



3015 (02-09-04)

ANNUAL REPORT

OF

Name: FREDERIC WATER UTILITYPrincipal Office: 107 OAK STREET WEST
P.O. BOX 567
FREDERIC, WI 54837For the Year Ended: DECEMBER 31, 1997**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: FREDERIC WATER UTILITY

Utility Address: 107 OAK STREET WEST

P.O. BOX 567

FREDERIC, WI 54837

When was utility organized? 1/1/1904

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: RALPH M PELLE

Title: SECRETARY

Office Address:

107 OAK STREET EAST

P.O. BOX 567

FREDERIC, WI 54837

Telephone: (715) 327 - 4294

Fax Number: (715) 327 - 4455

E-mail Address:

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

Name: STEVE SCHEIDLER

Title: CPA

Office Address: TRACEY AND THOLE SC

502 SECOND

HUDSON, WI 54016

Telephone: (715) 386 - 2391

Fax Number: (715) 386 - 0535

E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? YES

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

Name: TRACEY & THOLE SC

Title:

Office Address: TRACEY & THOLE SC

502 SECOND

HUDSON, WI 54016

Telephone: (715) 386 - 2391

Fax Number: (715) 386 - 0535

E-mail Address:

Date of most recent audit report: 3/21/1998

Period covered by most recent audit: 1997

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: KENNETH L HACKETT

Title: SUPERINTENDENT

Office Address:

107 OAK STREET EAST
P.O. BOX 567
FREDERIC, WI 54837

Telephone: (715) 327 - 4294

Fax Number: (715) 327 - 4455

E-mail Address:

Name of utility commission/committee: FREDERIC WATER COMMISSION

Names of members of utility commission/committee:

MILTON DAEFFLER, PRESIDENT
LAVERNE MILLER
GORDON ROGERS

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)	118,188	121,478	1
Operating Expenses:			
Operation and Maintenance Expense (401)	79,828	78,266	2
Depreciation Expense (403)	18,736	18,021	3
Amortization Expense (404)	0		4
Taxes (408)	21,199	21,773	5
Total Operating Expenses	119,763	118,060	
Net Operating Income	(1,575)	3,418	
Income from Utility Plant Leased to Others (412-413)	0		6
Utility Operating Income	(1,575)	3,418	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0		7
Nonoperating Rental Income (418)	1,000		8
Interest and Dividend Income (419)	5,058	4,799	9
Miscellaneous Nonoperating Income (421)	0		10
Total Other Income	6,058	4,799	
Total Income	4,483	8,217	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0		11
Other Income Deductions (426)	0		12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	4,483	8,217	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	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		16
Other Interest Expense (431)	0		17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	0	0	
Net Income	4,483	8,217	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	383,243	375,026	19
Balance Transferred from Income (433)	4,483	8,217	20
Miscellaneous Credits to Surplus (434)	0		21
Miscellaneous Debits to Surplus--Debit (435)	0		22
Appropriations of Surplus--Debit (436)	0		23
Appropriations of Income to Municipal Funds--Debit (439)	0		24
Total Unappropriated Earned Surplus End of Year (216)	387,726	383,243	

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):		
BUILDING RENTAL	1,000	3
Total (Acct. 418):	1,000	
Interest and Dividend Income (419):		
INTEREST ON INVESTMENTS	5,058	4
Total (Acct. 419):	5,058	
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	118,188	0	0	0	118,188	1
Less: interdepartmental sales	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	118,188	0	0	0	118,188	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,044,246	992,908	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	339,005	319,803	2
Net Utility Plant	705,241	673,105	
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		5
Other Investments (124)	0		6
Special Funds (125)	83,509	76,821	7
Total Other Property and Investments	83,509	76,821	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	74,834	78,922	8
Temporary Cash Investments (132)	25,513		9
Notes Receivable (141)	0		10
Customer Accounts Receivable (142)	18,319	20,685	11
Other Accounts Receivable (143)	35,583	40,695	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0		14
Materials and Supplies (150)	5,084	6,887	15
Prepayments (165)	0		16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	159,333	147,189	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0		18
Extraordinary Property Losses (182)	0		19
Other Deferred Debits (183)	10,365	20,730	20
Total Deferred Debits	10,365	20,730	
Total Assets and Other Debits	958,448	917,845	

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)	290,718	269,207	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	387,726	383,243	23
Total Proprietary Capital	678,444	652,450	
LONG-TERM DEBT			
Bonds (221)			24
Advances from Municipality (223)	0		25
Other long-Term Debt (224)	0		26
Total Long-Term Debt	0	0	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0		27
Accounts Payable (232)	63	468	28
Payables to Municipality (233)	35,487	40,579	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	35,550	41,047	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0		34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	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)	244,454	224,348	38
Total Liabilities and Other Credits	958,448	917,845	

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)	1,044,246	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	1,044,246	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	339,005	0	0	0	9
Total Accumulated Provision	339,005	0	0	0	
Net Utility Plant	705,241	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	319,803				319,803	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	18,736				18,736	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,066				1,066	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	19,802	0	0	0	19,802	13
Debits during year						14
Book cost of plant retired	600				600	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	600	0	0	0	600	19
Balance End of Year	339,005	0	0	0	339,005	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	1.95%					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	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)				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		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	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	1
Other					0	2
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	5,084	6,887	2
Sewer utility			3
Gas utility			4
Merchandise			5
Other materials & supplies			6
Total Materials and Supplies	5,084	6,887	

**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			<u>0</u>	
Unamortized premium on debt (251)				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	269,207	1
Changes during year (explain):		
CHURCHWOOD LANE PROJECT	21,511	2
Balance end of year	<u><u>290,718</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		1
Accruals:		
Charged water department expense	21,199	2
Charged electric department expense		3
Charged sewer department expense	386	4
Other (explain):		
NONE		5
Total Accruals and other credits	21,585	
Taxes paid during year:		
County, state and local taxes	18,973	6
Social Security taxes	2,448	7
PSC Remainder Assessment	164	8
Other (explain):		
NONE		9
Total payments and other debits	21,585	
Balance end of year	0	

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	1
Subtotal	0	0	0	0		
Advances from Municipality (223)					0	2
Subtotal	0	0	0	0		
Other long-Term Debt (224)					0	3
Subtotal	0	0	0	0		
Notes Payable (231)					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	224,348					224,348	1
Add credits during year:							
For Services	2,388					2,388	2
For Mains	14,637					14,637	3
Other (specify):							
HYDRANTS	3,081					3,081	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	244,454	0	0	0	0	244,454	
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):		
WATER TOWER PLANT UPGRADE FUND	83,509	3
Total (Acct. 125):	83,509	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	18,319	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	18,319	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	35,487	9
Merchandising, jobbing and contract work		10
Other (specify):		
SERVICE WORK FOR CUSTOMER	96	11
Total (Acct. 143):	35,583	
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):		
1995 WATER TOWER PAINTING	10,365	15
Total (Acct. 183):	10,365	

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)	
Payables to Municipality (233):		
CUSTOMER COLLECTIONS DUE TO SEWER UTILITY	35,487	16
Total (Acct. 233):	35,487	
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	1,018,577	0	0	0	1,018,577	1
Materials and Supplies	5,985	0	0	0	5,985	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	329,404	0	0	0	329,404	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	234,401	0	0	0	234,401	6
Other (specify):					0	7
Average Net Rate Base	460,757	0	0	0	460,757	
Net Operating Income	(1,575)	0	0	0	(1,575)	8
Net Operating Income as a percent of Average Net Rate Base	-0.34%	N/A	N/A	N/A	-0.34%	

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	279,962	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	385,484	3
Other (Specify):		4
Total Average Proprietary Capital	665,446	
Net Income		
Net Income	4,483	5
Percent Return on Proprietary Capital	0.67%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

PETERSON PROJECT 1997 ALL BUT A SMALL PORTION TO BE PAID BY CUSTOMERS THRU ASSESSMENTS THRU GENERAL FUND

190 LF 8 INCH DIP MAIN 200 LF 6 INCH DIP MAIN COST \$14636.61 RECORDED \$2235.11 VIA CPIBM AND \$12401.56 VIA CIAC FOUR 1 INCH COPPER SERVICES COST \$1692.55 RECORDED VIA CIAC TWO HYDRANTS COST \$6708.18 RECORDED VIA CIAC

CHURCHWOOD LANE PROJECT 1997 PAID 100 PERCENT BY VILLAGE GENERAL FUND

235 LF 8 INCH DIP MAIN COST \$15833.04 RECORDED VIA CPIBM TWO 1 INCH COPPER SERVICES COST \$2695.70 RECORDED VIA CPIBM ONE HYDRANT COST \$2981.97 RECORDED VIA CPIBM

CIAC CONTRIBUTIONS IN AID OF CONSTRUCTION CPIBM CAPITAL PAID BY MUNICIPALITY

4. Estimated changes in revenues due to rate changes.

DURING JANUARY 1998 THE VILLAGE WATER UTILITY SUBMITTED AN APPLICATION TO THE WI PSC FOR A RATE INCREASE AS OF THIS TIME NO HEARING SCHEDULE

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

SEE NUMBER 5

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

Report filed manually by utility. Revised to conform to system, keyed and edited by PSC staff.

4/21/98

PJL

June 4, 1998

Mr. Ralph Pelle, Secretary
Frederic Water Utility
P.O. Box 567
Frederic, WI 54837-0567

Re: 1997 Analytical Review DWCCA-2110-PJL

Dear Mr. Pelle:

The Public Service Commission (Commission) is in the process of completing an analytical review of your utility's 1997 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. Please explain how the mains reported as added during the year in column (e) of the Water Mains Schedule on page W-14 were financed.
2. The Commission is now using a computerized system to build an annual report database. It is, therefore, important to have a complete and correct annual report. The following changes have been made in our copy of your annual report. Please confirm these changes or indicate the necessary corrections:

Page
Lines
Column
Reported As
Should Be

F-4 4 b & f 1,202 Blank*
 F-4 Rev. Sub. Wis. Rem. Assessment b & f 116,986 118,188*

*Do not report if nonregulated sewer.

You did a good job completing your annual report. We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as

FINANCIAL SECTION FOOTNOTES

criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 267-9198. Please respond within 30 days of this letter. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Peter J. Leege
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

PJL:W:\COMPL\LEEGE\2110 ar/ssa

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	115,694	1
Total Sales of Water	115,694	
Other Operating Revenues		
Forfeited Discounts (470)	619	2
Other Water Revenues (474)	1,875	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	2,494	
Total Operating Revenues	118,188	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	54,922	5
General Operating Expenses (680-690)	24,906	6
Total Operation and Maintenance Expenses	79,828	
Other Operating Expenses		
Depreciation Expense (403)	18,736	7
Amortization Expense (404)		8
Taxes (408)	21,199	9
Total Other Operating Expenses	39,935	
Total Operating Expenses	119,763	
NET OPERATING INCOME	(1,575)	

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	22	44	1
Commercial	4	130	439	2
Industrial	1	57	110	3
Total Unmetered Sales to General Customers (460)	6	209	593	
Metered Sales to General Customers (461)				
Residential	390	16,281	36,822	4
Commercial	80	18,312	24,005	5
Industrial	13	1,759	2,584	6
Total Metered Sales to General Customers (461)	483	36,352	63,411	
Private Fire Protection Service (462)	4		1,600	7
Public Fire Protection Service (463)	1		41,773	8
Other Sales to Public Authorities (464)	13	5,623	8,317	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	507	42,184	115,694	

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)	41,773	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)	41,773	
Forfeited Discounts (470):		
Customer late payment charges	619	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	619	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,202	7
Other (specify):		
SERVICE WORK FOR CUSTOMERS	673	8
Total Other Water Revenues (474)	1,875	
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)	19,208	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	6,843	3
Chemicals (630)		4
Supplies and Expenses (640)	4,928	5
Repairs of Water Plant (650)	23,084	6
Transportation Expenses (660)	859	7
Total Plant Operation and Maintenance Expenses	54,922	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	12,784	8
Office Supplies and Expenses (681)	620	9
Outside Services Employed (682)	2,650	10
Insurance Expense (684)	2,084	11
Employees Pensions and Benefits (686)	6,768	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	24,906	
 Total Operation and Maintenance Expenses	79,828	

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		18,973	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		386	2
Net property tax equivalent		18,587	
Social Security		2,448	3
PSC Remainder Assessment		164	4
Other (specify): NONE			5
Total tax expense		<u>21,199</u>	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.069(1)(c). 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			Polk				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.235414				3
County tax rate	mills		4.637003				4
Local tax rate	mills		12.077873				5
School tax rate	mills		8.411340				6
Voc. school tax rate	mills		1.696525				7
Other tax rate - Local	mills						8
Other tax rate - Non-Local	mills						9
Total tax rate	mills		27.058155				10
Less: state credit	mills		2.167211				11
Net tax rate	mills		24.890944				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		12.077873				14
Combined School Tax Rate	mills		10.107865				15
Other Tax Rate - Local	mills						16
Total Local & School Tax	mills		22.185738				17
Total Tax Rate	mills		27.058155				18
Ratio of Local and School Tax to Total	dec.		0.819928				19
Total tax net of state credit	mills		24.890944				20
Net Local and School Tax Rate	mills		20.408781				21
Utility Plant, Jan. 1	\$	992,908	992,908				22
Materials & Supplies	\$	6,887	6,887				23
Subtotal	\$	999,795	999,795				24
Less: Plant Outside Limits	\$	0					25
Taxable Assets	\$	999,795	999,795				26
Assessment Ratio	dec.		0.849560				27
Assessed Value	\$	849,386	849,386				28
Net Local & School Rate	mills		20.408781				29
Tax Equiv. Computed for Current Year	\$	17,335	17,335				30
Tax Equivalent per 1994 PSC Report	\$	18,973					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	18,973					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)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	2,787		4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)	37,200		8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	39,987	0	
PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)	11,187		13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)	68,403		17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)	1,390		20
Total Pumping Plant	80,980	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)	3,354		23
Total Water Treatment Plant	3,354	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	300		24
Structures and Improvements (341)			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)			2,787	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)			37,200	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	39,987	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			11,187	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			68,403	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			1,390	20
Total Pumping Plant	0	0	80,980	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			3,354	23
Total Water Treatment Plant	0	0	3,354	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			300	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)	91,640		26
Transmission and Distribution Mains (343)	544,251	30,470	27
Fire Mains (344)			28
Services (345)	58,939	5,270	29
Meters (346)	44,501	2,480	30
Hydrants (348)	43,926	11,301	31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	783,557	49,521	
GENERAL PLANT			
Land and Land Rights (370)			33
Structures and Improvements (371)	20,621		34
Office Furniture and Equipment (372)	3,175		35
Computer Equipment (372.1)	3,214	1,893	36
Transportation Equipment (373)	12,205		37
Other General Equipment (379)	45,815	524	38
Other Tangible Property (390)			39
Total General Plant	85,030	2,417	
Total utility plant in service directly assignable	992,908	51,938	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	992,908	51,938	

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)			91,640 26
Transmission and Distribution Mains (343)			574,721 27
Fire Mains (344)			0 28
Services (345)			64,209 29
Meters (346)			46,981 30
Hydrants (348)	600		54,627 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	600	0	832,478
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			20,621 34
Office Furniture and Equipment (372)			3,175 35
Computer Equipment (372.1)			5,107 36
Transportation Equipment (373)			12,205 37
Other General Equipment (379)			46,339 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	87,447
Total utility plant in service directly assignable	600	0	1,044,246
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	600	0	1,044,246

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			4,734	4,734	1
February			4,427	4,427	2
March			4,971	4,971	3
April			5,145	5,145	4
May			7,090	7,090	5
June			9,350	9,350	6
July			6,964	6,964	7
August			7,463	7,463	8
September			6,088	6,088	9
October			5,248	5,248	10
November			4,589	4,589	11
December			4,885	4,885	12
Total for year	0	0	70,954	70,954	
Less: Measured or estimated water used in main flushing and water treatment during year				3,000	13
Less: Other utility use				8,560	14
Other utility use explanation:					15
FOUNTAIN FLOOD SKATING RINKS WASH AND FILL STREET SWEEPER FLUSH WATER SEWER MAINS FIRE DRILLS					
Water pumped into distribution system				59,394	16
Less: Water sold				42,184	17
Losses and unaccounted for				17,210	18
Percent unaccounted for to the nearest whole percent (%)				29%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
MAIN LEAK AT EARLY OIL REPAIRED 8/1997			HYDRANT		
LEAK AT FOURTH LINDEN REPAIRED 6/1997					
HYDRANT LEAK AT FIRST AVENUE NEED TO BE CAREFUL TO SHUT TIGHTLY					
MAIN LEAK AT CEMETARY WILL BE REPAIRED IN 1998					
Maximum gallons pumped by all methods in any one day during reporting year				483	21
Date of maximum: 6/7/1997					22
Cause of maximum:					23
SWIMMING POOL FILLED					
Minimum gallons pumped by all methods in any one day during reporting year				114	24
Date of minimum: 11/23/1997					25
Total KWH used for pumping for the year				81,117	26
If water is purchased: Vendor Name:					27
Point of Delivery:					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)	
122 OAK STREET EAST	2	248	12	548,000	Yes	1
508 OAK STREET EAST	3	217	12	468,000	Yes	2
209 SECOND AVENUE NORTH	4	298	12	518,400	Yes	3
300 FIRST AVENUE NORTH	5	311	12	648,000	Yes	4

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)	1
Identification	2	3	4	1
Location	122 OAK STREET E	508 BIRCH STREET W	209 SECOND AVENUE N	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	POMONA	POMONA	JACUZZI	5
Year Installed	1943	1956	1978	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	SUBMERSIBLE	7
Actual Capacity (gpm)	400	300	400	8
Pump Motor or Standby Engine Mfr	WESTINGHOUSE	WESTINGHOUSE	WESTINGHOUSE	9 10
Year Installed	1945	1956	1987	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	40	40	30	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	14
Identification	5			14
Location	300 FIRST AVENUE N			15
Purpose	P			16
Destination	D			17
Pump Manufacturer	PEERLESS			18
Year Installed	1988			19
Type	SUBMERSIBLE			20
Actual Capacity (gpm)	450			21
Pump Motor or Standby Engine Mfr	WESTINGHOUSE			22 23
Year Installed	1972			24
Type	ELECTRIC			25
Horsepower	40			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	2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET	3
Year constructed	1972	1972	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	270	295	6
Total capacity in gallons	30,000	200,000	7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER	OTHER	9
Points of application (wellhouse, central facilities, booster station, other)	OTHER	OTHER	10
Filters, type (gravity, pressure, other, none)	NONE	NONE	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	1.0000	1.0000	12
Is a corrosion control chemical used (yes, no)?	N	N	13
Is water fluoridated (yes, no)?	Y	Y	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	1,062				1,062
M	D	1.000	104				104
M	D	1.500	540				540
M	D	2.000	3,037				3,037
M	D	4.000	3,385				3,385
M	D	6.000	42,405	200			42,605
M	D	8.000	11,857	425			12,282
M	D	10.000	3,700				3,700
Total Within Municipality			66,090	625	0	0	66,715
M	D	6.000	110				110
M	D	12.000	1,992				1,992
Total Outside of Municipality			2,102	0	0	0	2,102
Total Utility			68,192	625	0	0	68,817

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	487	2			489	17	1
M	1.000	9				9		2
M	4.000	1	7			8		3
M	6.000	13				13	4	4
Total Utility		510	9	0	0	519	21	

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).

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	494	31			525	3	1
1.000	10	1			11		2
1.250	3				3		3
1.500	4				4		4
2.000	7				7		5
3.000	8				8		6
4.000	2				2		7
6.000	4				4		8
Total:	532	32	0	0	564	3	

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	369	57	11	6		82	525	1
1.000	2	6	3				11	2
1.250		3					3	3
1.500		4					4	4
2.000		3		4			7	5
3.000		3		5			8	6
4.000		1		1			2	7
6.000				4			4	8
Total:	371	77	14	20	0	82	564	

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	6				6	1
Within Municipality	92	5	2		95	2
Total Fire Hydrants	98	5	2	0	101	
Flushing Hydrants						
					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:	101
Number of distribution system valves end of year:	164
Number of distribution valves operated during year:	59

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

REPAIRS TO PLANT INCLUDES \$10,365 IN WATER PAINTING AMORTIZATION AS APPROVED BY THE WI PSC.

ALSO IN REPAIR ACCOUNT IS \$6,859 FOR REPAIRS TO PULL & REFURBISH PUMP AT WELL #2.

OPERATING SUPPLIES AND EXPENSE ACCOUNT DOWN DUE TO LESS VENDOR INVOICES FOR DAY TO DAY OPERATIONS.

Water Services (Page W-16)

NO ADJUSTMENTS.

THREE SERVICES INSTALLED BY UTILITY AND HOOKUPS CHARGED TO CUSTOMERS IN THE AMOUNT OF \$659.81.

TWO 1" SERVICES PART OF THE VILLAGE CHURCHWOOD LANE PROJECT IN THE AMOUNT OF \$2,659.70, FINANCED BY GENERAL FUND AND RECORDED VIA CPIBM

FOUR 1" SEVICES PART OF 1997 PETERSON PROJECTS AND PAID FOR BY DEVELOPER IN AMOUNT OF \$1,692.55 AND RECORDED VIA CIAC
