



3015 (02-09-04)

ANNUAL REPORT

OF

Name: BUTTERNUT MUNICIPAL WATER DEPARTMENT

Principal Office: P.O. BOX 276
BUTTERNUT, WI 54514

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.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: BUTTERNUT MUNICIPAL WATER DEPARTMENT

Utility Address: P.O. BOX 276
BUTTERNUT, WI 54514

When was utility organized? 3/1/1938

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: BRENDA NEUMANN

Title: CLERK

Office Address:

P.O. BOX 276
BUTTERNUT, WI 54514

Telephone: (715) 769 - 3113

Fax Number:

E-mail Address:

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

Name: STEVEN R METZ, CPA

Title: MANAGER

Office Address: WIPFLI ULLRICH BERTELSON LLP

P.O. BOX 127
MINOCQUA, WI 54548

Telephone: (715) 356 - 9585

Fax Number: (715) 356 - 1764

E-mail Address:

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

Name: MICHAEL NEUMANN

Title: PRESIDENT

Office Address:

P.O. BOX 276
BUTTERNUT, WI 54514

Telephone: (715) 769 - 3113

Fax Number:

E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? NO

IDENTIFICATION AND OWNERSHIP

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

Name:

Title:

Office Address:

Telephone:

Fax Number:

E-mail Address:

Date of most recent audit report:

Period covered by most recent audit:

Names and titles of utility management including manager or superintendent:

Name: DAVID MERTIG

Title: SUPERINTENDENT

Office Address:

P.O. BOX 276
BUTTERNUT, WI 54514

Telephone: (715) 769 - 3113

Fax Number:

E-mail Address:

Name of utility commission/committee:

Names of members of utility commission/committee:

- MICHAEL BRENNAN, TRUSTEE
- LORETTA JEHN, TRUSTEE
- BRENDA NEUMANN, TRESURER/CLERK
- MIKE NEUMANN, PRESIDENT
- ROBERT PETERSON, PRESIDENT
- GREG SCHERWYNSKI, TRUSTEE
- KEITH SCHIENEBECK, TRUSTEE
- JOAN WEIS, TRUSTEE

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:

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)	23,784	23,371	1
Operating Expenses:			
Operation and Maintenance Expense (401)	28,791	16,140	2
Depreciation Expense (403)	5,793	4,773	3
Amortization Expense (404)	0	0	4
Taxes (408)	1,638	1,641	5
Total Operating Expenses	36,222	22,554	
Net Operating Income	(12,438)	817	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(12,438)	817	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	107	1,446	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	107	1,446	
Total Income	(12,331)	2,263	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	(12,331)	2,263	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	0	0	
Net Income	(12,331)	2,263	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	85,243	82,980	19
Balance Transferred from Income (433)	(12,331)	2,263	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	72,912	85,243	

INCOME STATEMENT ACCOUNT DETAILS

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

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
BANK INTEREST	107	4
Total (Acct. 419):	107	
Miscellaneous Nonoperating Income (421):		
NONE		5
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		8
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		11
Total (Acct. 439)--Debit:	0	

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

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

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	23,784	0	0	0	23,784	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	23,784	0	0	0	23,784	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	275,131	273,971	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	120,033	114,240	2
Net Utility Plant	155,098	159,731	
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)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	0	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	14,928	17,830	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	4,956	5,150	11
Other Accounts Receivable (143)	0	152	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	0	14
Materials and Supplies (150)	1,220	1,220	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	21,104	24,352	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	176,202	184,083	

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)	81,148	70,148	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	72,912	85,243	23
Total Proprietary Capital	154,060	155,391	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	0	0	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)		7,500	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	0	0	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	0	7,500	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	22,142	21,192	38
Total Liabilities and Other Credits	176,202	184,083	

NET UTILITY PLANT

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

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	275,131	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	275,131	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	120,033	0	0	0	9
Total Accumulated Provision	120,033	0	0	0	
Net Utility Plant	155,098	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	114,240				114,240	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	5,793				5,793	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	5,793	0	0	0	5,793	13
Debits during year						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	0	0	0	0	0	19
Balance End of Year	120,033	0	0	0	120,033	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.11%					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):	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
Other					0	0
Total Electric Utility					<u>0</u>	<u>0</u>

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	1,220	1,220
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	<u>1,220</u>	<u>1,220</u>

**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)				1
Total			0	
Unamortized premium on debt (251)				2
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	70,148	1
Changes during year (explain):		
CONTRIBUTION BY VILLAGE	11,000	2
Balance end of year	<u><u>81,148</u></u>	

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
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NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
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NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	1,638	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>1,638</u>	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	1,615	7
PSC Remainder Assessment	23	8
Other (explain):		
NONE		9
Total payments and other debits	<u>1,638</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)					
	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
	0			0	4
Subtotal	0	0	0	0	
Total	0	0	0	0	

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	21,192	0	0	0	0	21,192	1
Add credits during year:							
For Services	950					950	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	22,142	0	0	0	0	22,142	
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):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	4,651	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
OTHER RECEIVABLES	305	8
Total (Acct. 142):	4,956	
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):		
NONE		12
Total (Acct. 145):	0	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)
<hr/>	
Payables to Municipality (233):	
NONE	16
Total (Acct. 233):	0
<hr/>	
Other Deferred Credits (253):	
NONE	17
Total (Acct. 253):	0

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	274,551	0	0	0	274,551	1
Materials and Supplies	1,220	0	0	0	1,220	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	117,136	0	0	0	117,136	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	21,667	0	0	0	21,667	6
Other (specify):					0	7
Average Net Rate Base	136,968	0	0	0	136,968	
Net Operating Income	(12,438)	0	0	0	(12,438)	8
Net Operating Income as a percent of Average Net Rate Base	-9.08%	N/A	N/A	N/A	-9.08%	

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	75,648	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	79,077	3
Other (Specify):		4
Total Average Proprietary Capital	154,725	
Net Income		
Net Income	(12,331)	5
Percent Return on Proprietary Capital	-7.97%	

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

Cover Sheet (Page 0)

ACCOUNTANT'S COMPILATION REPORT

BOARD OF COMMISSIONERS
VILLAGE OF BUTTERNUT WATER DEPARTMENT
BUTTERNUT, WISCONSIN

WE HAVE COMPILED THE BALANCE SHEETS OF THE VILLAGE OF BUTTERNUT WATER DEPARTMENT AS OF DECEMBER 31, 2002 AND 2001, AND RELATED INCOME AND EARNED SURPLUS STATEMENTS FOR THE YEARS THEN ENDED INCLUDED IN THE ACCOMPANYING MUNICIPAL UTILITY ANNUAL REPORT IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES ISSUED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS. WE HAVE ALSO COMPILED THE SUPPLEMENTARY INFORMATION PRESENTED IN THE MUNICIPAL UTILITY ANNUAL REPORT.

OUR COMPILATION WAS LIMITED TO PRESENTING IN THE FORM PRESCRIBED BY THE PUBLIC SERVICE COMMISSION OF WISCONSIN INFORMATION THAT IS THE REPRESENTATION OF MANAGEMENT. WE HAVE NOT AUDITED OR REVIEWED THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION REFERRED TO ABOVE AND, ACCORDINGLY, DO NOT EXPRESS AN OPINION OR ANY FORM OF ASSURANCE ON THEM.

THESE FINANCIAL STATEMENTS AND THE SUPPLEMENTARY INFORMATION ARE PRESENTED IN ACCORDANCE WITH THE REQUIREMENTS OF THE PUBLIC SERVICE COMMISSION OF WISCONSIN, WHICH DIFFER FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. ACCORDINGLY, THESE FINANCIAL STATEMENTS ARE NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH MATTERS.

WIPFLI ULLRICH BERTELSON LLP

FEBRUARY 20, 2003
MINOCQUA, WISCONSIN

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Contacts (Page iv)

7/25/03 email from Steve Metz:

I will make all your proposed adjustments on this next report. Please send to client a copy of rate sheet, so client can see what they are supposed to charge client for various services.

7/24/03 email to Steve Metz (after review by Kathy):

Steve, one further comment re the review response, that I ran past an auditor here.

Item 2 response:

2. The Butternut Municipal Water Department not the Village paid for service additions. The \$11,000 represents \$7500 from 2001 and \$3500 for 2002 the Village has contributed to the Butternut Municipal Water Department for support staff and resources. The \$950 recorded as cost of the new service represent \$150 billed to the customer for their hookup fee and \$800 of cost bore by Butternut Municipal Water Department for actual and estimated costs of hookup. Now if the amount chargeable to the customer is only \$100, I will have to follow up the client this fall to see what was actually collected.

If the \$11,000 reported in Account 200 represents an operating subsidy ("support staff and resources"), rather than a principal payment or plant addition, this should be an entry to Earned Surplus using Account 434, rather than an entry to Account 200. Please do an adjusting entry in 2003 to reclassify this amount from account 200 to account 216, Earned Surplus.

If a customer paid for the service installation under Cz-1, they may only be charged \$100 and an adjusting entry should be made to account 271 to remove \$850. And \$50 (or however much over \$100 the customer paid) should be refunded to the customer. If the village paid \$800, that would be reclassified to Account 200. If a developer paid \$800, that may remain in Account 271. Apparently in 2000 a customer was also charged \$150 for a service and \$50 should be refunded to that customer. In addition, a reminder that the utility should contact the PSC in order to revise their Cz-1 tariff to more adequately reflect the cost of water lateral installation.

7/22/03 email to Steve Metz:

Steve, item 1 indicates that the Sewer Department is run by the Village. However, I called Butternut and they said the sewer service is metered. If the meter in question is the water meter, then the sewer department has to pay its share of the water meter costs based on a ratio of water meters to sewer customers, i.e. if all the water customers are sewer customers also it's a 50/50 split of costs. If some of the water customers are now sewer customers, costs are allocated on that ratio. Please allocate those costs to the sewer department in the future if the sewer department is using the water meter for purposes of billing their customers for sewer volume.

FINANCIAL SECTION FOOTNOTES

7/22/03 attachment to email from Steve Metz:
July 22, 2003

Public Service Commission
Attn Ms Elaine Engelke
PO Box 7854
Madison, WI 53707-7854

RE: Butternut Municipal Water Department

Each comment corresponds to your letter points dated July 15, 2003.

1. The Village does provide Water and Sewer services to resident in the Village. However the Water and Sewer financial records are kept separate. The Butternut Municipal Water Department does not provide sewer services; those are provided by the Butternut Municipal Sewer Department. Both of which are governed by the Village board.
2. The Butternut Municipal Water Department not the Village paid for service additions. The \$11,000 represents \$7500 from 2001 and \$3500 for 2002 the Village has contributed to the Butternut Municipal Water Department for support staff and resources. The \$950 recorded as cost of the new service represent \$150 billed to the customer for their hookup fee and \$800 of cost bore by Butternut Municipal Water Department for actual and estimated costs of hookup. Now if the amount chargeable to the customer is only \$100, I will have to follow up the client this fall to see what was actually collected.
3. Sorry I did not notice and inquire when preparing the PSC report. I will resolve with client and get back to you on this point.
4. Will provide consistent comment on future reports.

Sincerely,

Steven R Metz
Certified Public Accountant

By letter dated June 3, 2003, Butternut was authorized to amortize water tower painting. a/c 343 should be credited for \$54,185. The corresponding debits are \$5,418 to a/c 650; \$10,841 to a/c 345, debits to surplus; and \$37,926 to a/c 183 other deferred debits. ele

July 16, 2003

Ms. Brenda Neumann, Clerk
Butternut Municipal Water Department
P.O. Box 276
Butternut, WI 54514-0276

Re: 2002 Analytical Review DWCCA-0870-FILE

FINANCIAL SECTION FOOTNOTES

RE: 2002 Analytical Review DWCA-0670-ENE

Dear Ms. Neumann:

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. The September 11, 2002, response from Steve Metz to the 2001 analytical review indicates that sewer service is provided by your utility. However, page i of the 2002 annual report indicates no sewer service is provided. Please correct that entry in the future. In addition, in the future, the sewer department should be allocated its share of the water meter depreciation reported in Account 110.
2. The footnote to Page W-16 indicates that the village paid for the water service addition. Village contributions would normally be reported in Account 200, Capital Paid in by Municipality and we note that \$11,000 is reported in Account 200 from the village. However, we also noted that \$950 is reported on Page F-17 identified as a water services contribution. Please explain who contributed this amount and the basis for the financing. The service unit reported added on Page W-16 was 5/8-inch. The utility's rate for water service installation, Cz-1, is \$100 for 3/4-inch or smaller. Therefore, a customer may only be charged \$100 for 3/4-inch or smaller services. A developer or the municipality may contribute any amount they wish. The utility may wish to consider contacting the Commission and revising their Cz-1 tariff to collect actual costs for every size water service installed. A rate case is no longer necessary in order to revise your Cz-1 tariff.
3. Page W-10 of your annual report indicates that your utility has sold more water than was pumped. With unmetered uses, meter inaccuracies and actual leaks most utilities would be lucky to achieve 10 percent unaccounted water and much less might be suspect. So it appears the reporting of more sales than pumped is incorrect. The most obvious focus to correct this information is to check the accuracy of your supply measurement, i.e. the meters and settings at all wells (and are there meters on any other water supplies such as wholesale from a neighboring utility?). Is there enough length of straight pipe ahead of the meter? Is it set up to read the correct units, gallons or cubic feet? Please report back to us as soon as you have determined the accuracy of your supply measurement or otherwise explain why sales gallons are greater than pumped gallons.
4. On Page W-17, the information requested was not provided for Utility Plant January 1, Materials and Supplies, and the Assessment Ratio. The Commission would appreciate all requested details be provided in the future on this schedule even though the property tax equivalent is forgiven by the municipality. Thank you for your attention to this matter.

In addition, this schedule requires a footnote providing a description of the municipal authorization and the authorization date. In your 2000 report the footnote indicated: THE BUTTERNUT MUNICIPAL WATER DEPARTMENT ADOPTED AN

FINANCIAL SECTION FOOTNOTES

ORDINANCE EFFECTIVE JANUARY 1, 1997, WHEREBY SETTING THE TAX AT ZERO. Something to that effect should be provided every year. Thank you for your attention to this matter.

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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Butternut.doc

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	23,229	1
Total Sales of Water	23,229	
Other Operating Revenues		
Forfeited Discounts (470)	0	2
Other Water Revenues (474)	555	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	555	
Total Operating Revenues	23,784	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	22,365	5
General Operating Expenses (680-690)	6,426	6
Total Operation and Maintenance Expenses	28,791	
Other Operating Expenses		
Depreciation Expense (403)	5,793	7
Amortization Expense (404)		8
Taxes (408)	1,638	9
Total Other Operating Expenses	7,431	
Total Operating Expenses	36,222	
NET OPERATING INCOME	(12,438)	

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	8	332	377	1
Commercial	2	204	216	2
Industrial				3
Total Unmetered Sales to General Customers (460)	10	536	593	
Metered Sales to General Customers (461)				
Residential	136	5,641	6,407	4
Commercial	29	2,963	3,128	5
Industrial	4	17,493	6,673	6
Total Metered Sales to General Customers (461)	169	26,097	16,208	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		5,602	8
Other Sales to Public Authorities (464)	5	337	826	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	185	26,970	23,229	

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)	5,602	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)	5,602	
Forfeited Discounts (470):		
Customer late payment charges		5
Other (specify): NONE		6
Total Forfeited Discounts (470)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	155	7
Other (specify): OTHER WATER REVENUES	400	8
Total Other Water Revenues (474)	555	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	3,000	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	4,807	3
Chemicals (630)		4
Supplies and Expenses (640)	2,394	5
Repairs of Water Plant (650)	12,074	6
Transportation Expenses (660)	90	7
Total Plant Operation and Maintenance Expenses	22,365	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	1,130	8
Office Supplies and Expenses (681)	275	9
Outside Services Employed (682)	3,363	10
Insurance Expense (684)	410	11
Employees Pensions and Benefits (686)	520	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	728	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	6,426	
 Total Operation and Maintenance Expenses	 28,791	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
Net property tax equivalent		0	
Social Security		1,615	3
PSC Remainder Assessment		23	4
Other (specify): NONE			5
Total tax expense		1,638	

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			Ashland				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.000219				3
County tax rate	mills		0.006579				4
Local tax rate	mills		0.002291				5
School tax rate	mills		0.012520				6
Voc. school tax rate	mills		0.001342				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		0.022951				10
Less: state credit	mills		0.000000				11
Net tax rate	mills		0.022951				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		0.002291				14
Combined School Tax Rate	mills		0.013862				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		0.016153				17
Total Tax Rate	mills		0.022951				18
Ratio of Local and School Tax to Total	dec.		0.703804				19
Total tax net of state credit	mills		0.022951				20
Net Local and School Tax Rate	mills		0.016153				21
Utility Plant, Jan. 1	\$	0	0				22
Materials & Supplies	\$	0	0				23
Subtotal	\$	0	0				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	0	0				26
Assessment Ratio	dec.		0.000000				27
Assessed Value	\$	0	0				28
Net Local & School Rate	mills		0.016153				29
Tax Equiv. Computed for Current Year	\$	0	0				30
Tax Equivalent per 1994 PSC Report	\$						31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	0					34

WATER UTILITY PLANT IN SERVICE

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	2,525		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)	41,295		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	43,820	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	10,092		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	27,192		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	346		20
Total Pumping Plant	37,630	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	1,965		23
Total Water Treatment Plant	1,965	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)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			2,525 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)			41,295 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	43,820
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			10,092 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			27,192 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			346 20
Total Pumping Plant	0	0	37,630
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			1,965 23
Total Water Treatment Plant	0	0	1,965
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25

WATER UTILITY PLANT IN SERVICE

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	8,818		26
Transmission and Distribution Mains (343)	124,588		27
Fire Mains (344)	0		28
Services (345)	19,067	800	29
Meters (346)	14,294	360	30
Hydrants (348)	10,324		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	177,091	1,160	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	13,465		38
Other Tangible Property (390)	0		39
Total General Plant	13,465	0	
Total utility plant in service directly assignable	273,971	1,160	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	273,971	1,160	

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)			8,818 26
Transmission and Distribution Mains (343)			124,588 27
Fire Mains (344)			0 28
Services (345)			19,867 29
Meters (346)			14,654 30
Hydrants (348)			10,324 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	178,251
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			13,465 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	13,465
Total utility plant in service directly assignable	0	0	275,131
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	275,131

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.

Sources of Water Supply					
Month	Purchased Water	Surface Water	Ground Water	Total Gallons	
(a)	Gallons	Gallons	Gallons	All Methods	
	(000's)	(000's)	(000's)	(000's)	
(a)	(b)	(c)	(d)	(e)	
January			1,931	1,931	1
February			1,853	1,853	2
March			2,124	2,124	3
April			1,951	1,951	4
May			2,949	2,949	5
June			2,260	2,260	6
July			2,478	2,478	7
August			2,281	2,281	8
September			1,942	1,942	9
October			2,107	2,107	10
November			1,856	1,856	11
December			1,894	1,894	12
Total annual pumpage	0	0	25,626	25,626	
Less: Water sold				26,970	13
Volume pumped but not sold				(1,344)	14
Volume sold as a percent of volume pumped				105%	15
Volume used for water production, water quality and system maintenance				2,750	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				2,750	19
Volume pumped but unaccounted for				(4,094)	20
Percent of water lost				-16%	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.)				182	23
Date of maximum: 5/5/2002					24
Cause of maximum:					25
NORMAL OPERATION					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				29	26
Date of minimum: 2/19/2002					27
Total KWH used for pumping for the year				46,216	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)	
PARK HILL	1	158	6	180,000	Yes	1
EAST MAIN STREET	2	54	16	720,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	1	2	1
Location	PARK HILL	EAST MAIN STREET	2
Purpose	S	P	3
Destination	R	R	4
Pump Manufacturer	GRUNDEOS SUBMERSIBLE	GRUNDEOS	5
Year Installed	2001	2001	6
Type	SUBMERSIBLE	CENTRIFUGAL	7
Actual Capacity (gpm)	100	500	8
Pump Motor or Standby Engine Mfr	US MOTOR	US MOTOR	9
Year Installed	2001	2001	10
Type	ELECTRIC	ELECTRIC	11
Horsepower	15	40	12
			13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	PARK HILL		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1939		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	100		6
Total capacity in gallons (actual)	57,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	CENTRAL FACILITIES		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.)	0.7200		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	S	0.625	60	0	0	0	60	1
M	S	0.750	1,748	0	0	0	1,748	2
M	S	1.000	350	0	0	0	350	3
M	D	2.000	200	0	0	0	200	4
M	S	2.000	200	0	0	0	200	5
M	D	4.000	1,088	0	0	0	1,088	6
M	D	6.000	12,504	0	0	0	12,504	7
M	D	8.000	3,013	0	0	0	3,013	8
Total Within Municipality			19,163	0	0	0	19,163	
Total Utility			19,163	0	0	0	19,163	

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	0.625	161	1	0	0	162		1
M	0.750	1	0	0	0	1		2
M	1.000	4	0	0	0	4		3
M	1.500	1	0	0	0	1		4
M	2.000	2	0	0	0	2		5
M	3.000	2	0	0	0	2		6
M	6.000	2	0	0	0	2		7
Total Utility		173	1	0	0	174	0	

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	223	6	0	0	229	0	1
1.000	10	0	0	0	10	0	2
1.500	1	0	0	0	1	0	3
2.500	5	0	0	0	5	0	4
3.000	2	0	0	0	2	0	5
Total:	241	6	0	0	247	0	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	141	24	0	2	0	62	229	1
1.000		3	2	1	0	4	10	2
1.500	0	1	0	0	0	0	1	3
2.500	0	1	1	1	0	2	5	4
3.000	0	0	1	1	0	0	2	5
Total:	141	29	4	5	0	68	247	

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	20				20	2
Total Fire Hydrants	20	0	0	0	20	
Flushing Hydrants						
	1				1	3
Total Flushing Hydrants	1	0	0	0	1	

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:	21
Number of distribution system valves end of year:	18
Number of distribution valves operated during year:	9

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

VILLAGE INCURRED A SIGNIFICANT REPAIR TO WATER TOWER DURING YEAF

Water Services (Page W-16)

VILLAGE PAID FOR NEW SERVICE CONNECTION FROM EXISTING CASE

Meters (Page W-17)

VILLAGE DID NOT TEST ANY METERS FOR THE YEAR
