



3015 (02-09-04)

ANNUAL REPORT

OF

Name: PORT WING SANITARY DISTRICT

Principal Office: 750 GRAND AVE
P.O. BOX 28
PORT WING, WI 54865

For the Year Ended: DECEMBER 31, 1998

**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: PORT WING SANITARY DISTRICT

Utility Address: 750 GRAND AVE
P.O. BOX 28
PORT WING, WI 54865

When was utility organized? 6/1/1981

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MS MARJORIE JEAN OGREN
Title: SANITARY DISTRICT ACCOUNT

Office Address:
750 GRAND AVE
P.O. BOX 28
PORT WING, WI 54865

Telephone: (715) 774 - 3624

Fax Number:

E-mail Address: Margeo@win.bright.net

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

Name: NONE
Title:

Office Address:

Telephone:

Fax Number:

E-mail Address:

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

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

Name: NONE
Title:

Office Address:

Telephone:

Fax Number:

E-mail Address:

Date of most recent audit report: 3/15/1989

Period covered by most recent audit: YEAR ENDING 12/31/88

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: CLIFFORD ERIC HOAGLAND

Title: SANITARY DISTRICT COMMISSIONER

Office Address:

P.O. BOX 44
PORT WING, WI 54865

Telephone: (715) 774 - 3364

Fax Number:

E-mail Address:

Name of utility commission/committee:

Names of members of utility commission/committee:

MS BETTY JANE HELSING, TREASURER
MR CLIFFORD E HOAGLAND, COMMISSIONER
MR JAMES SWANSON, CLERK

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. § 66.077 of the Wisconsin Statutes? NO

Date of Ordinance: [REDACTED]

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

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

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)	54,583	54,152	1
Operating Expenses:			
Operation and Maintenance Expense (401)	17,748	17,425	2
Depreciation Expense (403)	17,454	17,432	3
Amortization Expense (404)	0	0	4
Taxes (408)	79	64	5
Total Operating Expenses	35,281	34,921	
Net Operating Income	19,302	19,231	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	19,302	19,231	
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)	1,811	1,220	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	1,811	1,220	
Total Income	21,113	20,451	
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	21,113	20,451	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	8,800	9,000	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)	0		18
Total Interest Charges	8,800	9,000	
Net Income	12,313	11,451	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(88,852)	(100,303)	19
Balance Transferred from Income (433)	12,313	11,451	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)	(76,539)	(88,852)	

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):		
INTEREST INCOME	1,811	4
Total (Acct. 419):	1,811	
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				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):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	54,583	0	0	0	54,583	1
Less: interdepartmental sales	0	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:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	54,583	0	0	0	54,583	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	906,261	905,099	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	209,056	191,602	2
Net Utility Plant	697,205	713,497	
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)	327	327	6
Special Funds (125)	7,704	7,336	7
Total Other Property and Investments	8,031	7,663	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	30	258	8
Temporary Cash Investments (132)	69,070	50,129	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	8,848	8,570	11
Other Accounts Receivable (143)	1,335	1,335	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	0	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	79,283	60,292	
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	784,519	781,452	

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)	0	0	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	(76,539)	(88,852)	23
Total Proprietary Capital	(76,539)	(88,852)	
LONG-TERM DEBT			
Bonds (221)	174,000	178,000	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	13,333	18,333	26
Total Long-Term Debt	187,333	196,333	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)		402	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)	156		33
Total Current and Accrued Liabilities	156	402	
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)	673,569	673,569	38
Total Liabilities and Other Credits	784,519	781,452	

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)	906,261	0	0	0	1
Utility Plant Purchased or Sold (391)	0				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	906,261	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	209,056	0	0	0	9
Total Accumulated Provision	209,056	0	0	0	
Net Utility Plant	697,205	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

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	191,602				191,602	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	17,454				17,454	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	0				0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	17,454	0	0	0	17,454	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	209,056	0	0	0	209,056	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	1.93%					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		0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

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

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

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	0
Other					0	0
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility		0
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	0	0

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
0	0	0	0	1
Total			<u>0</u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

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
Changes during year (explain):	
NONE	0 2
Balance end of year	<u>0</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)	
GE CAPITOL REVENUE BONDS	08/04/1981	07/21/2021	5.00%	174,000	1
Total Bonds (Account 221):				174,000	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
REA CHEQUAMEGON TELEPHONE	01/07/1992	01/07/2002	0.00%	13,333	1
Total for Account 224				13,333	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)
Balance first of year	0 1
Accruals:	
Charged water department expense	2
Charged electric department expense	3
Charged sewer department expense	4
Other (explain):	
NONE	5
Total Accruals and other credits	<u>0</u>
Taxes paid during year:	
County, state and local taxes	6
Social Security taxes	7
PSC Remainder Assessment	8
Other (explain):	
NONE	9
Total payments and other debits	<u>0</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)					
GE CAPITOL BONDS	0	8,800	8,800	0	1
Subtotal	0	8,800	8,800	0	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	0	8,800	8,800	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	673,569	0	0	0	0	673,569	1
Add credits during year:							
For Services						0	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	673,569	0	0	0	0	673,569	
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):		
OTHER INVESTMENTS	327	2
Total (Acct. 124):	327	
Special Funds (125):		
RESERVE FUNDS	7,704	3
Total (Acct. 125):	7,704	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	8,848	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	8,848	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
OTHER ACCOUNTS RECEIVABLE	1,335	11
Total (Acct. 143):	1,335	
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	905,680	0	0	0	905,680	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE	0				0	3
Less Average:						
Reserve for Depreciation	200,329	0	0	0	200,329	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	673,569	0	0	0	673,569	6
Other (specify):						
NONE					0	7
Average Net Rate Base	31,782	0	0	0	31,782	
Net Operating Income	19,302	0	0	0	19,302	8
Net Operating Income as a percent of Average Net Rate Base	60.73%	N/A	N/A	N/A	60.73%	

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	0	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(82,695)	3
Other (Specify):		
NONE	0	4
Total Average Proprietary Capital	(82,695)	
Net Income		
Net Income	12,313	5
Percent Return on Proprietary Capital	N/A	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FINANCIAL SECTION FOOTNOTES

Notes Payable & Miscellaneous Long-Term Debt (Page F-14)

THIS IS AN INTEREST FREE LOAN PROVIDED TO US BY CHEQUAMEGON TELEPHONE CORP.

Important Changes During the Year (Page F-21)

Note: \$900.00 was paid for a new hook-up for Tabitha Gustafson. She is building a new home, water line goes right down her property line and she has not actually hooked-up yet. Cost to utility will be minimum and was not done in 1998 yet.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

June 25, 1999

Ms. Marjorie Jean Ogren, Sanitary District Accountant
Town of Port Wing Sanitary District
750 Grand Avenue
P.O. Box 28
Port Wing, WI 54865-0028

1998 Analytical Review DWCCA-4785-ELE

Dear Ms. Ogren:

The Public Service Commission has completed their analytical review of your 1998 annual report. The primary purpose of our analytical review is to detect possible accounting related errors and to identify significant fluctuations from prior year's data, which are not sufficiently explained in the footnotes of your annual report.

1. During our review, we noted amounts reported as "other" in Account 470, Forfeited Discounts, page W-4. Late payment charges and tax roll penalties are most appropriately charged to Account 470. The amounts you have described as "other", such as standby charges, are more appropriately charged to Account 474, Other Water Revenues. Please follow this procedure in the future.

2. During our review, we noted you reported \$900 in Account 474, Other Water Revenues, described as "new hook up assessment". Charges for installation of water service laterals under your Cz-1 tariff are more appropriately credited to Account 271. Please transfer this amount to Account 271, Contributions in Aid of Construction in 1999 and footnote your 1999 annual report accordingly.

Thank you for your efforts in preparing your 1998 annual report. You may consider our review closed. If you have any questions, please feel free to contact me at (608) 267-9198.

Sincerely,

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

ELE:tlk:w:\compl\analytical review letters\june 25 1999 rev letters e.doc

cc: Mr. Clifford E. Hoagland, Commissioner

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	50,028	1
Total Sales of Water	50,028	
Other Operating Revenues		
Forfeited Discounts (470)	3,655	2
Other Water Revenues (474)	900	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	4,555	
Total Operating Revenues	54,583	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	9,000	5
General Operating Expenses (680-690)	8,748	6
Total Operation and Maintenance Expenses	17,748	
Other Operating Expenses		
Depreciation Expense (403)	17,454	7
Amortization Expense (404)		8
Taxes (408)	79	9
Total Other Operating Expenses	17,533	
Total Operating Expenses	35,281	
NET OPERATING INCOME	19,302	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Bulk sales should be account 460.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	84	2,832	20,154	4
Commercial	11	758	3,985	5
Industrial				6
Total Metered Sales to General Customers (461)	95	3,590	24,139	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		20,285	8
Other Sales to Public Authorities (464)	7	890	5,604	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	103	4,480	50,028	

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)	20,285	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)	20,285	
Forfeited Discounts (470):		
Customer late payment charges	230	5
Other (specify): OTHER REVENUES STANDBY CHARGES ANNUAL BILLINGS	3,425	6
Total Forfeited Discounts (470)	3,655	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		7
Other (specify): NEW HOOK UP ASSESSMENT	900	8
Total Other Water Revenues (474)	900	
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)	5,935	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	1,734	3
Chemicals (630)		4
Supplies and Expenses (640)	1,174	5
Repairs of Water Plant (650)	157	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	9,000	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	5,633	8
Office Supplies and Expenses (681)	927	9
Outside Services Employed (682)	45	10
Insurance Expense (684)	1,426	11
Employees Pensions and Benefits (686)		12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	717	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	8,748	
Total Operation and Maintenance Expenses	17,748	

TAXES (ACCT. 408 - WATER)

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

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)
Property Tax Equivalent		1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		2
Net property tax equivalent		0
Social Security		3
PSC Remainder Assessment		79 4
Other (specify): NONE		5
Total tax expense		79

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)	1,006		4
Structures and Improvements (311)	66,581		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	110,119		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	177,706	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	44,685		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	44,685	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	900		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	900	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)			1,006 4
Structures and Improvements (311)			66,581 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			110,119 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	177,706
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			44,685 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	44,685
WATER TREATMENT PLANT			
Land and Land Rights (330)			900 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	900
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)	90,029		26
Transmission and Distribution Mains (343)	405,495		27
Fire Mains (344)	0		28
Services (345)	96,654	1,162	29
Meters (346)	6,753		30
Hydrants (348)	81,305		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	680,236	1,162	
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)	1,572		38
Other Tangible Property (390)	0		39
Total General Plant	1,572	0	
Total utility plant in service directly assignable	905,099	1,162	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	905,099	1,162	

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)			90,029 26
Transmission and Distribution Mains (343)			405,495 27
Fire Mains (344)			0 28
Services (345)			97,816 29
Meters (346)			6,753 30
Hydrants (348)			81,305 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	681,398
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)			1,572 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	1,572
Total utility plant in service directly assignable	0	0	906,261
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	906,261

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			398	398	1
February			378	378	2
March			388	388	3
April			519	519	4
May			612	612	5
June			732	732	6
July			680	680	7
August			653	653	8
September			604	604	9
October			693	693	10
November			643	643	11
December			860	860	12
Total for year	0	0	7,160	7,160	
Less: Measured or estimated water used in main flushing and water treatment during year				700	13
Less: Other utility use				200	14
Other utility use explanation:					15
USED BY FIRE DEPARTMENT					
Water pumped into distribution system				6,260	16
Less: Water sold				4,480	17
Losses and unaccounted for				1,780	18
Percent unaccounted for to the nearest whole percent (%)				28%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
HYDRANT WAS BROKEN AND LEAKING WE LOOKED FOR IT AND COULD NOT FIND IT UNTIL IT SNOWED. HAD TO BE TURNED OFF FOR THE WINTER. FIRE DEPT NOTIFIED. WILL BE DUG UP AND REPAIRED EARLY SPRING.					
Maximum gallons pumped by all methods in any one day during reporting year				55,000	21
Date of maximum: 3/30/1998					22
Cause of maximum:					23
FLUSHING HYDRANTS AND FILLING TOWER					
Minimum gallons pumped by all methods in any one day during reporting year				10	24
Date of minimum: 4/10/1998					25
Total KWH used for pumping for the year				31,747	26
If water is purchased: Vendor Name: NORTHERN STATES POWER CO					27
Point of Delivery: ASHLAND, WI 54806					28

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
PORT WING WELL SITE	#1	192	8	24,000	Yes	1
PORT WING WELL SITE	#3	287	8	24,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	WELL # 1	WELL #2	1
Location	PORT WING WELL #1	PORT WING WELL #2	2
Purpose	P	B	3
Destination	D	D	4
Pump Manufacturer	HATACI	HATACI	5
Year Installed	1991	1991	6
Type	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	65	50	8
Pump Motor or Standby Engine Mfr	STA-RITE	STA-RITE	10
Year Installed	1991	1991	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	5	3	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	# 1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	S		3
Year constructed	1981		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	81		6
Total capacity in gallons	120,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.1600		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	0.750	370	0	0	0	370	1
M	D	1.000	714	0	0	0	714	2
M	D	3.000	295	0	0	0	295	3
M	D	6.000	16,443	0	0	0	16,443	4
M	D	8.000	1,960	0	0	0	1,960	5
Total Within Municipality			19,782	0	0	0	19,782	
Total Utility			19,782	0	0	0	19,782	

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	99	2	0	0	101	3	1
M	1.000	1	0	0	0	1	0	2
M	2.000	1	0	0	0	1	1	3
Total Utility		101	2	0	0	103	4	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (a).

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	104	0	0	0	104	10	1
1.500	2	0	0	0	2	0	2
2.000	1	0	0	0	1	0	3
Total:	107	0	0	0	107	10	

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	85	11	0	5	0	3	104	1
1.500	0	0	0	1	0	1	2	2
2.000	0	0	0	1	0	0	1	3
Total:	85	11	0	7	0	4	107	

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	45				45	2
Total Fire Hydrants	45	0	0	0	45	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

Wis. Admin. Code § 185.87 requires that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Report the number operated during the year

Number of hydrants operated during year:	45
Number of distribution system valves end of year:	33
Number of distribution valves operated during year:	33

WATER OPERATING SECTION FOOTNOTES

Water Services (Page W-16)

Two meters were added without cost to the utility - this is because the hook-up fees and assessments were paid years ago but they just got around to hooking on now and at their own expense. Igo and Bertelson
