MUNICIPAL ANNUAL REPORT

SCHEDULE REFERENCE SHEET

Report Section

Topic Name **General Report Features**

Description

This manual is based on a Class AB municipal utility. The page numbering for Classes C and D utilities is different for some schedules. Classes C and D utilities should use this manual by referring to the Schedule Name and use their own Table of Contents to find the correct page for their class. Wherever possible, if comments are different for or do not apply to a Class C and/or Class D utility, it is stated in the Schedule Reference Sheet.

Line numbers only appear on the print preview or printed page for data that was entered by preparer. Totals, subtotals, etc., that are calculated by the program do not have a line number.

The report must be completed in whole numbers.

The PSC will ignore rounding differences that occur in the Listing of Edit Check Results.

If a schedule with numerous entries prints on two or more pages, it will be the same page number, but a sequential copy number (Copy 1, Copy 2, etc.).

The paper copy prints with solid lines every other space, for legibility. As you read across the page(s), a solid line will either be on top of your data or underneath your data.

The “Last Year” or “First of Year” amounts are populated by the program, as well as unchanged prior year particulars in many schedules. This information should agree with the prior year report and should be verified by the preparer. Imported prior year data in a gray cell may be revised if it is incorrect when compared to the prior year annual report; view, options, uncheck “protect prior year cells,” exit and re-enter program. The change must be explained in a schedule footnote.

Accountant’s Compilation Report

An Accountant’s Compilation Report may be provided in the annual report as a schedule footnote. We suggest that it be the first schedule footnote associated with the Identification and Ownership Schedules. Including it as a schedule footnote to the Signature Page Schedule will also ensure it is the first schedule footnote.

An Accountant's Compilation Report filed with the PSC as a separate document, such as in MS Word, is stored on an archive drive and is not included with our copy of the report on WEGS ARS. We therefore recommend not filing separate Word documents.

Since the annual report is an electronic form, a paper copy of the Accountant's Compilation Report will not be accepted as a part of the filed annual report.

Copy and Paste

The annual report program allows schedule footnotes to be added from a separate word processing document using the copy and paste technique. For example, a Word (7.0) document can be copied and pasted as a schedule footnote to any annual report schedule that accepts a schedule footnote. However, there are limitations as to maximum characters in the Section Footnote Schedules and only pertinent information should be included. Note: PSC staff will not cut and paste Word documents into WEGS ARS schedule footnotes from emails or diskettes.

MUNICIPAL ANNUAL REPORT

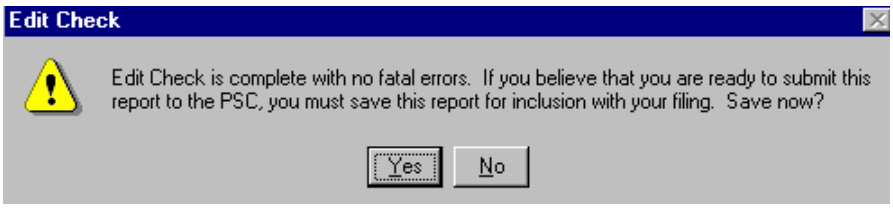
SCHEDULE REFERENCE SHEET

Report Section

Topic Name — **Listing of Edit Check Results**

Description — The purpose of the edit is to reduce analytical review correspondence regarding apparent inconsistencies or incomplete data.

Diskette Filing — At the completion of data entry, the preparer will select the Admin dropdown menu from the toolbar of the Main-Report Selection screen. The preparer will then select the Run Edit Checks option. If there are no fatal errors, the preparer will be prompted to save if he/she believe the edit results are complete and ready to be saved for inclusion in the PSC filing process. If yes, the following screen will appear:



If all fatal errors are corrected and remaining edits explained click yes to save the edit listing file.

Print the Listing of Edit Check Results. Note: the name of the file and the location of where the edit listing file is saved are included in the footer of the report.

Each edit lists the nature of the problem such as “unit additions but no corresponding dollar additions.” The preparer should review all edits and either correct the annual report and rerun the edit, or provide an explanation to reconcile the edit message, such as “the unit additions are prior year adjustments and dollars were booked in the prior year.” Also, where specific schedule footnotes are required, such as to explain plant additions greater than $100,000 (for class AB) without a supporting statistical schedule, there will be an edit if there is not a specific footnote on the applicable schedule. For example, “additions in Utility-Financed Account 390 = $120,323/Utility-Financed Plant in Service Additions Footnotes = null.”

Incorporate an explanation of any outstanding edits within the .edt notepad document. (Open notepad by clicking on the .edt file from within “My Computer.”) Any unexplained edits will result in an analytical review letter.

Please note: Wait until you are ready to file before including explanations in the .edt document. If you re-run Edit Checks, any explanations you have already provided will be overwritten by a new .edt file.

Electronic Filing Fatal Errors

Please note: Some edit errors are FATAL, and the report cannot be filed until they are corrected

FATAL errors include:

- Total Assets and Other Debits must be within $10.00 of Total Liabilities and Other Credits.
- Municipal water and/or electric utilities must complete the Property Tax Equivalent schedule, including nonzero tax rates.
- Contacts on the Id and Ownership schedule must be completed for person responsible for report correspondence, utility committee/commission person, and manager/superintendent information.

MUNICIPAL ANNUAL REPORT

SCHEDULE REFERENCE SHEET

Report Section

Summary

A Summary of Edit Checks follows, by schedule:

Balance Sheet:

- Fatal Error – balance sheet must balance within $10, first of year and end of year.

Interest Accrued:

- If there is an end of year balance in Bonds, Advances from Municipality, Other Long Term Debt or Notes Payable, and an interest rate reported in those accounts, there must be a balance reported in the interest accrued column of the Interest Accrued schedule or a schedule footnote explanation.

Balance Sheet End of Year Account Balances:

- If there is more than one operating department, customer accounts receivable must be reported for each department. If the billing system does not allocate based on department, an estimated breakdown must be provided. If not, provide an schedule footnote explanation.
- An entry to Account 182, Account 183 (Class C/D), or Account 186 (Class AB) for amortization requires a PSC authorization date.

Taxes (Account 408):

- If the PSC remainder assessment field or social security field is 0 (zero), there must be an explanation.
- For electric utilities, if Wisconsin gross receipts tax is 0 (zero) a schedule footnote must be provided confirming there are no customers outside municipal boundary.

Property Tax Equivalent:

- Fatal Error: The property tax equivalent schedule must be completed, with nonzero tax rates for municipal utilities.
- If the “Any lower tax equivalent as authorized by municipality” field is

completed, a schedule footnote must be provided with the date and name of body authorizing the lower amount.

- Total Utility Plant Jan. 1 must agree with the first of year utility plant reported on the Net Utility Plant schedule.
- Total Materials and Supplies (Jan. 1) must agree with the first of year utility plant reported on the Materials and Supplies schedule.

Plant in Service – Utility or Municipally-Financed and Contributed:

- If additions and/or retirements are greater than $100,000 ($50,000 Class C and $10,000 Class D), there must be a schedule footnote explanation. If applicable, construction authorization must be provided.
- If adjustments are reported, there must be a schedule footnote.
- If dollars are reported for additions and/or retirements in Accounts 316/343 Mains, 345 Services, 346 Meters, or 348 Hydrants, units must be reported in Water Mains, Water Services, Meters, and Hydrants statistical schedules.
- If dollars are reported in Common Other Utility Plant Allocated fields, a schedule footnote must be provided which explains the accounts to which common plant is allocated.

Accumulated Provision for Depreciation, water and electric operating section (Class AB only) – Utility or Municipally-Financed and Contributed:

- If the end of year balance is less than 0, there must be a schedule footnote.
- If the end of year balance by account is greater than the plant end of year balance, there must be a schedule footnote.

Expenses:

- If there is an increase or a decrease over $10,000 or 15 percent from the prior year ($5,000 or 25 percent for Class C; $2,000 or 30 percent for Class D), an explanation must be provided.

Mains, Services, Meters, Hydrants statistical schedules:

- If there are unit additions, there must be Utility or Municipally-Financed and Contributed Plant In Service dollar additions or a schedule footnote explanation.
- If there are unit retirements, there must be Utility or Municipally-Financed and Contributed Plant In Service dollar retirements or an explanation.
- If there are adjustments, there must be an explanation.
- If there are mains or services net additions, there must be an explanation of financing.

- There must be an explanation of 0 meter testing for all meters.
- If there are 6-inch or greater meters classified as residential, commercial, industrial, or public authority on the Meters schedule, the total end-of-year for those sizes should agree with the number tested for those sizes, or a schedule footnote provided explaining why meters were not tested.
- If there is an end of year balance on the meters schedule, some water sales should be reported as metered.
- If there are 2-inch or larger meters classified as residential, a schedule footnote must be provided confirming these are correctly classified as residential.

Source of Supply, Pumping and Purchased Water Statistics:

- If Total KWH used for pumping for the year field is 0, there must be an explanation.
- If the result of the fuel used for pumping expense when divided by the total kWh used for pumping is less than 3 cents or more than 12 cents per kwh an explanation of the cost per KWH is requested.

Substation Equipment:

- The edit text is meant to be a reminder. As the system cannot tell if the record should be completed or can be left blank, the edit message continues to appear. It may be ignored if the utility has no substation equipment.

Accumulated Provision for Depreciation – Utility or Municipally-Financed Taxes (Account 408 - Water)(except sanitary districts).
Other Operating Revenues (Water):

- The Sewer Department's share of water meter costs, if the water meter is read for purposes of charging for the volume of sewer usage, must be recorded in these three accounts. The edit will indicate one, two, or three accounts not charged. A schedule footnote explanation should be provided. For example, "the sewer department has flat rates and does not use the water meter."

Accumulated Provision for Uncollectible Accounts - Cr (Acct. 144)
Water Operations & Maintenance Expenses - Uncollectible Accounts
Revenues Subject to Wisconsin Remainder Assessment:

- If deductions are reported in Account 144, or an amount is reported as an

uncollectible expense in Account 904 (Classes AB and C) or Account 690 (Class D) then a corresponding amount should be reported in the Less: uncollectibles section of the Revenues Subject to Wisconsin Remainder Assessment schedule. Because Account 144 deductions are not broken down by department, the preparer should allocate the correct amounts to the Remainder Assessment schedule.

Electric Energy Account:

- If kWh is reported for generation, the corresponding statistical generation schedule must be completed.

MUNICIPAL ANNUAL REPORT

SCHEDULE REFERENCE SHEET

Report Section

Topic Name **Filing Report with PSC**

Description There are two options available for filing the annual report with the PSC: e-mail and diskette. Back-up files will not be accepted for filing (created by File, Backup Database dropdown).

Before Filing

If there are any outstanding edit checks (other than "0 edit errors" or only *possible errors), the preparer must include an explanation within the .edt document. Open "My Computer," edt document, and choose "Notepad."

Export Database

After all needed explanations have been added to the .edt document, the preparer will select the File dropdown menu from the toolbar of the Main-Report Selection screen. The preparer will then select the Export Database option, and press the Export Data button. The WEGSARS system will create a single zip file that contains the three files that the PSC needs:

- The database file containing the report data (.mdb extension)
- The Edit Checks report (.edt extension)
- The Export Report file (.txt extension)

The system will also generate a paper report identifying the file names and locations of each of these files. Knowing the locations of these files will be important if you file by either e-mail option 2 or by diskette.

Filing by e-mail – Option 1

If you have a MAPI-compliant e-mail system (see below for more information), it is up and running, and you are connected to the Internet, you may be able to automatically file your Annual Report from within the WEGSARS system. From the File Export screen, click "Prepare E-mail." If everything works properly, the system will generate an e-mail with the proper subject line and attachment file and send it to the PSC.

Receipt of the e-mail filing will be acknowledged by PSC staff by return e-mail. If you encounter problems with this process, please consider the next option.

Filing by e-mail – Option 2

Address the e-mail to: pscrecs@psc.state.wi.us

The subject line must be "WEGS XXXX Annual Report Filing for Utility YYYYY," where XXXX is the reporting year and YYYYY is the utility ID number, with leading zeroes. Because of the automation of the process at the PSC, if a preparer is e-mailing files for multiple utilities, each report must be sent as a separate e-mail.

Receipt of the e-mail filing will be acknowledged by PSC staff by return e-mail.

For each utility being reported, you must attach the export file (.zip extension – created by File, Export Database dropdown).

Backup files will not be accepted (File, Backup Database, dropdown).

Filing by Diskette

Address the package to:

Public Service Commission
P.O. Box 7854
Madison, WI 53707-7854

Presently, preparers unable to file by email are allowed to file by diskette. Include in the package diskette(s) labeled with the Utility Name and ID Number containing the export file (.zip extension – created by File, Export Database dropdown).

Backup files will not be accepted (File, Backup Database, dropdown).

Accountant's Compilation Report:

- An Accountant's Compilation Report may be provided in the annual report as a footnote. We suggest that it be the first footnote associated with the Identification and Ownership Schedules or as a footnote to the Signature Page Schedule.

- Since the annual report is an electronic form, a paper copy of the Accountant's Compilation Report will not be accepted as a part of the filed annual report.
- A separately filed, electronic Accountant's report is not included in the WEGS ARS program. In the past, the PSC has accepted Word files and stored them on the PSC's staff-only R drive. However, users of the report do not have access to this drive, so Word compilation files will no longer be accepted.
- Copy and Paste--The annual report program allows footnotes to be added from a separate word processing document using the copy and paste technique. For example, a Word document can be copied and

pasted as a footnote to any annual report schedule that accepts a footnote. However, there are limitations as to maximum characters in the Section Footnote Schedules and only pertinent information should be included. PSC staff will not cut and paste schedule footnotes from separate Word documents.

EXPORT ERRORS

If the File, Export Database process creates export errors, please call or email the helpdesk. An .mdb file with export errors is not acceptable.

HARD COPY NOT REQUIRED BY PSC

The PSC does not require a hard copy of the annual report. However, a hard copy or electronic copy must be available at the utility for public viewing or to refer to if a PSC staff member has a question regarding the annual report.