



3014 (02-09-04)

ANNUAL REPORT

OF

Name: CITY OF MUSKEGO WATER PUBLIC UTILITY

Principal Office: W182 S8200 RACINE AVE
P.O. BOX 749
MUSKEGO, WI 53150-0749

For the Year Ended: DECEMBER 31, 2001

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: CITY OF MUSKEGO WATER PUBLIC UTILITY

Utility Address: W182 S8200 RACINE AVE
P.O. BOX 749
MUSKEGO, WI 53150-0749

When was utility organized? 9/17/1985

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MS DAWN R GUNDERSON

Title: FINANCE DIRECTOR

Office Address:

W182S8200 RACINE AVE
P.O. BOX 749
MUSKEGO, WI 53150

Telephone: (262) 679 - 5610

Fax Number: (262) 679 - 4106

E-mail Address:

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

Name:

Title:

Office Address:

Telephone:

Fax Number:

E-mail Address:

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

Name: ALD. DAVID J SANDERS

Title: CHAIRMAN

Office Address:

W182S8200 RACINE AVE
P.O. BOX 749
MUSKEGO, WI 53150-0749

Telephone: (262) 679 - 4100

Fax Number: (262) 679 - 4106

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: MR. DONALD N VILIONE

Title: CPA, PARTNER

Office Address: VIRCHOW, KRAUSE & CO., LLP
115 S 84TH STREET SUITE 400
MILWAUKEE, WI 53214

Telephone: (414) 777 - 5500

Fax Number: (414) 777 - 5555

E-mail Address:

Date of most recent audit report: 2/18/2002

Period covered by most recent audit: 1/1-12/31/01

Names and titles of utility management including manager or superintendent:

Name: MR. SCOTT KLOSKOWSKI

Title: SUPERINTENDENT

Office Address:

W182S8200 RACINE AVE
P.O. BOX 749
MUSKEGO, WI 53150-0749

Telephone: (262) 679 - 4128

Fax Number:

E-mail Address:

Name of utility commission/committee: PUBLIC UTILITIES COMMITTEE

Names of members of utility commission/committee:

MR RICK PETFALSKI, COMMITTEE MEMBER

MR DAVID J SANDERS, CHAIRMAN

MR MARK A SLOCUMB, COMMITTEE MEMBER

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. § 66.0819 of the Wisconsin Statutes?NO

Date of Ordinance: [REDACTED]

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

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)	938,754	835,464	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	406,137	354,480	2
Depreciation Expense (403)	279,612	260,524	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	242,327	224,650	5
Total Operating Expenses	928,076	839,654	
Net Operating Income	10,678	(4,190)	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	10,678	(4,190)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	97,989	135,230	10
Miscellaneous Nonoperating Income (421)	0	0	11
Total Other Income	97,989	135,230	
Total Income	108,667	131,040	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	12
Other Income Deductions (426)	0	0	13
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	108,667	131,040	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	144,068	138,555	14
Amortization of Debt Discount and Expense (428)	30,532	31,399	15
Amortization of Premium on Debt--Cr. (429)	0	0	16
Interest on Debt to Municipality (430)	124,104	137,474	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0	0	19
Total Interest Charges	298,704	307,428	
Net Income	(190,037)	(176,388)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(1,653,657)	(1,477,269)	20
Balance Transferred from Income (433)	(190,037)	(176,388)	21
Miscellaneous Credits to Surplus (434)	0	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	(1,843,694)	(1,653,657)	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Income from Nonutility Operations (417):		
NONE		3
Total (Acct. 417):	0	
Nonoperating Rental Income (418):		
NONE		4
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST ON INVESTMENTS	73,842	5
INTEREST ON SPECIAL INVESTMENT	24,147	6
Total (Acct. 419):	97,989	
Miscellaneous Nonoperating Income (421):		
NONE		7
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		8
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		9
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		10
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		11
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		12
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		13
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 & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	938,754	0	0	0	938,754	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	938,754	0	0	0	938,754	

DISTRIBUTION OF TOTAL PAYROLL

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

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	192,802		192,802	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts	15,964		15,964	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
Total Payroll	208,766	0	208,766	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	15,059,335	13,700,712	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	2,103,839	1,819,067	2
Net Utility Plant	12,955,496	11,881,645	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	250,997	368,787	6
Special Funds (125)	3,144,842	938,024	7
Total Other Property and Investments	3,395,839	1,306,811	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	457,152	513,389	8
Temporary Cash Investments (132)	0	0	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	186,040	168,208	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	55,311	39,085	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	698,503	720,682	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	181,945	143,679	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	122,527	66,263	20
Total Deferred Debits	304,472	209,942	
Total Assets and Other Debits	17,354,310	14,119,080	

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)	543,760	543,760	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	(1,843,694)	(1,653,657)	23
Total Proprietary Capital	(1,299,934)	(1,109,897)	
LONG-TERM DEBT			
Bonds (221)	5,160,000	2,915,000	24
Advances from Municipality (223)	1,947,034	2,113,269	25
Other Long-Term Debt (224)	0	0	26
Total Long-Term Debt	7,107,034	5,028,269	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	34,543	40,285	28
Payables to Municipality (233)	0	2,917	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	42,489	50,721	32
Other Current and Accrued Liabilities (238)	39,775	33,353	33
Total Current and Accrued Liabilities	116,807	127,276	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	196,260	257,727	36
Total Deferred Credits	196,260	257,727	
OPERATING RESERVES			
Property Insurance Reserve (261)		0	37
Injuries and Damages Reserve (262)		0	38
Pensions and Benefits Reserve (263)		0	39
Miscellaneous Operating Reserves (265)		0	40
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	11,234,143	9,815,705	41
Total Liabilities and Other Credits	17,354,310	14,119,080	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (101)	15,010,247	0	0	0	1
Utility Plant Purchased or Sold (102)					2
Utility Plant in Process of Reclassification (103)					3
Utility Plant Leased to Others (104)					4
Property Held for Future Use (105)					5
Completed Construction not Classified (106)					6
Construction Work in Progress (107)	49,088				7
Utility Plant Acquisition Adjustments (108)					8
Other Utility Plant Adjustments (109)					9
Total Utility Plant	15,059,335	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	2,103,839	0	0	0	10
Total Accumulated Provision	2,103,839	0	0	0	
Net Utility Plant	12,955,496	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	1,819,067				1,819,067	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	279,612				279,612	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	15,654				15,654	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	295,266	0	0	0	295,266	13
Debits during year						14
Book cost of plant retired	10,494				10,494	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	10,494	0	0	0	10,494	19
Balance End of Year	2,103,839	0	0	0	2,103,839	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

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

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

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	0 1
Other					0	0 2
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility		0 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	0	0

**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)				
1985-1991B	4,173	428	23,466	1
1992E	3,592	428	0	2
1998	957	428	2,870	3
1999	3,831	428	37,652	4
2000	4,259	428	27,029	5
2001	0	428	68,798	6
REFUNDING LOSS	17,312	428	22,130	7
Total			181,945	
Unamortized premium on debt (251)				
NONE				8
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	543,760	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>543,760</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)	
2,015,000 WATER REV BONDS	02/17/1999	05/01/2019	4.62%	1,910,000	1
950,000 REVENUE BONDS	01/27/2000	05/13/2013	6.04%	950,000	2
2,300,000 WATER REV BONDS	12/13/2001	12/13/2020	4.89%	2,300,000	3
Total Bonds (Account 221):				5,160,000	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
1998	02/01/1998	06/01/2007	4.25%	300,000	1
1985-1991	12/31/1991	12/31/2011	6.20%	1,647,034	2
Total for Account 223				1,947,034	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	242,327	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>242,327</u>	
Taxes paid during year:		
County, state and local taxes	225,611	6
Social Security taxes	15,729	7
PSC Remainder Assessment	987	8
Other (explain):		
NONE		9
Total payments and other debits	<u>242,327</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)					
1999	14,663	86,619	86,958	14,324	1
2000	8,330	49,980	49,980	8,330	2
2001		7,469		7,469	3
Subtotal	22,993	144,068	136,938	30,123	
Advances from Municipality (223)					
1985-1991 NOTES	10,943	110,204	110,204	10,943	4
1992 NOTES	0			0	5
1993 NOTES	15,362		15,362	0	6
1995 NOTES	0			0	7
1996 NOTES	0			0	8
1998 NOTES	1,423	13,900	13,900	1,423	9
1998-1 NOTES	0			0	10
Subtotal	27,728	124,104	139,466	12,366	
Other Long-Term Debt (224)					
NONE	0			0	11
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	12
Subtotal	0	0	0	0	
Total	50,721	268,172	276,404	42,489	

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	9,815,705	0	0	0	0	9,815,705	1
Add credits during year:							
For Services	123,111					123,111	2
For Mains	986,907					986,907	3
Other (specify):							
ASSESSMENTS	308,420					308,420	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	11,234,143	0	0	0	0	11,234,143	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENT RECEIVABLE	250,997	2
Total (Acct. 124):	250,997	
Special Funds (125):		
OTHER PROPERTY & INVESTMENTS-RESTRICTED	3,144,842	3
Total (Acct. 125):	3,144,842	
Notes Receivable (141):		
NONE	0	4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	186,040	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	186,040	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
RECEIVABLES FROM TAX ROLL	17,721	12
FROM GENERAL FUND	10,187	13
RECEIVABLE FROM SEWER	27,403	14
Total (Acct. 145):	55,311	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
AMORTIZED MAIN COSTS 605.00.00.00.1845	122,527	17
Total (Acct. 183):	122,527	
Payables to Municipality (233):		
NONE		18
Total (Acct. 233):		0
Other Deferred Credits (253):		
CUSTOMER DEPOSITS	39,503	19
OTHER DEF CREDITS	92,765	20
DEF REVENUE	48,177	21
DEF CREDITS	15,815	22
Total (Acct. 253):	196,260	

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	14,346,171	0	0	0	14,346,171	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	1,961,453	0	0	0	1,961,453	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	10,524,924	0	0	0	10,524,924	6
Other (specify):						
NONE					0	7
Average Net Rate Base	1,859,794	0	0	0	1,859,794	
Net Operating Income	10,678	0	0	0	10,678	8
Net Operating Income as a percent of Average Net Rate Base						
	0.57%	N/A	N/A	N/A	0.57%	

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	543,760	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(1,748,675)	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	<u>(1,204,915)</u>	
Net Income		
Net Income	(190,037)	5
Percent Return on Proprietary Capital	<u><u>N/A</u></u>	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

none

2. Leaseholder changes.

none

3. Extensions of service.

Contributions from Developers for services for Quietwood Creek and Sarah Estates subdivisions

4. Estimated changes in revenues due to rate changes.

City of Muskego Water utility was approved for Simplified Rate Case applied July 2, 2001.
3.4% increase

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

2001 was first full year of reporting gallons and billing gallons with new radio read transmitter system.

Previous reading system was done by hand held.

FINANCIAL SECTION FOOTNOTES

Bonds (Acct. 221) (Page F-14)

New Revenue Bonds on 12/13/01

Interest Accrued (Acct. 237) (Page F-17)

Account 237 Water Revenue bonds in amount of \$2,300,000 issued dec 2001

Balance Sheet End-of-Year Account Balances (Page F-19)

account 183 A letter dated 9/7/99 and 2/28/02 File D WCCA-4005-BSM relates to
acct 183 other def debits

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Contacts (Page iv)

response received 12/6/02:

When the meters were initially purchased they were recorded as assets. The meters were being held in inventory and the Sewer Utility purchased them from the Water Utility. At that time, the inventory was reduced and the fixed asset account was credited. They were never recorded in account 150. Hopefully this will answer your question.

Dawn Gunderson

email reply by ele 12/3/02:

Thank you for your reply to our 2001 analytical review. We have one question regarding item 4 and your review will be closed.

Your response in item 4 appears to indicate that the \$1,693 reflected for sale of "new" meters in the 2000 report was from "unused inventory". We are not sure if you mean that the \$1,693 was recorded in Account 150, Materials and Supplies or not. If so, please see Section 2, Page 5 of the Water Utility Reference Manual. The cost of a meter, whether in stock or installed is to be recorded in Account 346. Therefore, if the \$1,693 was recorded in Account 150 and not Account 346, it was incorrectly booked. Please confirm that the cost of all meters, whether in stock or installed, is recorded in Account 346 on the utility books. If not, please book the appropriate adjusting entry on the books for 2002 so that the cost of all meters owned by the utility is recorded in Account 346.

Thanks for your cooperation in this matter.

email response received 11/1/02

Dear Elaine,

The following is in response to your letter of September 26, 2002 :

At the time the 2001 audit was done, it was determined that the Municipality owed the Water Utility an addition \$10,187 in Hydrant rental fees. This was set up as a receivable in the Utility on 12/31/01 and paid in January of 2002.

The amount reported in Account 183 should have been described a water tower painting amortization and not water main costs.

Beginning in 2001 the Sewer Utility began metering the sewer usage for their commercial customers utilizing the water meter readings. All residential customers are still charges on a flat rate. Therefore, the Utility charged the Sewer Utility \$15,654 for their share of the water meter depreciation. As far as the \$1,693 reflected in the 2000 report, these were new meters that the Water Utility had in their unused inventory that were sold directly to the Sewer Utility and they are no longer listed as assets in our meter inventory.

We will be glad to identify who financed the additions to mains and services in the future.

There was an error in the reporting of gallons on page W-2, line 5, column C. The number for 2001 should have been 40,397,000. The revenue increase was due to the increase in rate.

FINANCIAL SECTION FOOTNOTES

Feel free to contact me with you have any further questions.

Sincerely,

Dawn R. Gunderson, CPFO
Finance Director
Phone: (262) 679-5610
Fax: (262) 679-5610
e-mail dgunderson@ci.muskego.wi.us
September 26, 2002

Ms. Dawn R. Gunderson, Finance Director
City of Muskego Water Public Utility
P.O. Box 749
W182S8200 Racine Avenue
Muskego, WI 53150-0749

2001 Analytical Review DWCCA-4005-ELE

Dear Ms. Gunderson:

The Public Service Commission (Commission) staff has completed its analytical review of your utility's 2001 annual report. The primary purpose of the analytical review is to detect possible reporting or accounting related errors and also to identify significant fluctuations from prior years' data that are not sufficiently explained in the annual report. The analytical review did identify the following issues:

1. Please provide more detail for the \$10,187, reported in Account 145, Receivables from Municipality, page F-19. In the future, any amounts, even grouped, greater than \$5,000 require explanation, i.e. short list, etc.
2. The amount reported in Account 183 is described as amortization for water main costs. Our records indicate an amount was authorized for the costs of water tower painting. Please indicate if this is actually the water tower painting amortization, or otherwise explain this amount further.
3. In our 2000 analytical review, your utility indicated the sewer department does not use the water meter to measure sewer volume for purposes of charging sewer customers. In that case, please explain the \$15,654 reported on page F-8 as sewer's share of water meter depreciation. In addition, please confirm that the sewer department uses a flat rate or has their own meters to bill their customers.
4. In response to our 2000 analytical review questioning \$1,693 reported in Account 474, for sewer's return on meters, it was indicated this amount was actually for meters in inventory sold to the sewer utility. By e-mail dated October 12, 2001, we wrote:

"If these meters are still listed as assets in Account 346, then they need to be retired this year. This wouldn't really be an adjusting entry, just a retirement recorded a year late. It would be the typical entry, debit Account 110 and credit Account 346 (for \$XXX original cost)

FINANCIAL SECTION FOOTNOTES

~~Account 110 and Credit Account 346 (for \$1,693, Original Cost).~~

Once the retirements are recorded (last year or now) then the adjusting entry can be made. The sale of these retired meters should have been recorded as salvage, not revenue. Assuming the utility originally recorded a debit to cash and a credit to the revenue account, the adjusting entry would be a debit to Account 216 and a credit to Account 110 (for \$1,693)".

In your 2002 annual report, \$1,693 is not identified in the footnotes to page W-8 as having been retired from Account 346, Meters. In addition, an adjustment for \$1,693 is not reported in Account 110 for salvage, or Account 216 to adjust for the revenue reported in 2000. Please provide an explanation. Please note for future reference that all adjustments to Water Utility Plant in Service require an explanation in the schedule footnotes.

5. Additions are reported on pages W-15 and W-16 for Water Mains and Water Services. We noted Item 3 on page F-22 indicates the contributions are from developers. In the future, please footnote the Water Mains and Water Services schedule also explaining who financed mains and services additions.

6. Commercial sales of water as reported on page W-2, line 5, column C, decreased from 40,559,000 gallons in 2000 to 2,540,000 gallons in 2001, even though revenues increased from 2000 to 2001. Please provide a revised amount for commercial sales of water in 2001.

Responding to the questions posed from the analytical review does not preclude you from possibly receiving other inquiries from our office regarding your annual report in the future: for instance, during a rate case, construction authorization, or other Commission reviews.

We appreciate your cooperation in providing the above information. If you have any questions, please feel free to contact me at (608) 266-3768. Please respond within 30 days of this letter. We prefer that you respond by e-mail if it is convenient for you to do so. My e-mail address is elaine.engelke@psc.state.wi.us. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

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

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Muskego.doc

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	882,127	1
Total Sales of Water	882,127	
Other Operating Revenues		
Forfeited Discounts (470)	5,501	2
Miscellaneous Service Revenues (471)	0	3
Rents from Water Property (472)	46,968	4
Interdepartmental Rents (473)	0	5
Other Water Revenues (474)	4,158	6
Amortization of Construction Grants (475)	0	7
Total Other Operating Revenues	56,627	
Total Operating Revenues	938,754	
Operation and Maintenance Expenses		
Source of Supply Expenses (600-605)	1,905	8
Pumping Expenses (620-625)	66,152	9
Water Treatment Expenses (630-635)	16,603	10
Transmission and Distribution Expenses (640-655)	148,932	11
Customer Accounts Expenses (901-904)	29,274	12
Sales Expenses (910)	0	13
Administrative and General Expenses (920-935)	143,271	14
Total Operation and Maintenance Expenses	406,137	
Other Operating Expenses		
Depreciation Expense (403)	279,612	15
Amortization Expense (404-407)	0	16
Taxes (408)	242,327	17
Total Other Operating Expenses	521,939	
Total Operating Expenses	928,076	
NET OPERATING INCOME	10,678	

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. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

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		0		3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	1,999	155,939	513,250	4
Commercial	89	40,397	82,974	5
Industrial	30	8,216	20,595	6
Total Metered Sales to General Customers (461)	2,118	204,552	616,819	
Private Fire Protection Service (462)	40		18,849	7
Public Fire Protection Service (463)	1		233,835	8
Other Sales to Public Authorities (464)	11	4,633	12,624	9
Sales to Irrigation Customers (465)		0		10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	2,170	209,185	882,127	

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 or Fd-1)	233,835	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)	233,835	
Forfeited Discounts (470):		
Customer late payment charges	5,501	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	5,501	
Miscellaneous Service Revenues (471):		
NONE	0	7
Total Miscellaneous Service Revenues (471)	0	
Rents from Water Property (472):		
CELL TOWER REVENUE-CELL TOWERS ATTACHED TO WATER TOWER	46,968	8
Total Rents from Water Property (472)	46,968	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		10
Other (specify):		
REVENUE FROM CLOSING LETTERS	2,808	11
REVENUE FROM LOCATE	1,350	12
Total Other Water Revenues (474)	4,158	
Amortization of Construction Grants (475):		
NONE		13
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	Amount (b)	
SOURCE OF SUPPLY EXPENSES		
Operation Labor (600)	596	1
Purchased Water (601)	0	2
Operation Supplies and Expenses (602)	0	3
Maintenance of Water Source Plant (605)	1,309	4
Total Source of Supply Expenses	1,905	
 PUMPING EXPENSES		
Operation Labor (620)	29,408	5
Fuel for Power Production (621)	0	6
Fuel or Power Purchased for Pumping (622)	32,059	7
Operation Supplies and Expenses (623)	1,184	8
Maintenance of Pumping Plant (625)	3,501	9
Total Pumping Expenses	66,152	
 WATER TREATMENT EXPENSES		
Operation Labor (630)	4,556	10
Chemicals (631)	10,598	11
Operation Supplies and Expenses (632)	0	12
Maintenance of Water Treatment Plant (635)	1,449	13
Total Water Treatment Expenses	16,603	
 TRANSMISSION AND DISTRIBUTION EXPENSES		
Operation Labor (640)	54,198	14
Operation Supplies and Expenses (641)	6,843	15
Maintenance of Distribution Reservoirs and Standpipes (650)	25,150	16
Maintenance of Mains (651)	40,144	17
Maintenance of Services (652)	1,006	18
Maintenance of Meters (653)	9,206	19
Maintenance of Hydrants (654)	10,326	20
Maintenance of Other Plant (655)	2,059	21
Total Transmission and Distribution Expenses	148,932	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	Amount (b)	
CUSTOMER ACCOUNTS EXPENSES		
Meter Reading Labor (901)	2,544	22
Accounting and Collecting Labor (902)	25,231	23
Supplies and Expenses (903)	1,499	24
Uncollectible Accounts (904)	0	25
Total Customer Accounts Expenses	29,274	
 SALES EXPENSES		
Sales Expenses (910)	0	26
Total Sales Expenses	0	
 ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (920)	41,928	27
Office Supplies and Expenses (921)	21,749	28
Administrative Expenses Transferred--Credit (922)	0	29
Outside Services Employed (923)	19,099	30
Property Insurance (924)	0	31
Injuries and Damages (925)	6,850	32
Employee Pensions and Benefits (926)	38,208	33
Regulatory Commission Expenses (928)	0	34
Miscellaneous General Expenses (930)	7,651	35
Transportation Expenses (933)	7,786	36
Maintenance of General Plant (935)	0	37
Total Administrative and General Expenses	143,271	
 Total Operation and Maintenance Expenses	406,137	

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		225,611	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
Net property tax equivalent		225,611	
Social Security		15,729	3
PSC Remainder Assessment		987	4
Other (specify): NONE			5
Total tax expense		<u>242,327</u>	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). 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			Waukesha				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.200000				3
County tax rate	mills		2.440000				4
Local tax rate	mills		5.620000				5
School tax rate	mills		11.000000				6
Voc. school tax rate	mills		1.470000				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		20.730000				10
Less: state credit	mills		1.690000				11
Net tax rate	mills		19.040000				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		5.620000				14
Combined School Tax Rate	mills		12.470000				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		18.090000				17
Total Tax Rate	mills		20.730000				18
Ratio of Local and School Tax to Total	dec.		0.872648				19
Total tax net of state credit	mills		19.040000				20
Net Local and School Tax Rate	mills		16.615224				21
Utility Plant, Jan. 1	\$	13,700,712	13,700,712				22
Materials & Supplies	\$	0	0				23
Subtotal	\$	13,700,712	13,700,712				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	13,700,712	13,700,712				26
Assessment Ratio	dec.		0.991084				27
Assessed Value	\$	13,578,556	13,578,556				28
Net Local & School Rate	mills		16.615224				29
Tax Equiv. Computed for Current Year	\$	225,611	225,611				30
Tax Equivalent per 1994 PSC Report	\$	196,830					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	225,611					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	29,148	0	1
Franchises and Consents (302)	0	0	2
Miscellaneous Intangible Plant (303)	0	0	3
Total Intangible Plant	29,148	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0	0	4
Structures and Improvements (311)	0	0	5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	798,029		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	798,029	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	970,421		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	674,455		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	1,644,876	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	3,627		23
Total Water Treatment Plant	3,627	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)			29,148	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	29,148	
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)			798,029	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	798,029	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			970,421	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			674,455	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	1,644,876	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			3,627	23
Total Water Treatment Plant	0	0	3,627	
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 \$50,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	796,702		26
Transmission and Distribution Mains (343)	7,151,736	987,210	27
Fire Mains (344)	0		28
Services (345)	1,315,140	123,498	29
Meters (346)	488,797	68,295	30
Hydrants (348)	1,094,308	123,519	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	10,846,683	1,302,522	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	235,247		34
Office Furniture and Equipment (391)	19,990		35
Computer Equipment (391.1)	67,719	38,449	36
Transportation Equipment (392)	36,776		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	359,732	38,449	
Total utility plant in service directly assignable	13,682,095	1,340,971	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	13,682,095	1,340,971	

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)			796,702 26
Transmission and Distribution Mains (343)			8,138,946 27
Fire Mains (344)			0 28
Services (345)			1,438,638 29
Meters (346)	10,494	(2,325)	544,273 30
Hydrants (348)			1,217,827 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	10,494	(2,325)	12,136,386
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			235,247 34
Office Furniture and Equipment (391)			19,990 35
Computer Equipment (391.1)			106,168 36
Transportation Equipment (392)			36,776 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	398,181
Total utility plant in service directly assignable	10,494	(2,325)	15,010,247
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	10,494	(2,325)	15,010,247

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

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			17,700	17,700	1
February			13,750	13,750	2
March			16,492	16,492	3
April			17,573	17,573	4
May			17,772	17,772	5
June			20,194	20,194	6
July			32,993	32,993	7
August			22,575	22,575	8
September			13,607	13,607	9
October			14,677	14,677	10
November			15,536	15,536	11
December			16,639	16,639	12
Total annual pumpage	0	0	219,508	219,508	
Less: Water sold				209,185	13
Volume pumped but not sold				10,323	14
Volume sold as a percent of volume pumped				95%	15
Volume used for water production, water quality and system maintenance				5,600	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				5,600	19
Volume pumped but unaccounted for				4,723	20
Percent of water lost				2%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
2001 was first full year for radio read meters for customer base & estimated flushing gallons higher than previous years					
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				1,525	23
Date of maximum: 7/14/2001					24
Cause of maximum:					25
Unusually hot & dry summer 2001					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				176	26
Date of minimum: 10/13/2001					27
Total KWH used for pumping for the year				367,726	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

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)	
JANESVILLE RD	Well #7	260	16	1,296	Yes	1
RACINE AVE BEHIND P.D.	WELL#2	90	12	1,036	Yes	2
ERIN CT	WELL#3	330	10	252	Yes	3
BAY LANE	WELL#4	1,350	8	252	Yes	4
KRISTEN CT	WELL#5	1,400	8	828	Yes	5
ST LEONARDS DR	WELL#6	1,100	8	252	Yes	6

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	BOOSTER PUMP #1	BOOSTER PUMP #2	BOOSTER PUMP #3	1
Location	S7971 HILLENDALE DR	S7971 HILLENDALE DR	S7971 HILLENDALE DR	2
Purpose	B	B	B	3
Destination	D	D	D	4
Pump Manufacturer	AURORA	AURORA	AURORA	5
Year Installed	1995	1995	1995	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	250	250	1,000	8
Pump Motor or Standby Engine Mfr	U.S. MOTORS	U.S. MOTORS	U.S. MOTORS	9 10
Year Installed	1995	1995	1995	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	15	15	30	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	BOOSTER PUMP 1	BOOSTER PUMP 2	WELL #3	14
Location	S8350 HILLENDALE DR	S8350 HILLENDALE DR	ERIN CT	15
Purpose	S	S	P	16
Destination	D	D	D	17
Pump Manufacturer	AURORA	AURORA	G.E.	18
Year Installed	1991	1991	1999	19
Type	CENTRIFUGAL	CENTRIFUGAL	VERTICAL TURBINE	20
Actual Capacity (gpm)	470	470	175	21
Pump Motor or Standby Engine Mfr	U.S. MOTORS	U.S. MOTORS	V.H.S.	22 23
Year Installed	1991	1991	1999	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	10	10	25	26

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 #4	WELL #5	WELL #6	1
Location	BAY LANE	KRISTIN CT	ST. LEONARDS DR	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	BYRON-JACKSON	E.S.P.	GOULD	5
Year Installed	1976	1997	1996	6
Type	VERTICAL TURBINE	SUBMERSIBLE	SUBMERSIBLE	7
Actual Capacity (gpm)	175	575	175	8
Pump Motor or Standby Engine Mfr	FRANKLIN	E.S.P. INC.	FRANKLIN ELEC	9 10
Year Installed	1976	1997	1996	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	40	150	40	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	WELL #7	WELL#2		14
Location	COUNTY PARK	RACINE AVE		15
Purpose	P	P		16
Destination	D	D		17
Pump Manufacturer	GOULDS	GOULDS		18
Year Installed	1998	1998		19
Type	VERTICAL TURBINE	VERTICAL TURBINE		20
Actual Capacity (gpm)	720	720		21
Pump Motor or Standby Engine Mfr	US MOTORS	US MOTORS		22 23
Year Installed	1998	1998		24
Type	ELECTRIC	ELECTRIC		25
Horsepower	100	60		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	C2995	C5223		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
				3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	ET		4
				5
Year constructed	1995	1986		6
				7
Primary material (earthen, steel, concrete, other)	STEEL	STEEL		8
				9
Elevation difference in feet (See Headnote 3.)	37	137		10
				11
Total capacity in gallons (actual)	750,000	250,000		12
WATER TREATMENT PLANT				13
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID			14
				15
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE			16
				17
Filters, type (gravity, pressure, other, none)	NONE			18
				19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	1.0000			20
				21
Is a corrosion control chemical used (yes, no)?	N			22
				23
Is water fluoridated (yes, no)?	N			24
				25

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	9,516	0	0	0	9,516	1
P	D	6.000	15,745	1,111	0	0	16,856	2
M	D	8.000	11,035	0	0	0	11,035	3
P	D	8.000	68,287	12,028	0	0	80,315	4
P	D	10.000	15,991	0	0	0	15,991	5
M	D	12.000	1,642	0	0	0	1,642	6
P	D	12.000	49,933	3,300	0	0	53,233	7
P	S	12.000	2,500	0	0	0	2,500	8
M	D	16.000	116	0	0	0	116	9
P	D	16.000	17,133	1,716	0	0	18,849	10
Total Within Municipality			191,898	18,155	0	0	210,053	
Total Utility			191,898	18,155	0	0	210,053	

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	1	0	0	0	1		1
M	1.000	2,107	0	0	0	2,107	133	2
M	1.250	3	168	0	0	171	114	3
M	1.500	29	0	0	0	29		4
M	1.750	5	0	0	0	5		5
M	2.000	134	0	0	0	134	30	6
M	4.000	7	0	0	0	7		7
M	6.000	12	0	0	0	12	3	8
M	8.000	3	0	0	0	3	1	9
Total Utility		2,301	168	0	0	2,469	281	

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 (o).
5. Explain all reported adjustments as a schedule footnote.

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	2,155	288	110	0	2,333	60	1
0.750	60	1	9	0	52	0	2
1.000	55	0	1	0	54	0	3
1.500	22	0	0	(1)	21	2	4
2.000	30	0	0	0	30	6	5
3.000	9	0	0	0	9	0	6
4.000	0	1			1		7
Total:	2,331	290	120	(1)	2,500	68	

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	2,030	55	10	1	3	234	2,333	1
0.750	18	7	8	3	3	13	52	2
1.000	3	21	16	4	4	6	54	3
1.500	0	7	6	2	0	6	21	4
2.000	0	21	4	4	0	1	30	5
3.000	0	0	0	1	8	0	9	6
4.000				1			1	7
Total:	2,051	111	44	16	18	260	2,500	

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	522	49			571	2
Total Fire Hydrants	522	49	0	0	571	
Flushing Hydrants						
	2				2	3
Total Flushing Hydrants	2	0	0	0	2	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year

Number of hydrants operated during year:	522
Number of distribution system valves end of year:	567
Number of distribution valves operated during year:	284

WATER OPERATING SECTION FOOTNOTES

Water Operating Revenues - Sales of Water (Page W-02)

Gallons sold for Commercial customers include Commercial Haulers for filling swimming pools actual metered use from hydrants.

Commercial metered gallons corrected per email response of utility dated 10/31/02, etc

Dawn -

I have all the information I need on revenues. I would suggest that you revise the volumes in your 2001 annual report and we will do the same here. I am using 155,939 mgal for residential and 4,633 mgal for public authority. Thanks.

Kathy 2/22/03

Water Operation & Maintenance Expenses (Page W-05)

Account #650- This account used to report amortization of Water tower expenses

Account #651-Utility experienced more than usual watermain breaks due to Woods Rd recon project.

Account #653 The Utility was changing out old meters and replacing with new equipment. Also, Utility foreman recored a large portion of his time spent file maintaining Arch View meter inventory system.

Account #654-Hydrant repairs necessary as a result of Woods Rd recon project

Pumping and Purchased Water Statistics (Page W-10)

Dawn -

I have all the information I need on revenues. I would suggest that you revise the volumes in your 2001 annual report and we will do the same here. I am using 155,939 mgal for residential and 4,633 mgal for public authority. Thanks.

Kathy 2/22/03

Sources of Water Supply - Ground Waters (Page W-11)

Previous years were reported as actual. Changed reporting to what wells are capable of yielding

Water Services (Page W-16)

A manual spreadsheet that keeps track of laterals in use was not updated for the years of 2000 & 2001.

Meters (Page W-17)

Adjustment made for 1 1-1/2" meter. Total agrees with actual
