	123,000	Yes	3

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	3	4	1
Location	307 SOUTH LASALLE	406 JEFFERSON	404 SOUTH LASALLE	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	PONOMA	LAYNE	POMONA	5
Year Installed	1940	1992	1981	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	100	150	100	8
Pump Motor or Standby Engine Mfr	WESTINGHOUSE	GE	FAIRBANKS MORSE	9 10
Year Installed	1940	1974	1981	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	7	7	15	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 23
Year Installed				24
Type				25
Horsepower				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	ET	3
Year constructed	1940	1967	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	123	124	6
Total capacity in gallons	50,000	200,000	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)	OTHER	OTHER	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	250.0000	150.0000	12
Is a corrosion control chemical used (yes, no)?	Y	Y	13
Is water fluoridated (yes, no)?	Y	Y	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	4.000	3,030	0	0	0	3,030	1
M	D	6.000	50,290	121	0	0	50,411	2
M	D	8.000	9,826	1,530	0	0	11,356	3
M	D	10.000	7,999	0	0	0	7,999	4
Total Within Municipality			71,145	1,651	0	0	72,796	
Total Utility			71,145	1,651	0	0	72,796	

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	733	0	1	0	732	63	1
M	1.000	3	0	0	0	3		2
M	1.250	4	0	0	0	4		3
M	1.500	8	0	0	0	8		4
M	2.000	4	0	0	0	4		5
M	3.000	1	0	0	0	1		6
Total Utility		753	0	1	0	752	63	

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	730	120	118	0	732	0	1
1.000	8	0	0	0	8	0	2
1.250	5	0	0	0	5	0	3
1.500	8	0	0	0	8	0	4
2.000	5	0	0	0	5	0	5
4.000	4	0	0	0	4	0	6
Total:	760	120	118	0	762	0	

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	640	78	3	4	0	7	732	1
1.000	0	5	1	1	0	1	8	2
1.250	0	4	0	0	0	1	5	3
1.500	0	4	1	3	0	0	8	4
2.000	0	4	0	1	0	0	5	5
4.000	0	0	0	4	0	0	4	6
Total:	640	95	5	13	0	9	762	

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	97	1			98	2
Total Fire Hydrants	97	1	0	0	98	
Flushing Hydrants						
	1				1	3
Total Flushing Hydrants	1	0	0	0	1	

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:	98
Number of distribution system valves end of year:	189
Number of distribution valves operated during year:	95

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

Administrative and General Salaries (680)

The Village staff put in more time to the Water Department because we helped administer the grant that we received from the Department of Commerce for our new Water Treatment Facility.

Water Utility Plant in Service (Page W-08)

Wells and Springs (314)

Layne Northwest did some test wells for us to see where the future of a new well will be located.

Land and Land Rights (320)

We paid \$25,000 for easement rights to place our water lines on private property and we paid \$2,000 for the use of land to do a test well.

Water Mains (Page W-15)

Column: Added during the year Value: 1,651

The water main was paid for by the Village. It started at our Well site and ran to our new Water Treatment Plant and back out to the Fire Hydrant.

Water Services (Page W-16)

The Village disconnected permanently one service but the Auditors must have missed making an adjusting entry to 345, I will relate that to them and have them make it on the 99 report.

Meters (Page W-17)

The Village did not test any meters this year as you can see that we replaced and put in 118 new meters. We have been working at this project the last few years and will be doing this for the next 8 years until we have all new meters in each residence in the Village.

Hydrants and Distribution System Valves (Page W-18)

The Village added one Hydrant by our new Water Treatment Plant. I am not sure what the Auditors did with the adjustment or if they missed it. I will relate it to them to place in the 99 report.
