



3015 (02-09-04)

ANNUAL REPORT

OF

Name: CHETEK MUNICIPAL WATER UTILITY

Principal Office: 220 STOUT STREET
P.O. BOX 194
CHETEK, WI 54728-0194

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: CHETEK MUNICIPAL WATER UTILITY

Utility Address: 220 STOUT STREET
P.O. BOX 194
CHETEK, WI 54728-0194

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: K. R. HOFSTEDE
Title: CLERK-TREASURER

Office Address: S
220 STOUT STREET
P.O. BOX 194
CHETEK, WI 54728-0194

Telephone: (715) 924 - 4838

Fax Number: (715) 924 - 2855

E-mail Address:

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

Name: MR STEPHEN C. OTTO CPA
Title: FIELD AUDITOR

Office Address: TRACEY & THOLE, S.C., C.P.A.'S
502 SECOND STREET
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: MR STEPHEN C. OTTO CPA
Title: FIELD AUDITOR

Office Address: TRACEY & THOLE, S.C., C.P.A.'S
502 SECOND STREET
HUDSON, WI 54016

Telephone: (715) 386 - 2391

Fax Number: (715) 386 - 0535

E-mail Address:

Date of most recent audit report: 3/10/1999

Period covered by most recent audit: 1/1/98 through 12/31/98

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: MR MERLYN FOLZ

Title: DIRECTOR OF PUBLIC WORKS

Office Address:

220 STOUT STREET

P.O. BOX 194

CHETEK, WI 54728-0194

Telephone: (715) 924 - 4838

Fax Number: (715) 924 - 2855

E-mail Address:

Name of utility commission/committee: CHETEK CITY COUNCIL

Names of members of utility commission/committee:

CLIFFORD BRONSTAD, COUNCIL MEMBER

DONALD JANOTA, COUNCIL MEMBER

DEBORAH KUTRIEB, COUNCIL MEMBER

SHIRLEY WEBB, MAYOR

DAVID ZIARNIK, COUNCIL MEMBER

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:

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: NOT APPLICABLE-NO CONTRACTED SERVICES FOR OPERATIONS

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)	190,093	101,907	1
Operating Expenses:			
Operation and Maintenance Expense (401)	92,705	90,044	2
Depreciation Expense (403)	28,095	21,569	3
Amortization Expense (404)	0	0	4
Taxes (408)	26,381	26,159	5
Total Operating Expenses	147,181	137,772	
Net Operating Income	42,912	(35,865)	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	42,912	(35,865)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	500	0	8
Interest and Dividend Income (419)	34,832	14,421	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	35,332	14,421	
Total Income	78,244	(21,444)	
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	78,244	(21,444)	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	26,125	0	13
Amortization of Debt Discount and Expense (428)	773		14
Amortization of Premium on Debt--Cr. (429)	0		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	26,898	0	
Net Income	51,346	(21,444)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	456,136	477,580	19
Balance Transferred from Income (433)	51,346	(21,444)	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)	507,482	456,136	

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):		
WATER TANK PROPERTY RENTED FOR COMMUNICATIONS	500	3
Total (Acct. 418):	500	
Interest and Dividend Income (419):		
INTEREST ON REPLACEMENT FUND	6,151	4
INTEREST ON CONSTRUCTION FUND	13,323	5
INTEREST ON BOND RESERVE INVESTMENT	3,333	6
INTEREST ON OPERATING CASH AND INVESTMENTS	6,198	7
INTEREST ON SPECIAL ASSESSMENTS	4,601	8
INTEREST ON ADVANCE TO TAX INCREMENTAL DISTRICT	1,226	9
Total (Acct. 419):	34,832	
Miscellaneous Nonoperating Income (421):		
NONE		10
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		11
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		12
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		13
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		14
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		15
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		16
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				0	2
Payroll	0				0	3
Materials	0				0	4
Taxes	0				0	5
Other (list by major classes):						
NONE	0				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	190,093	0	0	0	190,093	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0				0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained	0				0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE	0				0	6
Revenues subject to Wisconsin Remainder Assessment	190,093	0	0	0	190,093	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,726,808	1,440,060	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	257,955	266,948	2
Net Utility Plant	1,468,853	1,173,112	
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)	356,689	60,433	6
Special Funds (125)	409,551	116,195	7
Total Other Property and Investments	766,240	176,628	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	185,824	130,266	8
Temporary Cash Investments (132)	0	0	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	30,645	15,202	11
Other Accounts Receivable (143)	350	1,292	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	12,269	999	14
Materials and Supplies (150)	11,570	10,506	15
Prepayments (165)	611	1,520	16
Other Current and Accrued Assets (170)	6,071	521	17
Total Current and Accrued Assets	247,340	160,306	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	14,488	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	22,142	33,213	20
Total Deferred Debits	36,630	33,213	
Total Assets and Other Debits	2,519,063	1,543,259	

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)	835,293	749,644	21
Appropriated Earned Surplus (215)	0		22
Unappropriated Earned Surplus (216)	507,482	456,136	23
Total Proprietary Capital	1,342,775	1,205,780	
LONG-TERM DEBT			
Bonds (221)	800,000		24
Advances from Municipality (223)	0		25
Other long-Term Debt (224)	0		26
Total Long-Term Debt	800,000	0	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0		27
Accounts Payable (232)	6,781	4,084	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)	0	0	30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	3,266	0	32
Other Current and Accrued Liabilities (238)	0	0	33
Total Current and Accrued Liabilities	10,047	4,084	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)	0	0	35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)	0	0	37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	366,241	333,395	38
Total Liabilities and Other Credits	2,519,063	1,543,259	

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)	1,717,301	0	0	0	1
Utility Plant Purchased or Sold (391)	0				2
Utility Plant in Process of Reclassification (392)	0				3
Utility Plant Leased to Others (393)	0				4
Property Held for Future Use (394)	1,837				5
Construction Work in Progress (395)	7,670				6
Utility Plant Acquisition Adjustments (396)	0				7
Other Utility Plant Adjustments (397)	0				8
Total Utility Plant	1,726,808	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	257,955	0	0	0	9
Total Accumulated Provision	257,955	0	0	0	
Net Utility Plant	1,468,853	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	266,948				266,948	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	28,095				28,095	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	3,364				3,364	6
Accruals charged other						7
accounts (specify):						8
NONE					0	9
Salvage	2,128				2,128	10
Other credits (specify):						11
NONE					0	12
Total credits	33,587	0	0	0	33,587	13
Debits during year						14
Book cost of plant retired	42,580				42,580	15
Cost of removal	0				0	16
Other debits (specify):						17
NONE	0				0	18
Total debits	42,580	0	0	0	42,580	19
Balance End of Year	257,955	0	0	0	257,955	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.00%					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):					
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	0 3
Collection of accounts previously written off: Others	0 4
Total Additions	0
Deductions:	
Accounts written off during the year: Utility Customers	0 5
Accounts written off during the year: Others	0 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
Other					0	0
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	11,570	10,506
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	11,570	10,506

**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)				
WATER SYSTEM REVENUE BONDS SERIES 1998B	773	#428	14,488	1
Total			14,488	
Unamortized premium on debt (251)				
NONE	0	N/A	0	2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	749,644	1
Changes during year (explain):		
MUNICIPAL CONTRIBUTIONS (TID) MAINS	79,577	2
MUNICIPAL CONTRIBUTIONS (TID) SERVICES	2,508	3
MUNICIPAL CONTRIBUTIONS (TID) HYDRANTS	3,564	4
Balance end of year	835,293	

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)	
WATER SYSTEM REVENUE BONDS	05/01/1998	12/01/2018	5.06%	800,000	1
Total Bonds (Account 221):				800,000	

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)
--	----------------------------------	--	----------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	26,381	2
Charged electric department expense	0	3
Charged sewer department expense	493	4
Other (explain):		
Social Security Taxes Charged to Plant Accounts	54	5
Total Accruals and other credits	26,928	
Taxes paid during year:		
County, state and local taxes	24,840	6
Social Security taxes	1,957	7
PSC Remainder Assessment	131	8
Other (explain):		
None		9
Total payments and other debits	26,928	
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)					
WATER SYSTEM REVENUE BONDS SERIES 1998B	0	26,125	22,859	3,266	1
Subtotal	0	26,125	22,859	3,266	
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	26,125	22,859	3,266	

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	333,395	0	0	0	0	333,395	1
Add credits during year:							
For Services	4,725					4,725	2
For Mains	28,121					28,121	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	366,241	0	0	0	0	366,241	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	0					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):		
ADVANCE TO CITY'S TAX INCREMENTAL DISTRICT	283,249	2
SPECIAL ASSESSMENTS RECEIVABLE	73,440	3
Total (Acct. 124):	356,689	
Special Funds (125):		
DEPRECIATION RESERVE FUND	28,340	4
CONSTRUCTION FUND	314,211	5
DEBT RESERVEI FUND	67,000	6
Total (Acct. 125):	409,551	
Notes Receivable (141):		
NONE		7
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	30,645	8
Electric	0	9
Sewer (Regulated)	0	10
Other (specify):		
NONE		11
Total (Acct. 142):	30,645	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		12
Merchandising, jobbing and contract work		13
Other (specify):		
DUE FROM CUSTOMERS FOR NEW SERVICES	350	14
Total (Acct. 143):	350	
Receivables from Municipality (145):		
SPECIAL ASSESSMENTS PLACED ON THE 1998 TAX ROLL	9,680	15
DELINQUENT BILLINGS PLACED ON THE 1998 TAX ROLL	2,589	16
Total (Acct. 145):	12,269	
Prepayments (165):		
PREPAID INSURANCE	611	17
Total (Acct. 165):	611	

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)	
Extraordinary Property Losses (182):		
NONE		18
Total (Acct. 182):	0	
Other Deferred Debits (183):		
DEFERRED TOWER PAINTING COSTS	22,142	19
Total (Acct. 183):	22,142	
Payables to Municipality (233):		
NONE		20
Total (Acct. 233):	0	
Other Deferred Credits (253):		
NONE		21
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	1,573,596	0	0	0	1,573,596	1
Materials and Supplies	11,038	0	0	0	11,038	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	262,451	0	0	0	262,451	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	349,818	0	0	0	349,818	6
Other (specify):						
NONE					0	7
Average Net Rate Base	972,365	0	0	0	972,365	
Net Operating Income	42,912	0	0	0	42,912	8
Net Operating Income as a percent of Average Net Rate Base						
	4.41%	N/A	N/A	N/A	4.41%	

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	792,468	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	481,809	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	1,274,277	
Net Income		
Net Income	51,346	5
 Percent Return on Proprietary Capital	 4.03%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

NONE

2. Leaseholder changes.

NONE

3. Extensions of service.

THERE WERE THREE EXTENSIONS OF SERVICE IN 1998:
PARKER BOULEVARD (INDUSTRIAL PARK - TID RELATED)
WOODARD STREET
WEST CENTER STREET
THESE EXTENSIONS WERE COMPLETED AND IN SERVICE AT THE END OF THE YEAR.

4. Estimated changes in revenues due to rate changes.

A RATE INCREASE WAS APPROVED AND WENT INTO EFFECT ON APRIL 1, 1998. THE INCREASE IN ANNUAL REVENUES DUE TO THE RATE CHANGE IS ESTIMATED TO BE \$97,214. SALES OF WATER REVENUES DID INCREASE \$85,625 AS A RESULT OF HAVING THE NEW RATES IN EFFECT ON APRIL 1, 1998.

5. Obligations incurred or assumed, excluding commercial paper.

THE UTILITY ISSUED \$800,000 IN MORTGAGE REVENUE BONDS TO FINANCE EXTENSIONS OF SERVICE IN 1998 AND 1999 AND TO PURCHASE AN AUTO READ METER READING SYSTEM.

6. Formal proceedings with the Public Service Commission.

THE UTILITY FILED AN APPLICATION FOR A RATE INCREASE WITH THE PUBLIC SERVICE COMMISSION. THE INCREASE WAS GRANTED AND PLACED INTO EFFECT ON APRIL 1, 1998.

7. Any additional matters.

THE UTILITY REPLACED ALL OF ITS 5/8" METERS IN 1998 WITH AN UPGRADED AUTO READ METER READING SYSTEM.

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

Tracey & Thole, S.C., C.P.A.'s
502 Second Street
Hudson, Wisconsin 54016

March 10, 1999

To the City Council
City of Chetek
Chetek Wisconsin

We have compiled the Municipal Utility Annual Report of the Chetek Municipal Water Utility for the year ended December 31, 1998 in accordance with standards established by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Wisconsin Public Service Commission information that is the representation of management. We have not audited or reviewed the Municipal Utility Annual Report and, accordingly, do not express an opinion or any other form of assurance on this report. This financial statement was compiled by us from financial statements for the same period which were previously audited as indicated in our report dated March 10, 1999. Nonfinancial statistical information was prepared by management.

The aforementioned report was compiled in accordance with the requirements of the Wisconsin Public Service Commission which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

TRACEY & THOLE, S.C., C.P.A.'S

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

August 17, 1999

Ms. K. R. Hofstede, Clerk Treasurer
Chetek Municipal Water Utility
220 Stout Street
P.O. Box 194
Chetek, WI 54728-0194

1998 Analytical Review DWCCA-1080-PJL

Dear Ms. Hofstede:

The Public Service Commission (PSC) is in the process of completing an analytical review of your utility's 1998 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. Your unaccounted water has been excessive and increasing in the last two years despite of the same annual report note about continuing to search for leaks and hiring a leak detection firm. Our engineering staff has several questions regarding this matter.

a. What firm(s) have been hired?

b. Did they explain why the problem is getting worse even though leaks are being found and repaired?

c. How many leaks and of what types have been found, and what were estimated rates or volumes from those leaks?

d. Another area to address for reducing unaccounted water is meter testing, but we have questions about Chetek's annual report data. Why is your utility testing water meters more frequently than is required? (For the 5/8-inch size, about 1/3 were reportedly tested in 1997 and a vast majority were reported tested in 1998. That makes about 1/3 of the meters tested in one year rather than the allowed 10 year period.)

e. Is the water quality so bad that meters begin losing accuracy after one year?

f. If such short testing intervals have been used in the past, what are the typical test results for percent registration?

g. Can you show that the unaccounted totals largely are explained by meter inaccuracies?

h. Are station meters being tested at all wells and water sources, and if

FINANCIAL SECTION FOOTNOTES

so, what are the results?

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as 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:tlk:w:\compl\analytical review letters\Aug 17 1999 rev letters.doc

cc: Mayor Shirley Webb

Response recieved 10/1/99

The engineering firm of TKDA has been hired to find leaks, some identified problems have yet to be repaired, one large leak repaired. Large # of meters reported as tested is due to the fact that all 5/8" and 3/4" meters were changed from outside read to radio read meters. OK to close review per Peter F. & Bruce S.
PJL

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	185,658	1
Total Sales of Water	185,658	
Other Operating Revenues		
Forfeited Discounts (470)	400	2
Other Water Revenues (474)	4,035	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	4,435	
Total Operating Revenues	190,093	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	66,706	5
General Operating Expenses (680-690)	25,999	6
Total Operation and Maintenance Expenses	92,705	
Other Operating Expenses		
Depreciation Expense (403)	28,095	7
Amortization Expense (404)	0	8
Taxes (408)	26,381	9
Total Other Operating Expenses	54,476	
Total Operating Expenses	147,181	
NET OPERATING INCOME	42,912	

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	712	30,618	74,017	4
Commercial	134	20,856	34,485	5
Industrial	3	1,113	2,276	6
Total Metered Sales to General Customers (461)	849	52,587	110,778	
Private Fire Protection Service (462)	0		0	7
Public Fire Protection Service (463)	1		63,652	8
Other Sales to Public Authorities (464)	24	8,307	11,228	9
Sales to Irrigation Customers (465)	0	0	0	10
Sales for Resale (466)	0	0	0	11
Interdepartmental Sales (467)	0	0	0	12
Total Sales of Water	874	60,894	185,658	

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)	63,652	1
Wholesale fire protection billed	0	2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)	0	3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	63,652	
Forfeited Discounts (470):		
Customer late payment charges	400	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	400	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	3,343	7
Other (specify):		
MISCELLANEOUS	692	8
Total Other Water Revenues (474)	4,035	
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)	17,839	1
Purchased Water (610)	0	2
Fuel or Power Purchased for Pumping (620)	7,775	3
Chemicals (630)	18,385	4
Supplies and Expenses (640)	5,359	5
Repairs of Water Plant (650)	17,348	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	66,706	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	7,035	8
Office Supplies and Expenses (681)	2,382	9
Outside Services Employed (682)	3,981	10
Insurance Expense (684)	3,626	11
Employees Pensions and Benefits (686)	6,333	12
Regulatory Commission Expenses (688)	1,298	13
Miscellaneous General Expenses (689)	1,344	14
Uncollectible Accounts (690)	0	15
Total General Operating Expenses	25,999	
Total Operation and Maintenance Expenses	92,705	

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	N/A	24,840	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department	PSC RECOMMENDED CALCULATION	493	2
Net property tax equivalent		24,347	
Social Security	DIRECT BASED ON PAYROLL	1,903	3
PSC Remainder Assessment	N/A	131	4
Other (specify): NONE	NONE		5
Total tax expense		<u>26,381</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			Barron				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.249801				3
County tax rate	mills		6.441237				4
Local tax rate	mills		10.724296				5
School tax rate	mills		10.054673				6
Voc. school tax rate	mills		1.870751				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		29.340758				10
Less: state credit	mills		1.626842				11
Net tax rate	mills		27.713916				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		10.724296				14
Combined School Tax Rate	mills		11.925424				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		22.649720				17
Total Tax Rate	mills		29.340758				18
Ratio of Local and School Tax to Total	dec.		0.771954				19
Total tax net of state credit	mills		27.713916				20
Net Local and School Tax Rate	mills		21.393873				21
Utility Plant, Jan. 1	\$	1,440,060	1,440,060				22
Materials & Supplies	\$	10,506	10,506				23
Subtotal	\$	1,450,566	1,450,566				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	1,450,566	1,450,566				26
Assessment Ratio	dec.		0.800418				27
Assessed Value	\$	1,161,059	1,161,059				28
Net Local & School Rate	mills		21.393873				29
Tax Equiv. Computed for Current Year	\$	24,840	24,840				30
Tax Equivalent per 1994 PSC Report	\$	24,646					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	24,840					34

WATER UTILITY PLANT IN SERVICE

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	50		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)	7,096		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	7,146	0	
PUMPING PLANT			
Land and Land Rights (320)	600		12
Structures and Improvements (321)	6,066		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	32,423		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	39,089	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	29,359		22
Water Treatment Equipment (332)	3,818		23
Total Water Treatment Plant	33,177	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)			50 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)			7,096 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	7,146
PUMPING PLANT			
Land and Land Rights (320)			600 12
Structures and Improvements (321)			6,066 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			32,423 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	39,089
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			29,359 22
Water Treatment Equipment (332)			3,818 23
Total Water Treatment Plant	0	0	33,177
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)	217,424		26
Transmission and Distribution Mains (343)	837,566	113,035	27
Fire Mains (344)	0		28
Services (345)	125,663	10,546	29
Meters (346)	57,631	194,810	30
Hydrants (348)	101,281	6,099	31
Other Transmission and Distribution Plant (349)	1,499		32
Total Transmission and Distribution Plant	1,341,064	324,490	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	997		35
Computer Equipment (372.1)	0	5,500	36
Transportation Equipment (373)	0		37
Other General Equipment (379)	8,418		38
Other Tangible Property (390)	0		39
Total General Plant	9,415	5,500	
Total utility plant in service directly assignable	1,429,891	329,990	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,429,891	329,990	

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)			217,424 26
Transmission and Distribution Mains (343)			950,601 27
Fire Mains (344)			0 28
Services (345)			136,209 29
Meters (346)	42,580		209,861 30
Hydrants (348)			107,380 31
Other Transmission and Distribution Plant (349)			1,499 32
Total Transmission and Distribution Plant	42,580	0	1,622,974
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			997 35
Computer Equipment (372.1)			5,500 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			8,418 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	14,915
Total utility plant in service directly assignable	42,580	0	1,717,301
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	42,580	0	1,717,301

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			10,112	10,112	1
February			9,122	9,122	2
March			10,436	10,436	3
April			10,390	10,390	4
May			11,302	11,302	5
June			10,176	10,176	6
July			11,637	11,637	7
August			11,309	11,309	8
September			9,442	9,442	9
October			13,445	13,445	10
November			13,551	13,551	11
December			12,184	12,184	12
Total for year	0	0	133,106	133,106	
Less: Measured or estimated water used in main flushing and water treatment during year				1,034	13
Less: Other utility use				22,455	14
Other utility use explanation:					15
ESTIMATED KNOWN LEAKS					
Water pumped into distribution system				109,617	16
Less: Water sold				60,894	17
Losses and unaccounted for				48,723	18
Percent unaccounted for to the nearest whole percent (%)				44%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
UTILITY CONTINUES TO SEARCH FOR LEAKS BY HIRING LEAK DETECTION CONTRACTOR AND REPAIRING LEAKS WHEN LOCATED.					
Maximum gallons pumped by all methods in any one day during reporting year				465	21
Date of maximum: 11/30/1998					22
Cause of maximum:					23
WATERMAIN LEAK					
Minimum gallons pumped by all methods in any one day during reporting year				78	24
Date of minimum: 2/14/1998					25
Total KWH used for pumping for the year				114,932	26
If water is purchased: Vendor Name: N/A					27
Point of Delivery: N/A					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)	
202 4TH ST. (DRILLED 9/25/35)	#1	260	12	228,576	Yes	1
702 KLEVE ST. (DRILLED 1960)	#2	266	10	136,098	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#1	#2		1
Location	202 4TH STREET	702 KLEVE STREET		2
Purpose	P	P		3
Destination	R	R		4
Pump Manufacturer	LAYNE NORTHWEST	LAYNE NORTHWEST		5
Year Installed	1980	1984		6
Type	VERTICAL TURBINE	VERTICAL TURBINE		7
Actual Capacity (gpm)	500	500		8
Pump Motor or Standby Engine Mfr	US MOTOR	US MOTOR		10
Year Installed	1945	1984		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	30	30		13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	#1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R		3
Year constructed	1982		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	77		6
Total capacity in gallons	500,000		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.)	0.7128		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	940	0	0	0	940	1
A	D	6.000	25,936	1,003	0	0	26,939	2
M	D	6.000	20,640	0	0	0	20,640	3
A	D	8.000	755	0	0	0	755	4
M	D	8.000	21,127	0	0	0	21,127	5
M	D	12.000	10,027	1,000	0	0	11,027	6
Total Within Municipality			79,425	2,003	0	0	81,428	
Total Utility			79,425	2,003	0	0	81,428	

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	866	0	0	0	866	91	1
M	1.000	77	12	0	0	89	12	2
M	1.250	4	1	0	0	5		3
M	1.500	7	0	0	0	7		4
M	2.000	8	0	0	0	8	1	5
M	3.000	2	0	0	0	2		6
M	4.000	1	1	0	0	2		7
M	6.000	2	1	0	0	3		8
Total Utility		967	15	0	0	982	104	

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	849	838	849	0	838	838	1
1.000	8	0	0	0	8	0	2
1.250	7	0	0	0	7	0	3
1.500	8	0	1	0	7	0	4
2.000	9	1	1	0	9	0	5
3.000	4	0	0	0	4	0	6
4.000	1	1	0	0	2	0	7
Total:	886	840	851	0	875	838	

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	715	106	1	16	0	0	838	1
1.000	0	5	0	3	0	0	8	2
1.250	0	7	0	0	0	0	7	3
1.500	0	5	0	2	0	0	7	4
2.000	0	9	0	0	0	0	9	5
3.000	0	1	1	2	0	0	4	6
4.000	0	0	1	1	0	0	2	7
Total:	715	133	3	24	0	0	875	

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	116			(116)	0	1
Within Municipality	0	3		116	119	2
Total Fire Hydrants	116	3	0	0	119	
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:	75
Number of distribution system valves end of year:	201
Number of distribution valves operated during year:	105

WATER OPERATING SECTION FOOTNOTES

Water Utility Plant in Service (Page W-08)

THE ADDITION TO ACCOUNT #372.1 WAS FOR AN AUTO READ SYSTEM FOR THE UPGRADE TO THE UTILITY'S METER READING SYSTEM.

Water Mains (Page W-15)

THE 1000' OF 12" MAIN WAS FOR AN EXTENSION IN THE CITY INDUSTRIAL PARK WHICH WAS FINANCED BY THE MORTGAGE REVENUE BOND ISSUE. THIS WAS A TID ELIGIBLE PROJECT AND THE RELATED DEBT SERVICE WILL BE FUNDED THROUGH FUTURE TID INCREMENTS.

THE 1003' OF 6" MAIN WAS FOR EXTENSIONS IN RESIDENTIAL AREAS OF THE CITY WHICH WAS FINANCED BY THE MORTGAGE REVENUE BOND ISSUE. DEBT SERVICE WILL BE FUNDED THROUGH DEFERRED ASSESSMENTS AGAINST PROPERTY OWNERS. ASSESSMENTS WERE MADE BASED ON FOOTAGE AND ARE INTEREST FREE IF PAID IN FULL BY MARCH 1, 1999. AFTER THAT DATE THEY CARRY AN INTEREST RATE OF 9.5% AND CAN BE PAID OVER 10 YEARS.

Water Services (Page W-16)

THE 4" AND 6" SERVICES WERE INSTALLED IN THE CITY'S INDUSTRIAL PARK AS PART OF A TID ELIGIBLE PROJECT.

THE 12 1" SERVICES WERE ASSESSED AGAINST PROPERTY OWNERS BASED ON THE AUTHORIZED RATE SCHEDULE AT \$350 EACH AND THE 1 1/4" SERVICE WAS ASSESSED AT ACTUAL COST.

Hydrants and Distribution System Valves (Page W-18)

THE ADJUSTMENT IN COLUMN E IS NECESSARY TO REFLECT THAT ALL UTILITY HYDRANTS ARE WITHIN THE MUNICIPAL BOUNDARIES.
