



3015 (02-09-04)

ANNUAL REPORT

OF

Name: MERCER SANITARY DISTRICT NUMBER ONE

Principal Office: P.O. BOX 660
MERCER, WI 54547

For the Year Ended: DECEMBER 31, 1999

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.

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
FINANCIAL SECTION	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110)	F-07
Net Nonutility Property (Accts. 121 & 122)	F-08
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-09
Materials and Supplies	F-10
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-11
Capital Paid in by Municipality (Acct. 200)	F-12
Bonds (Acct. 221)	F-13
Notes Payable & Miscellaneous Long-Term Debt	F-14
Taxes Accrued (Acct. 236)	F-15
Interest Accrued (Acct. 237)	F-16
Contributions in Aid of Construction (Account 271)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Return on Proprietary Capital Computation	F-20
Important Changes During the Year	F-21
Financial Section Footnotes	F-22
WATER OPERATING SECTION	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Water Utility Plant in Service	W-08
Source of Supply, Pumping and Purchased Water Statistics	W-10
Sources of Water Supply - Ground Waters	W-11
Sources of Water Supply - Surface Waters	W-12
Pumping & Power Equipment	W-13
Reservoirs, Standpipes & Water Treatment	W-14
Water Mains	W-15
Water Services	W-16
Meters	W-17
Hydrants and Distribution System Valves	W-18
Water Operating Section Footnotes	W-19

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MERCER SANITARY DISTRICT NUMBER ONE

Utility Address: P.O. BOX 660
MERCER, WI 54547

When was utility organized? 1/1/1965

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MICHAEL FASSINO

Title: PRESIDENT

Office Address:

P.O. BOX 660
MERCER, WI 54547

Telephone: (715) 476 - 3575

Fax Number: (715) 476 - 3575

E-mail Address:

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

Name: STEVEN R METZ

Title: CPA

Office Address: WIPFLI ULLRICH BERTELSON LLP

P.O. BOX 127
MINOCQUA, WI 54548

Telephone: (715) 356 - 9585

Fax Number: (715) 356 - 1764

E-mail Address:

President, chairman, or head of utility commission/board or committee:

Name: MICHAEL FASSINO

Title: PRESIDENT

Office Address:

P.O. BOX 660
MERCER, WI 54547

Telephone: (715) 476 - 3575

Fax Number: (715) 476 - 3575

E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name: STEVEN R METZ

Title: CPA

Office Address: WIPFLI ULLRICH BERTELSON LLP
P.O. BOX 127
MINOCQUA, WI 54548

Telephone: (715) 356 - 9585

Fax Number: (715) 356 - 1764

E-mail Address:

Date of most recent audit report: 2/1/2000

Period covered by most recent audit: 12-31-99

Names and titles of utility management including manager or superintendent:

Name: RANDALL R BALDAUF

Title: OPERATOR

Office Address:
P.O. BOX 660
MERCER, WI 54547

Telephone: (715) 476 - 3575

Fax Number: (715) 476 - 3575

E-mail Address:

Name of utility commission/committee:

Names of members of utility commission/committee:

- MICHAEL FASSINO, PRESIDENT
- THOMAS THOMPSON, COMMISSIONER
- RICHARD WILLIAMS, COMMISSIONER

Is sewer service rendered by the utility? YES

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

Date of Ordinance: 1/1/1965

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)	159,482	154,184	1
Operating Expenses:			
Operation and Maintenance Expense (401)	92,951	88,556	2
Depreciation Expense (403)	30,961	30,318	3
Amortization Expense (404)	0	0	4
Taxes (408)	3,323	2,936	5
Total Operating Expenses	127,235	121,810	
Net Operating Income	32,247	32,374	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	32,247	32,374	
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)	49,643	54,581	9
Miscellaneous Nonoperating Income (421)	119,410	138,353	10
Total Other Income	169,053	192,934	
Total Income	201,300	225,308	
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	201,300	225,308	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	102,373	107,227	13
Amortization of Debt Discount and Expense (428)	3,883	3,883	14
Amortization of Premium on Debt--Cr. (429)			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	106,256	111,110	
Net Income	95,044	114,198	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(151,590)	(265,788)	19
Balance Transferred from Income (433)	95,044	114,198	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)	(56,546)	(151,590)	

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):		
WATER INTEREST FROM BANKS AND SPECIAL ASSESSMENT	14,025	4
SEWER INTEREST FROM BANKS AND SPECIAL ASSESSMENT	35,618	5
Total (Acct. 419):	49,643	
Miscellaneous Nonoperating Income (421):		
NON REGULATED SEWER	119,410	6
Total (Acct. 421):	119,410	
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	159,482	0	0	0	159,482	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:						
AMORTIZATION OF CONSTRUCTION GRANT	(15,665)				(15,665)	6
Revenues subject to Wisconsin Remainder Assessment	143,817	0	0	0	143,817	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	2,005,416	2,004,451	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	421,612	390,801	2
Net Utility Plant	1,583,804	1,613,650	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	5,165,138	5,155,091	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	284,363	210,340	4
Net Nonutility Property	4,880,775	4,944,751	
Investment in Municipality (123)	0	0	5
Other Investments (124)	457,311	504,344	6
Special Funds (125)	135,654	111,867	7
Total Other Property and Investments	5,473,740	5,560,962	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	202,570	257,504	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	10,196	8,153	11
Other Accounts Receivable (143)	14,147	11,847	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	63,011	62,994	14
Materials and Supplies (150)	6,050	6,050	15
Prepayments (165)	5,938	6,267	16
Other Current and Accrued Assets (170)	31,921	34,809	17
Total Current and Accrued Assets	333,833	387,624	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	10,535	14,419	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	10,535	14,419	
Total Assets and Other Debits	7,401,912	7,576,655	

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)	109,708	89,708	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	(56,546)	(151,590)	23
Total Proprietary Capital	53,162	(61,882)	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	1,919,646	2,013,665	26
Total Long-Term Debt	1,919,646	2,013,665	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	4,488	5,927	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	16,023	16,972	32
Other Current and Accrued Liabilities (238)	5,197	3,268	33
Total Current and Accrued Liabilities	25,708	26,167	
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)	5,403,396	5,598,705	38
Total Liabilities and Other Credits	7,401,912	7,576,655	

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)	2,005,416	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	2,005,416	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	421,612	0	0	0	9
Total Accumulated Provision	421,612	0	0	0	
Net Utility Plant	1,583,804	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 110)

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	390,801				390,801	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	30,961				30,961	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	30,961	0	0	0	30,961	13
Debits during year						14
Book cost of plant retired	150				150	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	150	0	0	0	150	19
Balance End of Year	421,612	0	0	0	421,612	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	5,155,091	10,047		5,165,138	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	5,155,091	10,047	0	5,165,138	
Less accum. prov. depr. & amort. (122)	210,340	74,023		284,363	3
Net Nonutility Property	4,944,751	(63,976)	0	4,880,775	

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	5,485	5,485
Sewer utility	565	565
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	6,050	6,050

**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)				
ISSUE COSTS OF 4-96 BOND	3,641	428	4,550	1
ISSUE COSTS OF DNR CLEAN WATER BOND	125	428	1,854	2
ISSUE COSTS OF FMHA BOND	118	428	4,131	3
Total			10,535	
Unamortized premium on debt (251)				
NONE	0	0	0	4
Total			0	

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	89,708	1
Changes during year (explain):		
99 DEBT LEVY	20,000	2
Balance end of year	<u><u>109,708</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)	
Other Long-Term Debt (224)					
FMHA BOND	01/23/1995	01/01/2035	5.00%	440,700	1
N/P ASSOCIATED BANK - 97	07/19/1997	07/15/2002	6.14%	27,397	2
N/P ASSOCIATED BANK -90	12/28/1990	12/31/2000	7.50%	3,552	3
W/S REVENUE NOTES 4/96	04/01/1996	04/01/2001	4.30%	765,000	4
DNR CLEAN WATER LOAN	07/27/1994	05/11/2014	5.80%	682,997	5
Total for Account 224				1,919,646	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	3,322	2
Charged electric department expense		3
Charged sewer department expense	3,312	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>6,634</u>	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	6,493	7
PSC Remainder Assessment	141	8
Other (explain):		
NONE		9
Total payments and other debits	<u>6,634</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)					
FMHA BOND	0	22,485	22,485	0	3
DNR CLEAN WATER LOAN	6,875	40,157	40,430	6,602	4
W/S REVENUE NOTES 4/96	9,628	36,826	37,388	9,066	5
N/P ASSOCIATED BANK - 90	0	965	965	0	6
N/P ASSOCIATED BANK - 97	469	1,940	2,054	355	7
Subtotal	16,972	102,373	103,322	16,023	
Notes Payable (231)					
NONE	0			0	8
Subtotal	0	0	0	0	
Total	16,972	102,373	103,322	16,023	

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	942,726	0	0	4,655,979	0	5,598,705	1
Add credits during year:							
For Services	1,400			100		1,500	2
For Mains						0	3
Other (specify):							
SPECIAL ASSESSMENT REVISIONS	3,000			3,600		6,600	4
Deduct charges (specify):							
AMORTIZATION OF CONSTRUCTION GRANT	15,665			187,744		203,409	5
Balance End of Year	931,461	0	0	4,471,935	0	5,403,396	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	641,904			4,174,195		4,816,099	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):		
WATER SPECIAL ASSESSMENTS	81,400	2
SEWER SPECIAL ASSESSMENTS	375,911	3
Total (Acct. 124):	457,311	
Special Funds (125):		
FMHA DEPRE SINKING FUNDS	19,413	4
DNR DEPRE SINKING FUNDS	63,326	5
FMHA DEBT SERVICE	22,731	6
DNR DEBT SERVICE	30,184	7
Total (Acct. 125):	135,654	
Notes Receivable (141):		
NONE		8
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	10,196	9
Electric		10
Sewer (Regulated)		11
Other (specify):		
NONE		12
Total (Acct. 142):	10,196	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	14,147	13
Merchandising, jobbing and contract work		14
Other (specify):		
NONE		15
Total (Acct. 143):	14,147	
Receivables from Municipality (145):		
TOWN OF MERCER LEVY	63,011	16
Total (Acct. 145):	63,011	
Prepayments (165):		
PREPAID INSURANCE	5,938	17
Total (Acct. 165):	5,938	

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):	
NONE	19
Total (Acct. 183):	0
Payables to Municipality (233):	
NONE	20
Total (Acct. 233):	0
Other Deferred Credits (253):	
NONE	21
Total (Acct. 253):	0

RETURN ON RATE BASE COMPUTATION

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

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	2,004,933	0	0	0	2,004,933	1
Materials and Supplies	5,485	0	0	0	5,485	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	406,206	0	0	0	406,206	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	937,093	0	0	0	937,093	6
Other (specify):					0	7
Average Net Rate Base	667,119	0	0	0	667,119	
Net Operating Income	32,247	0	0	0	32,247	8
Net Operating Income as a percent of Average Net Rate Base	4.83%	N/A	N/A	N/A	4.83%	

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	99,708	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(104,068)	3
Other (Specify):		4
Total Average Proprietary Capital	(4,360)	
Net Income		
Net Income	95,044	5
Percent Return on Proprietary Capital	N/A	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

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

Identification and Ownership - Contacts (Page iv)

August 31, 2000

Mr. Michael Fassino, President
Mercer Sanitary District Number One
P.O. Box 660
Mercer, WI 54547-0660

1999 Analytical Review DWCCA-3600-PJL

Dear Mr. Fassino:

The Public Service Commission (Commission) is in the process of completing an analytical review of your utility's 1999 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. The two services added at the expense of customers as described in the footnotes to page W-16 should have been recorded as contributed plant. An adjusting journal entry should be made in 2000 to record the actual or estimated costs of these two services by debiting Account 345, Services, and crediting Account 271, Contributions in Aid of Construction.
2. During our review, we noted that on page W-1, \$15,665 is reported for Amortization of Construction Grants in Account 475. Our records do not indicate that authorization for amortization of this balance has been requested. Please submit a written request to this office for amortization of the balance in Account 475. The request should include: year grant was received; identification of and amount of construction grant; utility plant accounts paid for by grant; rationale for amortizing grant; and the length of the amortization period. After receiving your request, the staff will review the information and submit a written reply to you.
3. During our review of the Meters schedule on page W-17, we noted that in both the 1997 and 1998 reports that you indicate that records of meter testing are not properly kept. Please indicate what changes the utility has implemented to assure that records of meter testing are accurate and complete.
4. As directed in item number 2 of the head notes of the Other Operating Revenues (Water) schedule on page W-4, please provide a detailed description of the \$5,443 reported in Account 474, Other Water Revenues.

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 it is convenient for you to respond by e-mail, please do so. My e-mail address is leegep@psc.state.wi.us. If we have nc

FINANCIAL SECTION FOOTNOTES

questions regarding your response, you can consider the review closed.

Sincerely,

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

PJL:tlm:w:\compl\Analytical Reviews\1999 analytical review letters\3600.doc

REPLY LETTER RECEIVED 10/6/00.

#1, will adjust 2000 report.
#2, construction grant of \$313,000 from FMHA rceived in 1997 & is being amortized over 20 years. (WRITE AGAIN PER DOUG SORGE)
#3, they replace instead of test the small meters, they will be sending their 1 1/2 and 2" meters to be tested in the fall of 2000.
#4, see page W-4 footnotes.
Review closed on 10/16/00
PJL

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Commission/Committee (Page iv)

October 10, 2000

Steven Metz, C.P.A.
Wipfli Ullrich Bertelson LLP
PO Box 127
Minocqua, WI 54548-0127

1999 Analytical Review DWCCA-3600-PJL

Dear Mr. Metz:

Thank you for your response to our letter of August 31, 2000 concerning the analytical review of your 1999 annual report. Your answers have been helpful in providing information that will enable us to better provide guidance to you regarding proper utility accounting and the preparation of future annual reports. However, we feel that item number 2 needs further clarification before we can complete this analytical review.

In your response regarding the \$313,000 received from FMHA, you indicated that the grant is being amortized over 20 years per a conversation with Greg at FMHA. Given that authorization from the PSC is required for such amortization, please submit a written request to this office for amortization of the balance in Account 475. The request should include: year grant was received; identification of and amount of construction grant; utility plant accounts paid for by grant; rationale for amortizing grant; and the length of the amortization period. After receiving your request, the staff will review the information and submit a written reply to you.

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 it is convenient for you to respond by e-mail, please do so. My e-mail address is leegep@psc.state.wi.us. 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:tlm:w:\compl\Analytical Reviews\1999 AR response letters\3600.doc

cc: Mr. Michael Fassino, President

THE FOLLOWING RESPONSE RECEIVED BY E-MAIL ON 10/12/00.

As a follow up response to your latest letter. The District underwent a huge construction project of water and sewer services in mid 90's. As the sewer is not regulated, your concern is only with water construction. The FmHA was involved with a \$775,000 reconstruction and service expansion. Broad terms of the FmHA agreements were that the District qualified under

FINANCIAL SECTION FOOTNOTES

FmHA terms for a \$313,000 grant and \$462,000 low interest loan. The FmHA consultant was Greg Baurichter. The project was put on line in 1997, and we capitalized nearly \$800,000 of assets relative to this project. Discussion with Greg and consistent with accounting in other projects, the District began amortizing the grant over 20 years, the expected term of benefit for the district of the recent construction. Our audit and PSC reports have consistently reflected grant amortization income for all years since 1997.

Please provide an after the fact authorization as this is the best matching for offsetting the high depreciation expense for the new assets.

Steve

THE FOLLOWING E-MAIL SENT BY DOUG SORGE ON 10/16/00.

This is in response to your email of October 12, 2000 which I have copied below.

Before the PSC can authorize any amortization of the 1997 grants received by the Mercier Sanitary District, we need the information noted in the table below for the Water Utility Plant that was subject to the water grant received of \$313,000.

a) Also, Grants, if authorized by the PSC, are to be amortized over the composite service life of the plant receiving the grant. How was the expected term of benefit for the district of the recent construction determined to be 20 years for such long lived plant additions?

Water Plant Account Description Water Plant \$ Amount Depreciation Rate %

Douglas B. Sorge
Auditor, Water Division
Public Service Commission of Wisconsin
P.O. Box 7854
Madison WI 53707-7854

Street Address:
610 N. Whitney Way
Madison WI 53705-2729

TEL: (608) 267-3799, FAX: (608) 266-3957, EMAIL: sorged@psc.state.wi.us

--Original Message-----

From: Metz, Steve [mailto:SMetz@WIPFLI.com]
Sent: Thursday, October 12, 2000 11:14 AM
To: 'leegep@psc.state.wi.us'
Subject: mercer sanitary district

FINANCIAL SECTION FOOTNOTES

As a follow up response to your latest letter. The District underwent a huge construction project of water and sewer services in mid 90's. As the sewer is not regulated, your concern is only with water construction. The FmHA was involved with a \$775,000 reconstruction and service expansion. Broad terms of the FmHA agreements were that the District qualified under FmHA terms for a \$313,000 grant and \$462,000 low interest loan. The FmHA consultant was Greg Baurichter. The project was put on line in 1997, and we capitalized nearly \$800,000 of assets relative to this project. Discussion with Greg and consistent with accounting in other projects, the District began amortizing the grant over 20 years, the expected term of benefit for the district of the recent construction. Our audit and PSC reports have consistently reflected grant amortization income for all years since 1997.

Please provide an after the fact authorization as this is the best matching for offsetting the high depreciation expense for the new assets.

Steve

THE FOLLOWING LETTER SENT BY DOUG SORGE REGARDING THEIR AMORTIZATION REQUEST

October 17, 2000

Mr. Michael Fassino, President
Mercer Sanitary District
P.O. Box 660
Mercer WI 54547-0660

Re: Amortization of 1997 Water Grant File DWCCA-3600

Dear Mr. Fassino:

This is in response to your accountant's October 12, 2000, request to amortize the 1997 water construction grant received from FmHA for the Mercer Sanitary District's water distribution project.

The \$313,000 of grants is to be amortized over the life of the property constructed with the funds, which is determined to be 75 years. The utility has already amortized \$15,665 each year for the period of 1997 - 1999.

The staff has reviewed the above situation and considers a 72-year period of amortization (from 2000 to 2071) for the remaining \$266,005 grant balance as appropriate after consideration of the circumstances involved. Effective January 1, 2000, the annual amortization of \$3,695 should be charged to Account 271, Contributions in Aid of Construction and credited to Account 475, Amortization of Construction Grants.

This staff authorization is for accounting purposes only and does not bind the Public Service Commission (Commission) to any specific treatment for this item in any future proceeding involving rates or other matters before the Commission.

FINANCIAL SECTION FOOTNOTES

Sincerely,

Douglas B. Sorge
Auditor
Division of Water, Compliance, and Consumer Affairs

DBS:tlm:w:\water\sorge\def\Mercer SD.doc

cc: Mr. Steven Mietz, Wipfli Ullrich Bertelson LLP

Identification and Ownership (Page iv)

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Mercer Sanitary District #1
Mercer, Wisconsin

We have compiled the balance sheets of Mercer Sanitary District #1 as of December 31, 1999 and 1998, and related income and earned surplus statements for the years then ended included in the accompanying Municipal Utility Annual Report in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the Municipal Utility Annual Report.

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

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

Wipfli Ullrich Bertelson LLP

February 1, 2000
Minocqua, Wisconsin

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	138,019	1
Total Sales of Water	138,019	
Other Operating Revenues		
Forfeited Discounts (470)	355	2
Other Water Revenues (474)	5,443	3
Amortization of Construction Grants (475)	15,665	4
Total Other Operating Revenues	21,463	
Total Operating Revenues	159,482	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	42,836	5
General Operating Expenses (680-690)	50,115	6
Total Operation and Maintenance Expenses	92,951	
Other Operating Expenses		
Depreciation Expense (403)	30,961	7
Amortization Expense (404)		8
Taxes (408)	3,323	9
Total Other Operating Expenses	34,284	
Total Operating Expenses	127,235	
NET OPERATING INCOME	32,247	

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	269	6,484	50,793	4
Commercial	74	6,871	32,453	5
Industrial	8	2,047	7,110	6
Total Metered Sales to General Customers (461)	351	15,402	90,356	
Private Fire Protection Service (462)	2		1,146	7
Public Fire Protection Service (463)	1		41,515	8
Other Sales to Public Authorities (464)	14	818	5,002	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	368	16,220	138,019	

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)	41,515	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)	41,515	
Forfeited Discounts (470):		
Customer late payment charges	355	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	355	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		7
Other (specify):		
OTHER WATER REVENUES	5,443	8
Total Other Water Revenues (474)	5,443	
Amortization of Construction Grants (475):		
AMORTIZATION OF FMHA GRANT	15,665	9
Total Amortization of Construction Grants (475)	15,665	

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)	33,247	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	5,351	3
Chemicals (630)	35	4
Supplies and Expenses (640)	1,276	5
Repairs of Water Plant (650)	1,208	6
Transportation Expenses (660)	1,719	7
Total Plant Operation and Maintenance Expenses	42,836	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	8,619	8
Office Supplies and Expenses (681)	6,745	9
Outside Services Employed (682)	14,735	10
Insurance Expense (684)	4,193	11
Employees Pensions and Benefits (686)	13,020	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	2,803	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	50,115	
Total Operation and Maintenance Expenses	92,951	

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			1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
Net property tax equivalent		0	
Social Security		3,182	3
PSC Remainder Assessment		141	4
Other (specify): NONE			5
Total tax expense		<u>3,323</u>	

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)	7,737		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)	48,628		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	56,365	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	279,274		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	23,423		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	1,052		20
Total Pumping Plant	303,749	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	175,979		22
Water Treatment Equipment (332)	4,664		23
Total Water Treatment Plant	180,643	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	6,591		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)			7,737 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)			48,628 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	56,365
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			279,274 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			23,423 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			1,052 20
Total Pumping Plant	0	0	303,749
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			175,979 22
Water Treatment Equipment (332)			4,664 23
Total Water Treatment Plant	0	0	180,643
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			6,591 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)	29,448		26
Transmission and Distribution Mains (343)	1,292,232		27
Fire Mains (344)	0		28
Services (345)	27,357		29
Meters (346)	25,855		30
Hydrants (348)	49,183		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,430,666	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	5,362	1,115	35
Computer Equipment (372.1)	6,420		36
Transportation Equipment (373)	14,393		37
Other General Equipment (379)	6,853		38
Other Tangible Property (390)	0		39
Total General Plant	33,028	1,115	
Total utility plant in service directly assignable	2,004,451	1,115	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	2,004,451	1,115	

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)			29,448 26
Transmission and Distribution Mains (343)			1,292,232 27
Fire Mains (344)			0 28
Services (345)			27,357 29
Meters (346)	150		25,705 30
Hydrants (348)			49,183 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	150	0	1,430,516
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			6,477 35
Computer Equipment (372.1)			6,420 36
Transportation Equipment (373)			14,393 37
Other General Equipment (379)			6,853 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	34,143
Total utility plant in service directly assignable	150	0	2,005,416
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	150	0	2,005,416

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			1,870	1,870	1
February			1,499	1,499	2
March			1,511	1,511	3
April			1,411	1,411	4
May			2,057	2,057	5
June			1,625	1,625	6
July			1,983	1,983	7
August			1,831	1,831	8
September			1,585	1,585	9
October			1,522	1,522	10
November			1,710	1,710	11
December			1,726	1,726	12
Total for year	0	0	20,330	20,330	
Less: Measured or estimated water used in main flushing and water treatment during year				1,221	13
Less: Other utility use				262	14
Other utility use explanation: LEAKS, BREAKS AND FIRE					15
Water pumped into distribution system				18,847	16
Less: Water sold				16,220	17
Losses and unaccounted for				2,627	18
Percent unaccounted for to the nearest whole percent (%)				14%	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				271	21
Date of maximum: 11/3/1999					22
Cause of maximum: FLUSHING					23
Minimum gallons pumped by all methods in any one day during reporting year				21	24
Date of minimum: 11/28/1999					25
Total KWH used for pumping for the year				25,394	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)	
2992 HWY 51 SOUTH	BF973	56	16	432,000	Yes	1
WELL2	BF974	58	16	468,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	WELL 1	WELL 2	1
Location	2992 HWY 51 SOUTH	WELL 2 ROAD	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	LAYNE NORTHWEST	LAYNE NORTHWEST	5
Year Installed	1965	1978	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	300	325	8
Pump Motor or Standby Engine Mfr	US ELECTRIC	GENERAL ELECTRIC	10
Year Installed	1965	1976	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	20	20	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	WATER TOWER		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1978		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	105		6
Total capacity in gallons	150,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	OTHER		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	1.0000		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	6.000	13,797	0	0	0	13,797	1
M	D	8.000	25,372	0	0	0	25,372	2
M	D	10.000	910	0	0	0	910	3
M	D	12.000	15,240	0	0	0	15,240	4
Total Within Municipality			55,319	0	0	0	55,319	
Total Utility			55,319	0	0	0	55,319	

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	271	0	0	0	271	57	1
M	1.000	146	2	0	0	148	74	2
M	1.250	1	0	0	0	1	1	3
M	1.500	9	0	0	0	9	4	4
M	2.000	5	0	0	0	5		5
M	6.000	3	0	0	0	3	2	6
M	8.000	1	0	0	0	1		7
M	10.000	1	0	0	0	1		8
Total Utility		437	2	0	0	439	138	

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	312	0	1	5	316	0	1
0.750	32		2	0	30	0	2
1.500	6	0	0	0	6	0	3
2.000	5	0	0	0	5	0	4
Total:	355	0	3	5	357	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	253	51	3	9	0	0	316	1
0.750	1	18	4	2	0	5	30	2
1.500	0	3	1	1	0	1	6	3
2.000	0	4	0	1	0	0	5	4
Total:	254	76	8	13	0	6	357	

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	87				87	2
Total Fire Hydrants	87	0	0	0	87	
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:	87
Number of distribution system valves end of year:	168
Number of distribution valves operated during year:	150

WATER OPERATING SECTION FOOTNOTES

Other Operating Revenues (Water) (Page W-04)

Account 474, Other Water Revenues breakdown:

Water tower rents	4,035.00
hydrant fees	45.00
meter error corrections	165.40
after hours service calls	18.00
meter horns	35.00
water turn on fees	46.03
curb boxes	150.90
customer payment of full assessment	100.00
to record accounts receivable - town	648.00
secutity deposits	25.00
inspection fees	50.00
action sewer jetter	125.00
<hr/>	
Total	\$5,443.33

Water Services (Page W-16)

DISTRICT HAD TWO SERVICES HOOKED UP DURING THE YEAR. THE USER PAID THE COST OF HOOKUP.

Meters (Page W-17)

DISTRICT MADE ADJUSTMENTS TO METERS TO REFLECT ACTUAL COUNT
