



3015 (02-09-04)

**ANNUAL REPORT**

OF

Name: PHELPS SANITARY DISTRICT NO. 1

---

Principal Office: P.O. BOX 227  
PHELPS, WI 54554

---

For the Year Ended: DECEMBER 31, 2002

---

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
 <b>FINANCIAL SECTION</b>	
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
 <b>WATER OPERATING SECTION</b>	
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:** PHELPS SANITARY DISTRICT NO. 1

**Utility Address:** P.O. BOX 227  
PHELPS, WI 54554

**When was utility organized?** 4/3/1969

**Report any change in name:**

**Effective Date:**

**Utility Web Site:**

**Utility employee in charge of correspondence concerning this report:**

**Name:** PATRICIA A. GILL

**Title:** BOOKKEEPER

**Office Address:**

2789 ST LOUIS RD  
PHELPS, WI 54554

**Telephone:** (715) 545 - 3409

**Fax Number:** (715) 545 - 3409

**E-mail Address:** gill@newnorth.net

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

**Name:**

**Title:**

**Office Address:**

**Telephone:** ( ) -

**Fax Number:** ( ) -

**E-mail Address:**

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

**Name:** JOHN BARRON

**Title:** PRESIDENT

**Office Address:**

P.O. BOX 227  
PHELPS, WI 54554

**Telephone:** (741) 554 - 5284

**Fax Number:** (715) 545 - 3725

**E-mail Address:** barron@newnorth.net

**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:** LEE LIERMANN

**Title:** ACCOUNTANT

**Office Address:** WIPFLI ULLRICH BERTELSON

415 WALL ST

P.O. BOX 1268

EAGLE RIVER, WI 54521

**Telephone:** (715) 479 - 6474

**Fax Number:** (715) 479 - 7915

**E-mail Address:** lliermann@wipfli.com

**Date of most recent audit report:** 4/15/2002

**Period covered by most recent audit:** 01/01/2001 - 12/31/2001

---

**Names and titles of utility management including manager or superintendent:**

---

**Name:** MR BUD PETRICK

**Title:** MANAGER

**Office Address:**

P.O. BOX 227

PHELPS, WI 54554

**Telephone:** (715) 545 - 3222

**Fax Number:** (715) 545 - 3222

**E-mail Address:** LPETRICK@NEWNORTH.NET

---

**Name of utility commission/committee:** n/a

---

**Names of members of utility commission/committee:**

MR JAMES ADAMS, SECRETARY

MR JOHN BARRON, PRESIDENT

MR JACK PAGE, TREASURER

---

**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. § 66.0819 of the Wisconsin Statutes?** YES

**Date of Ordinance:** 4/3/1969

**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:** ( ) - EXT

**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)	
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	65,344	68,687	1
<b>Operating Expenses:</b>			
Operation and Maintenance Expense (401)	33,148	30,866	2
Depreciation Expense (403)	20,294	22,745	3
Amortization Expense (404)	0	0	4
Taxes (408)	1,311	1,084	5
<b>Total Operating Expenses</b>	<b>54,753</b>	<b>54,695</b>	
<b>Net Operating Income</b>	<b>10,591</b>	<b>13,992</b>	
Income from Utility Plant Leased to Others (412-413)	0	0	6
<b>Utility Operating Income</b>	<b>10,591</b>	<b>13,992</b>	
<b>OTHER INCOME</b>			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	2,790	5,046	9
Miscellaneous Nonoperating Income (421)	20,908	4,946	10
<b>Total Other Income</b>	<b>23,698</b>	<b>9,992</b>	
<b>Total Income</b>	<b>34,289</b>	<b>23,984</b>	
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
<b>Total Miscellaneous Income Deductions</b>	<b>0</b>	<b>0</b>	
<b>Income Before Interest Charges</b>	<b>34,289</b>	<b>23,984</b>	
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	63,707	61,532	13
Amortization of Debt Discount and Expense (428)	0		14
Amortization of Premium on Debt--Cr. (429)	0		15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	158	753	17
Interest Charged to Construction--Cr. (432)	0		18
<b>Total Interest Charges</b>	<b>63,865</b>	<b>62,285</b>	
<b>Net Income</b>	<b>(29,576)</b>	<b>(38,301)</b>	
<b>EARNED SURPLUS</b>			
Unappropriated Earned Surplus (Beginning of Year) (216)	(343,724)	(305,423)	19
Balance Transferred from Income (433)	(29,576)	(38,301)	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
<b>Total Unappropriated Earned Surplus End of Year (216)</b>	<b>(373,300)</b>	<b>(343,724)</b>	

### 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)	
<b>Revenues from Utility Plant Leased to Others (412):</b>		
NONE		1
<b>Total (Acct. 412):</b>	<b>0</b>	
<b>Expenses of Utility Plant Leased to Others (413):</b>		
NONE		2
<b>Total (Acct. 413):</b>	<b>0</b>	
<b>Nonoperating Rental Income (418):</b>		
NONE		3
<b>Total (Acct. 418):</b>	<b>0</b>	
<b>Interest and Dividend Income (419):</b>		
INTEREST INCOME	2,790	4
<b>Total (Acct. 419):</b>	<b>2,790</b>	
<b>Miscellaneous Nonoperating Income (421):</b>		
SEWER NET INCOME	20,908	5
<b>Total (Acct. 421):</b>	<b>20,908</b>	
<b>Miscellaneous Amortization (425):</b>		
NONE		6
<b>Total (Acct. 425):</b>	<b>0</b>	
<b>Other Income Deductions (426):</b>		
NONE		7
<b>Total (Acct. 426):</b>	<b>0</b>	
<b>Miscellaneous Credits to Surplus (434):</b>		
NONE		8
<b>Total (Acct. 434):</b>	<b>0</b>	
<b>Miscellaneous Debits to Surplus (435):</b>		
NONE		9
<b>Total (Acct. 435)--Debit:</b>	<b>0</b>	
<b>Appropriations of Surplus (436):</b>		
Detail appropriations to (from) account 215		10
<b>Total (Acct. 436)--Debit:</b>	<b>0</b>	
<b>Appropriations of Income to Municipal Funds (439):</b>		
NONE		11
<b>Total (Acct. 439)--Debit:</b>	<b>0</b>	

**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
<b>Costs and Expenses of Merchandising, Jobbing and Contract Work (416):</b>						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
<b>Other (list by major classes):</b>						
NONE					0	6
<b>Total costs and expenses</b>	0	0	0	0	0	
<b>Net income (or loss)</b>	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	65,344	0	0	0	65,344	1
Less: interdepartmental sales	0	0	0	0	0	2
Less: interdepartmental rents	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
<b>Other Increases or (Decreases) to Operating Revenues - Specify:</b>						
NONE					0	6
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>65,344</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>65,344</b>	

### BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>UTILITY PLANT</b>			
Utility Plant (100)	970,389	989,126	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	235,900	218,510	2
<b>Net Utility Plant</b>	<b>734,489</b>	<b>770,616</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property (121)	1,631,579	1,647,342	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	495,800	459,181	4
<b>Net Nonutility Property</b>	<b>1,135,779</b>	<b>1,188,161</b>	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	2,251	6
Special Funds (125)	67,836	60,008	7
<b>Total Other Property and Investments</b>	<b>1,203,615</b>	<b>1,250,420</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash and Working Funds (131)	49,468	22,304	8
Temporary Cash Investments (132)	0	0	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	6,630	9,530	11
Other Accounts Receivable (143)	24,741	18,281	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	10,533	6,315	14
Materials and Supplies (150)	1,394	1,394	15
Prepayments (165)	3,673	3,258	16
Other Current and Accrued Assets (170)	0	0	17
<b>Total Current and Accrued Assets</b>	<b>96,439</b>	<b>61,082</b>	
<b>DEFERRED DEBITS</b>			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	17,011	3,317	20
<b>Total Deferred Debits</b>	<b>17,011</b>	<b>3,317</b>	
<b>Total Assets and Other Debits</b>	<b>2,051,554</b>	<b>2,085,435</b>	

**BALANCE SHEET**

<b>Liabilities and Other Credits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>PROPRIETARY CAPITAL</b>			
Capital Paid in by Municipality (200)	0	0	<b>21</b>
Appropriated Earned Surplus (215)	0	0	<b>22</b>
Unappropriated Earned Surplus (216)	(373,300)	(343,724)	<b>23</b>
<b>Total Proprietary Capital</b>	<b>(373,300)</b>	<b>(343,724)</b>	
<b>LONG-TERM DEBT</b>			
Bonds (221)	1,060,200	1,080,800	<b>24</b>
Advances from Municipality (223)	0	0	<b>25</b>
Other long-Term Debt (224)	206,893	141,588	<b>26</b>
<b>Total Long-Term Debt</b>	<b>1,267,093</b>	<b>1,222,388</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable (231)	0	52,115	<b>27</b>
Accounts Payable (232)	2,455	2,359	<b>28</b>
Payables to Municipality (233)	0	0	<b>29</b>
Customer Deposits (235)	0	0	<b>30</b>
Taxes Accrued (236)	1,215	1,439	<b>31</b>
Interest Accrued (237)	12,129	8,810	<b>32</b>
Other Current and Accrued Liabilities (238)	304	390	<b>33</b>
<b>Total Current and Accrued Liabilities</b>	<b>16,103</b>	<b>65,113</b>	
<b>DEFERRED CREDITS</b>			
Unamortized Premium on Debt (251)	0	0	<b>34</b>
Customer Advances for Construction (252)	0	0	<b>35</b>
Other Deferred Credits (253)	0	0	<b>36</b>
<b>Total Deferred Credits</b>	<b>0</b>	<b>0</b>	
<b>OPERATING RESERVES</b>			
Miscellaneous Operating Reserves (265)	0	0	<b>37</b>
<b>Total Operating Reserves</b>	<b>0</b>	<b>0</b>	
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
Contributions in Aid of Construction (271)	1,141,658	1,141,658	<b>38</b>
<b>Total Liabilities and Other Credits</b>	<b>2,051,554</b>	<b>2,085,435</b>	

**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)	
<b>Plant Accounts:</b>					
Utility Plant in Service (100)	970,389	0	0	0	1
Utility Plant Purchased or Sold (391)	0				2
Utility Plant in Process of Reclassification (392)	0				3
Utility Plant Leased to Others (393)	0				4
Property Held for Future Use (394)	0				5
Construction Work in Progress (395)	0				6
Utility Plant Acquisition Adjustments (396)	0				7
Other Utility Plant Adjustments (397)	0				8
<b>Total Utility Plant</b>	<b>970,389</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Accumulated Provision for Depreciation and Amortization:</b>					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	235,900	0	0	0	9
<b>Total Accumulated Provision</b>	<b>235,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Utility Plant</b>	<b>734,489</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## 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)	
<b>Balance first of year</b>	218,510				<b>218,510</b>	<b>1</b>
<b>Credits During Year</b>						<b>2</b>
<b>Accruals:</b>						<b>3</b>
Charged depreciation expense (403)	20,294				<b>20,294</b>	<b>4</b>
Depreciation expense on meters						<b>5</b>
charged to sewer (see Note 3)	0				<b>0</b>	<b>6</b>
Accruals charged other						<b>7</b>
accounts (specify):						<b>8</b>
NONE	0				<b>0</b>	<b>9</b>
Salvage	0				<b>0</b>	<b>10</b>
Other credits (specify):						<b>11</b>
	0				<b>0</b>	<b>12</b>
<b>Total credits</b>	<b>20,294</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,294</b>	<b>13</b>
<b>Debits during year</b>						<b>14</b>
Book cost of plant retired	0				<b>0</b>	<b>15</b>
Cost of removal	0				<b>0</b>	<b>16</b>
Other debits (specify):						<b>17</b>
TO REMOVE PRIOR WATER AMO	2,904				<b>2,904</b>	<b>18</b>
<b>Total debits</b>	<b>2,904</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,904</b>	<b>19</b>
<b>Balance End of Year</b>	<b>235,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>235,900</b>	<b>20</b>
<b>Composite Depreciation Rate?</b>	No					<b>21</b>
If yes, what is the rate?						<b>22</b>

**NET NONUTILITY PROPERTY (ACCTS. 121 & 122)**

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

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	1,647,342	0	15,763	1,631,579	1
<b>Other (specify):</b>					
NONE	0	0	0	0	2
<b>Total Nonutility Property (121)</b>	<b>1,647,342</b>	<b>0</b>	<b>15,763</b>	<b>1,631,579</b>	
Less accum. prov. depr. & amort. (122)	459,181	36,619	0	495,800	3
<b>Net Nonutility Property</b>	<b>1,188,161</b>	<b>(36,619)</b>	<b>15,763</b>	<b>1,135,779</b>	

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

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

### MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	1,394	1,394 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
<b>Total Materials and Supplies</b>	<b>1,394</b>	<b>1,394</b>

**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)		
<b>Unamortized debt discount &amp; expense (181)</b>				
N/A	0	0	0	1
<b>Total</b>			<b>0</b>	
<b>Unamortized premium on debt (251)</b>				
N/A	0	0	0	2
<b>Total</b>			<b>0</b>	

**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	0 1
<b>Changes during year (explain):</b>	
NONE	0 2
<b>Balance end of year</b>	<b><u>0</u></b>

**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)	
1-REVENUE BONDS-GMAC CREDIT-02	09/26/1972	01/01/2012	5.00%	148,000	<b>1</b>
2-REVENUE BONDS-GMAC CREDIT-05	12/29/1983	01/01/2018	5.00%	200,000	<b>2</b>
4-REVENUE BONDS-USDA-06	06/20/1996	06/01/2036	4.88%	118,300	<b>3</b>
3-REVENUE BONDS-USDA-01	06/20/1996	06/01/2036	4.88%	315,700	<b>4</b>
2-REVENUE BONDS-USDA-03	06/20/1996	06/01/2036	4.88%	123,900	<b>5</b>
1-REVENUE BONDS-USDA-05	06/20/1996	06/01/2036	4.88%	154,300	<b>6</b>
<b>Total Bonds (Account 221):</b>				<b>1,060,200</b>	

**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)	
<b>Other Long-Term Debt (224)</b>					
SEWER LAGOON CONSTRUCTION LOAN	01/26/2000	03/15/2009	5.25%	126,893	1
PUBLIC LANDS LOAN	01/26/2000	03/15/2009	5.25%	80,000	2
<b>Total for Account 224</b>				<b>206,893</b>	
<b>Notes Payable (231)</b>					
CASH ADVANCE FROM 1ST NATIONAL	01/01/2002	01/01/2002	5.25%	0	3
<b>Total for Account 231</b>				<b>0</b>	

**TAXES ACCRUED (ACCT. 236)**

Particulars (a)	Amount (b)	
Balance first of year	1,439	1
<b>Accruals:</b>		
Charged water department expense	1,311	2
Charged electric department expense	0	3
Charged sewer department expense	2,905	4
<b>Other (explain):</b>		
PAYROLL WITHHOLDINGS	9,933	5
<b>Total Accruals and other credits</b>	<b>14,149</b>	
<b>Taxes paid during year:</b>		
County, state and local taxes	0	6
Social Security taxes	8,371	7
PSC Remainder Assessment	66	8
<b>Other (explain):</b>		
PAYROLL WITHHOLDINGS	5,936	9
<b>Total payments and other debits</b>	<b>14,373</b>	
<b>Balance end of year</b>	<b>1,215</b>	

### 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)	
<b>Bonds (221)</b>					
GMAC CREDIT BONDS	0	18,050	18,050	0	1
USDA BONDS	2,884	34,872	34,905	2,851	2
<b>Subtotal</b>	<b>2,884</b>	<b>52,922</b>	<b>52,955</b>	<b>2,851</b>	
<b>Advances from Municipality (223)</b>					
NONE	0	0	0	0	3
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Other long-Term Debt (224)</b>					
SEWER LAGOON CONSTRUCTION LOAN-USDA	5,926	6,818	7,433	5,311	4
PUBLIC LANDS LOAN		3,967		3,967	5
<b>Subtotal</b>	<b>5,926</b>	<b>10,785</b>	<b>7,433</b>	<b>9,278</b>	
<b>Notes Payable (231)</b>					
INTEREST TO FIRST NATIONAL BANK ON LOC ACCT	0	158	158	0	6
<b>Subtotal</b>	<b>0</b>	<b>158</b>	<b>158</b>	<b>0</b>	
<b>Total</b>	<b>8,810</b>	<b>63,865</b>	<b>60,546</b>	<b>12,129</b>	

**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	408,374	0	0	733,284	0	<b>1,141,658</b>	<b>1</b>
<b>Add credits during year:</b>							
For Services	0	0	0	0	0	<b>0</b>	<b>2</b>
For Mains	0	0	0	0	0	<b>0</b>	<b>3</b>
<b>Other (specify):</b>							
NONE	0	0	0	0	0	<b>0</b>	<b>4</b>
<b>Deduct charges (specify):</b>							
NONE	0	0	0	0	0	<b>0</b>	<b>5</b>
<b>Balance End of Year</b>	<b>408,374</b>	<b>0</b>	<b>0</b>	<b>733,284</b>	<b>0</b>	<b>1,141,658</b>	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						<b>0</b>	<b>6</b>

### 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)
<b>Investment in Municipality (123):</b>		
NONE	0	1
<b>Total (Acct. 123):</b>	<b>0</b>	
<b>Other Investments (124):</b>		
NONE	0	2
<b>Total (Acct. 124):</b>	<b>0</b>	
<b>Special Funds (125):</b>		
GMAC CREDIT RESERVE	36,000	3
USDA RESERVE - WATER	19,404	4
USDA RESERVE - SEWER	12,432	5
<b>Total (Acct. 125):</b>	<b>67,836</b>	
<b>Notes Receivable (141):</b>		
NONE	0	6
<b>Total (Acct. 141):</b>	<b>0</b>	
<b>Customer Accounts Receivable (142):</b>		
Water	6,630	7
Electric	0	8
Sewer (Regulated)	0	9
<b>Other (specify):</b>		
NONE	0	10
<b>Total (Acct. 142):</b>	<b>6,630</b>	
<b>Other Accounts Receivable (143):</b>		
Sewer (Non-regulated)	24,741	11
Merchandising, jobbing and contract work	0	12
<b>Other (specify):</b>		
NONE	0	13
<b>Total (Acct. 143):</b>	<b>24,741</b>	
<b>Receivables from Municipality (145):</b>		
DELINQUENT ACCOUNTS - 2002	10,533	14
<b>Total (Acct. 145):</b>	<b>10,533</b>	
<b>Prepayments (165):</b>		
INSURANCE	3,673	15
<b>Total (Acct. 165):</b>	<b>3,673</b>	
<b>Extraordinary Property Losses (182):</b>		
NONE	0	16
<b>Total (Acct. 182):</b>	<b>0</b>	

### 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.

<b>Particulars (a)</b>	<b>Balance</b>	<b>End of Year (b)</b>
<b>Other Deferred Debits (183):</b>		
WATER	17,011	17
<b>Total (Acct. 183):</b>	<b>17,011</b>	
<b>Payables to Municipality (233):</b>		
NONE	0	18
<b>Total (Acct. 233):</b>	<b>0</b>	
<b>Other Deferred Credits (253):</b>		
NONE	0	19
<b>Total (Acct. 253):</b>	<b>0</b>	

### 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)	
<b>Add Average:</b>						
Utility Plant in Service	979,757	0	0	0	979,757	1
Materials and Supplies	1,394	0	0	0	1,394	2
<b>Other (specify):</b>						
NONE	0				0	3
<b>Less Average:</b>						
Reserve for Depreciation	227,205	0	0	0	227,205	4
Customer Advances for Construction	0				0	5
Contributions in Aid of Construction	408,374	0	0	0	408,374	6
<b>Other (specify):</b>						
NONE					0	7
<b>Average Net Rate Base</b>	<b>345,572</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>345,572</b>	
Net Operating Income	10,591	0	0	0	10,591	8
<b>Net Operating Income as a percent of Average Net Rate Base</b>						
	<b>3.06%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>3.06%</b>	

## 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)	
<b>Average Proprietary Capital</b>		
Capital Paid in by Municipality	0	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(358,512)	3
<b>Other (Specify):</b>		
NONE		4
<b>Total Average Proprietary Capital</b>	<b><u>(358,512)</u></b>	
<b>Net Income</b>		
Net Income	(29,576)	5
<b>Percent Return on Proprietary Capital</b>	<b><u><u>N/A</u></u></b>	

---

## 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

---

### Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110) (Page F-07)

F7-2904.00 IS TO REMOVE PRIOR AMORITZATION FOR PAINTING THE WATER TOWER PER PSC REQUEST.

---

### Interest Accrued (Acct. 237) (Page F-16)

INTEREST WAS PAID AFTER THE FIRST OF THE YEAR. THE LOAN WAS RETIRED AS OF JANUARY 3, 2002.

---

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

(ACCOUNT #183) IS BEING AMORTIZED OVER SEVEN YEARS. ACCUMULATED AMORTIZATION AT THE END OF 2002 \$13694.00 RESULTING IN A BALANCE OF \$17011.00.

---

---

## FINANCIAL SECTION FOOTNOTES

---

### Identification and Ownership - Contacts (Page iv)

8/29/03 response email:  
Dear Ms. Engelke,

I apologize for how late this response is.

As far as issue #1. The amount reported on account 474 is Non-operating income, property tax levy, meter turn-on and lease income.

For issue #2. The lines were laid down years ago & approved by the board not to bill the customers when the subdivision was being developed.

For issue #3. I had talked to a representative from the PSC before filing my report. I had brought it to her attention the meter counts didn't match. She asked me to make the adjustments as best I could. As far as the 3/4" service being added to the report, I talked to the operator and he assured me that the service was added and that the customer was billed.

I hope that this has answered all of your questions adequately. If you have any more questions, please e-mail me at gill@newnorth.net or phone me at 715-545-3409.

Sincerely,

Patricia Gill  
Bookkeeper  
Phelps Sanitary District #1

8/1/03 email:  
Dear Ms. Gill:

The Public Service Commission (Commission) staff has completed its analytical review of your utility's 2002 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. On Page W-4, an amount is reported in Account 474 described as "none". Please furnish more detail explaining this amount.
2. On Page W-16, three water services are added. A footnote to that schedule indicates that customers paid in separate billings; however, corresponding dollars are not reported added in Account 345, Services, Page W-8. Please furnish an explanation. In addition, if customer's paid for the services, please explain under what basis were they charged, i.e. special assessments or the utility's Cz-1 tariff, and why contributions are not reported in Account 271, Page F-17.
3. The schedule footnote to Page W-16 explains the adjustment removing two services from the Water Services schedule. However, please explain the adjustment adding a 3/4-inch service to the schedule.

Responding to the questions posed from the analytical review does not

---

## FINANCIAL SECTION FOOTNOTES

---

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

---

**WATER OPERATING REVENUES & EXPENSES**

Particulars (a)	Amounts (b)	
<b>Operating Revenues</b>		
<b>Sales of Water</b>		
Sales of Water (460-467)	53,215	1
<b>Total Sales of Water</b>	<b>53,215</b>	
<b>Other Operating Revenues</b>		
Forfeited Discounts (470)	(2,277)	2
Other Water Revenues (474)	14,406	3
Amortization of Construction Grants (475)	0	4
<b>Total Other Operating Revenues</b>	<b>12,129</b>	
<b>Total Operating Revenues</b>	<b>65,344</b>	
<b>Operation and Maintenance Expenses</b>		
Plant Operation and Maintenance Expenses (600-660)	20,724	5
General Operating Expenses (680-690)	12,424	6
<b>Total Operation and Maintenance Expenses</b>	<b>33,148</b>	
<b>Other Operating Expenses</b>		
Depreciation Expense (403)	20,294	7
Amortization Expense (404)	0	8
Taxes (408)	1,311	9
<b>Total Other Operating Expenses</b>	<b>21,605</b>	
<b>Total Operating Expenses</b>	<b>54,753</b>	
<b>NET OPERATING INCOME</b>	<b>10,591</b>	

## 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)	
<b>Operating Revenues</b>				
<b>Sales of Water</b>				
Unmetered Sales to General Customers (460)				
Residential	0			1
Commercial	0			2
Industrial	0			3
<b>Total Unmetered Sales to General Customers (460)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Metered Sales to General Customers (461)				
Residential	150	5,012	23,909	4
Commercial	22	2,757	7,982	5
Industrial	1	434	774	6
<b>Total Metered Sales to General Customers (461)</b>	<b>173</b>	<b>8,203</b>	<b>32,665</b>	
Private Fire Protection Service (462)	0			7
Public Fire Protection Service (463)	1		18,646	8
Other Sales to Public Authorities (464)	13	2,996	1,904	9
Sales to Irrigation Customers (465)	0	0	0	10
Sales for Resale (466)	0	0	0	11
Interdepartmental Sales (467)				12
<b>Total Sales of Water</b>	<b>187</b>	<b>11,199</b>	<b>53,215</b>	

### 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)
N/A	N/A	0	0 1
<b>Total</b>		<b>0</b>	<b>0</b>

### 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)	
<b>Public Fire Protection Service (463):</b>		
Amount billed (usually per rate schedule F-1 or Fd-1)	18,646	1
Wholesale fire protection billed	0	2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)	0	3
<b>Other (specify):</b>		
NONE	0	4
<b>Total Public Fire Protection Service (463)</b>	<b>18,646</b>	
<b>Forfeited Discounts (470):</b>		
Customer late payment charges	(2,277)	5
<b>Other (specify):</b>		
NONE	0	6
<b>Total Forfeited Discounts (470)</b>	<b>(2,277)</b>	
<b>Other Water Revenues (474):</b>		
Return on net investment in meters charged to sewer department	672	7
<b>Other (specify):</b>		
NONE	13,734	8
<b>Total Other Water Revenues (474)</b>	<b>14,406</b>	
<b>Amortization of Construction Grants (475):</b>		
NONE	0	9
<b>Total Amortization of Construction Grants (475)</b>	<b>0</b>	

## 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.

<b>Particulars (a)</b>	<b>Amount (b)</b>	
<b>PLANT OPERATION AND MAINTENANCE EXPENSES</b>		
Salaries and Wages (600)	11,835	1
Purchased Water (610)	0	2
Fuel or Power Purchased for Pumping (620)	3,549	3
Chemicals (630)	749	4
Supplies and Expenses (640)	965	5
Repairs of Water Plant (650)	2,818	6
Transportation Expenses (660)	808	7
<b>Total Plant Operation and Maintenance Expenses</b>	<b>20,724</b>	
<b>GENERAL OPERATING EXPENSES</b>		
Administrative and General Salaries (680)	3,423	8
Office Supplies and Expenses (681)	1,434	9
Outside Services Employed (682)	2,311	10
Insurance Expense (684)	2,301	11
Employees Pensions and Benefits (686)	2,256	12
Regulatory Commission Expenses (688)	0	13
Miscellaneous General Expenses (689)	699	14
Uncollectible Accounts (690)	0	15
<b>Total General Operating Expenses</b>	<b>12,424</b>	
<b>Total Operation and Maintenance Expenses</b>	<b>33,148</b>	

**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
<b>Net property tax equivalent</b>		<b>0</b>	
Social Security		1,245	3
PSC Remainder Assessment		66	4
Other (specify): NONE			5
<b>Total tax expense</b>		<b>1,311</b>	

### 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)	
<b>INTANGIBLE PLANT</b>			
Organization (301)	0	0	1
Franchises and Consents (302)	0	0	2
Miscellaneous Intangible Plant (303)	0	0	3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)	4,499	0	4
Structures and Improvements (311)	146,159	0	5
Collecting and Impounding Reservoirs (312)	0	0	6
Lake, River and Other Intakes (313)	0	0	7
Wells and Springs (314)	141,002	0	8
Infiltration Galleries and Tunnels (315)	0	0	9
Supply Mains (316)	17,778	0	10
Other Water Source Plant (317)	0	0	11
<b>Total Source of Supply Plant</b>	<b>309,438</b>	<b>0</b>	
<b>PUMPING PLANT</b>			
Land and Land Rights (320)	0	0	12
Structures and Improvements (321)	12,968	0	13
Boiler Plant Equipment (322)	0	0	14
Other Power Production Equipment (323)	0	0	15
Steam Pumping Equipment (324)	0	0	16
Electric Pumping Equipment (325)	123,733	0	17
Diesel Pumping Equipment (326)	0	0	18
Hydraulic Pumping Equipment (327)	0	0	19
Other Pumping Equipment (328)	3,731	628	20
<b>Total Pumping Plant</b>	<b>140,432</b>	<b>628</b>	
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)	0	0	21
Structures and Improvements (331)	0	0	22
Water Treatment Equipment (332)	26,690	0	23
<b>Total Water Treatment Plant</b>	<b>26,690</b>	<b>0</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)	436	0	24
Structures and Improvements (341)	0	0	25

**WATER UTILITY PLANT IN SERVICE (cont.)**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>INTANGIBLE PLANT</b>			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)			4,499 4
Structures and Improvements (311)			146,159 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			141,002 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			17,778 10
Other Water Source Plant (317)			0 11
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>0</b>	<b>309,438</b>
<b>PUMPING PLANT</b>			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			12,968 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			123,733 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)	0		4,359 20
<b>Total Pumping Plant</b>	<b>0</b>	<b>0</b>	<b>141,060</b>
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			26,690 23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	<b>26,690</b>
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)			436 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)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Distribution Reservoirs and Standpipes (342)	44,328	0	<b>26</b>
Transmission and Distribution Mains (343)	348,767	0	<b>27</b>
Fire Mains (344)	0	0	<b>28</b>
Services (345)	53,884	0	<b>29</b>
Meters (346)	10,984	0	<b>30</b>
Hydrants (348)	29,576	0	<b>31</b>
Other Transmission and Distribution Plant (349)	0	0	<b>32</b>
<b>Total Transmission and Distribution Plant</b>	<b>487,975</b>	<b>0</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (370)	0	0	<b>33</b>
Structures and Improvements (371)	9,812	0	<b>34</b>
Office Furniture and Equipment (372)	132	0	<b>35</b>
Computer Equipment (372.1)	4,027	0	<b>36</b>
Transportation Equipment (373)	7,657	0	<b>37</b>
Other General Equipment (379)	2,963	0	<b>38</b>
Other Tangible Property (390)	0	0	<b>39</b>
<b>Total General Plant</b>	<b>24,591</b>	<b>0</b>	
<b>Total utility plant in service directly assignable</b>	<b>989,126</b>	<b>628</b>	
Common Utility Plant Allocated to Water Department	0	0	<b>40</b>
<b>Total utility plant in service</b>	<b>989,126</b>	<b>628</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Distribution Reservoirs and Standpipes (342)		(19,365)	24,963 26
Transmission and Distribution Mains (343)			348,767 27
Fire Mains (344)			0 28
Services (345)			53,884 29
Meters (346)			10,984 30
Hydrants (348)			29,576 31
Other Transmission and Distribution Plant (349)			0 32
<b>Total Transmission and Distribution Plant</b>	<b>0</b>	<b>(19,365)</b>	<b>468,610</b>
<b>GENERAL PLANT</b>			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			9,812 34
Office Furniture and Equipment (372)			132 35
Computer Equipment (372.1)			4,027 36
Transportation Equipment (373)			7,657 37
Other General Equipment (379)			2,963 38
Other Tangible Property (390)			0 39
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	<b>24,591</b>
<b>Total utility plant in service directly assignable</b>	<b>0</b>	<b>(19,365)</b>	<b>970,389</b>
Common Utility Plant Allocated to Water Department			0 40
<b>Total utility plant in service</b>	<b>0</b>	<b>(19,365)</b>	<b>970,389</b>

## 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.

<b>Sources of Water Supply</b>					
<b>Month</b>	<b>Purchased Water</b>	<b>Surface Water</b>	<b>Ground Water</b>	<b>Total Gallons</b>	
<b>(a)</b>	<b>Gallons</b>	<b>Gallons</b>	<b>Gallons</b>	<b>All Methods</b>	
	<b>(000's)</b>	<b>(000's)</b>	<b>(000's)</b>	<b>(000's)</b>	
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
January			1,195	1,195	1
February			1,061	1,061	2
March			1,156	1,156	3
April			1,139	1,139	4
May			1,270	1,270	5
June			1,340	1,340	6
July			1,692	1,692	7
August			1,485	1,485	8
September			1,258	1,258	9
October			1,283	1,283	10
November			1,037	1,037	11
December			1,101	1,101	12
<b>Total annual pumpage</b>	<b>0</b>	<b>0</b>	<b>15,017</b>	<b>15,017</b>	
Less: Water sold				11,199	13
Volume pumped but not sold				3,818	14
Volume sold as a percent of volume pumped				75%	15
Volume used for water production, water quality and system maintenance				195	16
Volume related to equipment/system malfunction				0	17
Non-utility volume NOT included in water sales				0	18
Total volume not sold but accounted for				195	19
Volume pumped but unaccounted for				3,623	20
Percent of water lost				24%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				79	23
Date of maximum: 7/15/2002					24
Cause of maximum:					25
FOUND AND REPAIRED 2 LATERAL LEAKS					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				24	26
Date of minimum: 3/24/2002					27
Total KWH used for pumping for the year				86,575	28
If water is purchased: Vendor Name: NONE					29
Point of Delivery:					30

**SOURCES OF WATER SUPPLY - GROUND WATERS**

<b>Location (a)</b>	<b>Identification Number (b)</b>	<b>Depth in feet (c)</b>	<b>Well Diameter in inches (d)</b>	<b>Yield Per Day in gallons (e)</b>	<b>Currently In Service? (f)</b>	
TOWN WELL NO. 1	.001	75	10	432,000	Yes	<b>1</b>
TOWN WELL NO. 2	.002	101	10	518,400	Yes	<b>2</b>

## SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes				Diameter in inches (e)
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)		
N/A	n/a	0	0	0	1

### 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	.001	.002		1
Location	2513 HIGHWAY 17	4320 DEERSKIN RD.		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	BERKLEY	GOULDS		5
Year Installed	1972	1996		6
Type	OTHER	OTHER		7
Actual Capacity (gpm)	300	400		8
Pump Motor or Standby Engine Mfr	HOLLOWSHAFT	US ELECTRIC MOTORS		9 10
Year Installed	1972	1996		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	25	30		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22 23
Year Installed				24
Type				25
Horsepower				26

## RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification number or name	ET			1
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>				<b>2</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET			3
Year constructed	1972			4
Primary material (earthen, steel, concrete, other)	STEEL			5
Elevation difference in feet (See Headnote 3.)	154			6
Total capacity in gallons (actual)	60,000			7
<b>WATER TREATMENT PLANT</b>				<b>8</b>
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)	NONE			11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000			12
Is a corrosion control chemical used (yes, no)?	Y			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	1.000	100	0	0	0	100	1
A	D	6.000	5,665	0	0	0	5,665	2
M	D	6.000	3,285	0	0	0	3,285	3
P	D	6.000	5,417	0	0	0	5,417	4
A	D	8.000	7,035	0	0	0	7,035	5
M	D	8.000	420	0	0	0	420	6
P	D	8.000	644	0	0	0	644	7
P	S	8.000	254	0	0	0	254	8
A	D	10.000	7,540	0	0	0	7,540	9
A	S	10.000	87	0	0	0	87	10
<b>Total Within Municipality</b>			<b>30,447</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,447</b>	
<b>Total Utility</b>			<b>30,447</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,447</b>	

### 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	170	2	0	1	173	24	1
M	1.000	35	0	0	(2)	33	6	2
P	1.000	11	1	0	0	12	2	3
M	2.000	2	0	0	0	2	2	4
<b>Total Utility</b>		<b>218</b>	<b>3</b>	<b>0</b>	<b>(1)</b>	<b>220</b>	<b>34</b>	

### 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).
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	172	0	0	0	172	16	1
0.750	6	0	0	0	6	0	2
1.000	7	0	0	0	7	0	3
1.500	3	0	0	0	3	0	4
2.000	3	0	0	0	3	0	5
3.000	2	0	0	0	2	0	6
8.000	2	0	0	0	2	2	7
<b>Total:</b>	<b>195</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>195</b>	<b>18</b>	

#### 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	147	15	0	6	4	0	172	1
0.750	1	2	0	1	0	2	6	2
1.000	2	3	1	1	0	0	7	3
1.500	0	1	0	1	0	1	3	4
2.000	0	1	0	0	2	0	3	5
3.000	0	0	0	2	0	0	2	6
8.000	0	0	0	2	0	0	2	7
<b>Total:</b>	<b>150</b>	<b>22</b>	<b>1</b>	<b>13</b>	<b>6</b>	<b>3</b>	<b>195</b>	

### 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)	
<b>Fire Hydrants</b>						
Outside of Municipality	0	0	0	0	0	<b>1</b>
Within Municipality	49	0	0	0	49	<b>2</b>
<b>Total Fire Hydrants</b>	<b>49</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49</b>	
<b>Flushing Hydrants</b>						
	2	0	0	0	2	<b>3</b>
<b>Total Flushing Hydrants</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	

**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:	49
Number of distribution system valves end of year:	54
Number of distribution valves operated during year:	40

---

## WATER OPERATING SECTION FOOTNOTES

---

### Water Utility Plant in Service (Page W-08)

ACCOUNT #342 ADJUSTMENT (19365.00) WAS TO CORRECT THE DEPRECIATION PROBLEM REGARDING THE PAINTING OF THE WATER TOWER.

---

### Water Services (Page W-16)

M 0.750 2 CUSTOMER'S PAID FOR IN SEPERATE BILLING.

M 1.000 -2 CORRECT ACCOUNT FROM PRIOR YEAR. ESTABLISHED SUBDIVISION JUST HOOKED UP THE METERS.

P 1.000 1 CUSTOMER ADDED DURING YEAR AND PAID IN SEPERATE BILLING.

---