



3015 (02-09-04)

**ANNUAL REPORT**

OF

Name: MERCER SANITARY DISTRICT NUMBER ONE

Principal Office: P.O. BOX 660  
MERCER, WI 54547-0660

For the Year Ended: DECEMBER 31, 2001

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:** MERCER SANITARY DISTRICT NUMBER ONE

**Utility Address:** P.O. BOX 660  
MERCER, WI 54547-0660

**When was utility organized?** 1/1/1965

**Report any change in name:**

**Effective Date:**

**Utility Web Site:**

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**Utility employee in charge of correspondence concerning this report:**

**Name:** RICHARD WILLIAMS

**Title:** PRESIDENT

**Office Address:**

P.O. BOX 660  
MERCER, WI 54547-0660

**Telephone:** (715) 476 - 3575

**Fax Number:** (715) 476 - 3575

**E-mail Address:**

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

**Name:** DAVID TRACZYK CPA

**Title:** OWNER

**Office Address:** DAVID TRACZYK CPA

327 SILVER STREET  
HURLEY, WI 54534-1255

**Telephone:** (715) 561 - 3299

**Fax Number:** (715) 561 - 4099

**E-mail Address:** bkkkg@portup.com

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

**Name:** RICHARD WILLIAMS

**Title:** PRESIDENT

**Office Address:**

P.O. BOX 660  
MERCER, WI 54547-0660

**Telephone:** (715) 476 - 3575

**Fax Number:** (715) 476 - 3575

**E-mail Address:**

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

**IDENTIFICATION AND OWNERSHIP**

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

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**Name:**

**Title:**

**Office Address:**

**Telephone:**

**Fax Number:**

**E-mail Address:**

**Date of most recent audit report:** 1/17/2001

**Period covered by most recent audit:** 2000

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**Names and titles of utility management including manager or superintendent:**

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**Name:** RANDALL R BALDAUF

**Title:** OPERATOR

**Office Address:**

P.O. BOX 660  
MERCER, WI 54547

**Telephone:** (715) 476 - 3575

**Fax Number:** (715) 476 - 3575

**E-mail Address:**

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**Name of utility commission/committee:**

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**Names of members of utility commission/committee:**

- RONALD BELL, COMMISSIONER
- THOMAS THOMPSON, COMMISSIONER
- RICHARD WILLIAMS, PRESIDENT

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**Is sewer service rendered by the utility?** YES

**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** YES

**Date of Ordinance:** 1/1/1965

**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

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

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## IDENTIFICATION AND OWNERSHIP

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**Firm Name:**

**Contact Person:**

**Title:**

**Telephone:**

**Fax Number:**

**E-mail Address:**

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**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)	
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	154,371	149,941	1
<b>Operating Expenses:</b>			
Operation and Maintenance Expense (401)	113,733	104,628	2
Depreciation Expense (403)	33,007	31,007	3
Amortization Expense (404)	0	0	4
Taxes (408)	3,510	3,523	5
<b>Total Operating Expenses</b>	<b>150,250</b>	<b>139,158</b>	
<b>Net Operating Income</b>	<b>4,121</b>	<b>10,783</b>	
Income from Utility Plant Leased to Others (412-413)	0	0	6
<b>Utility Operating Income</b>	<b>4,121</b>	<b>10,783</b>	
<b>OTHER INCOME</b>			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	42,897	44,495	9
Miscellaneous Nonoperating Income (421)	126,698	132,332	10
<b>Total Other Income</b>	<b>169,595</b>	<b>176,827</b>	
<b>Total Income</b>	<b>173,716</b>	<b>187,610</b>	
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
<b>Total Miscellaneous Income Deductions</b>	<b>0</b>	<b>0</b>	
<b>Income Before Interest Charges</b>	<b>173,716</b>	<b>187,610</b>	
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	100,591	95,451	13
Amortization of Debt Discount and Expense (428)	2,149	3,883	14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
<b>Total Interest Charges</b>	<b>102,740</b>	<b>99,334</b>	
<b>Net Income</b>	<b>70,976</b>	<b>88,276</b>	
<b>EARNED SURPLUS</b>			
Unappropriated Earned Surplus (Beginning of Year) (216)	31,730	(56,546)	19
Balance Transferred from Income (433)	70,976	88,276	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
<b>Total Unappropriated Earned Surplus End of Year (216)</b>	<b>102,706</b>	<b>31,730</b>	

### 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)	
<b>Revenues from Utility Plant Leased to Others (412):</b>		
NONE		1
<b>Total (Acct. 412):</b>	<b>0</b>	
<b>Expenses of Utility Plant Leased to Others (413):</b>		
NONE		2
<b>Total (Acct. 413):</b>	<b>0</b>	
<b>Nonoperating Rental Income (418):</b>		
NONE		3
<b>Total (Acct. 418):</b>	<b>0</b>	
<b>Interest and Dividend Income (419):</b>		
WATER INTEREST FROM BANK AND SPECIAL ASSESSMENT	14,141	4
SEWER INTEREST FROM BANK AND SPECIAL ASSESSMENT	28,756	5
<b>Total (Acct. 419):</b>	<b>42,897</b>	
<b>Miscellaneous Nonoperating Income (421):</b>		
NONREGULATED SEWER	126,698	6
<b>Total (Acct. 421):</b>	<b>126,698</b>	
<b>Miscellaneous Amortization (425):</b>		
NONE		7
<b>Total (Acct. 425):</b>	<b>0</b>	
<b>Other Income Deductions (426):</b>		
NONE		8
<b>Total (Acct. 426):</b>	<b>0</b>	
<b>Miscellaneous Credits to Surplus (434):</b>		
NONE		9
<b>Total (Acct. 434):</b>	<b>0</b>	
<b>Miscellaneous Debits to Surplus (435):</b>		
NONE		10
<b>Total (Acct. 435)--Debit:</b>	<b>0</b>	
<b>Appropriations of Surplus (436):</b>		
Detail appropriations to (from) account 215		11
<b>Total (Acct. 436)--Debit:</b>	<b>0</b>	
<b>Appropriations of Income to Municipal Funds (439):</b>		
NONE		12
<b>Total (Acct. 439)--Debit:</b>	<b>0</b>	

**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
<b>Costs and Expenses of Merchandising, Jobbing and Contract Work (416):</b>						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
<b>Other (list by major classes):</b>					0	6
<b>Total costs and expenses</b>	0	0	0	0	0	
<b>Net income (or loss)</b>	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	154,371	0	0	0	154,371	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
<b>Other Increases or (Decreases) to Operating Revenues - Specify:</b>						
GRANT AMORTIZATION	(3,695)				(3,695)	6
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>150,676</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,676</b>	

**BALANCE SHEET**

<b>Assets and Other Debits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>UTILITY PLANT</b>			
Utility Plant (100)	2,031,085	2,031,085	<b>1</b>
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	484,626	451,619	<b>2</b>
<b>Net Utility Plant</b>	<b>1,546,459</b>	<b>1,579,466</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property (121)	5,183,673	5,183,673	<b>3</b>
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	435,140	359,737	<b>4</b>
<b>Net Nonutility Property</b>	<b>4,748,533</b>	<b>4,823,936</b>	
Investment in Municipality (123)	0	0	<b>5</b>
Other Investments (124)	383,637	401,824	<b>6</b>
Special Funds (125)	204,682	159,164	<b>7</b>
<b>Total Other Property and Investments</b>	<b>5,336,852</b>	<b>5,384,924</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash and Working Funds (131)	257,117	151,478	<b>8</b>
Temporary Cash Investments (132)			<b>9</b>
Notes Receivable (141)	0	0	<b>10</b>
Customer Accounts Receivable (142)	10,335	10,477	<b>11</b>
Other Accounts Receivable (143)	12,548	42,651	<b>12</b>
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	<b>13</b>
Receivables from Municipality (145)	105,803	84,552	<b>14</b>
Materials and Supplies (150)	7,755	5,000	<b>15</b>
Prepayments (165)	4,039	6,341	<b>16</b>
Other Current and Accrued Assets (170)	25,809	28,202	<b>17</b>
<b>Total Current and Accrued Assets</b>	<b>423,406</b>	<b>328,701</b>	
<b>DEFERRED DEBITS</b>			
Unamortized Debt Discount and Expense (181)	17,779	6,652	<b>18</b>
Extraordinary Property Losses (182)	0	0	<b>19</b>
Other Deferred Debits (183)	86,224	6,471	<b>20</b>
<b>Total Deferred Debits</b>	<b>104,003</b>	<b>13,123</b>	
<b>Total Assets and Other Debits</b>	<b>7,410,720</b>	<b>7,306,214</b>	

### BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>PROPRIETARY CAPITAL</b>			
Capital Paid in by Municipality (200)	209,708	149,708	21
Appropriated Earned Surplus (215)	0		22
Unappropriated Earned Surplus (216)	102,706	31,730	23
<b>Total Proprietary Capital</b>	<b>312,414</b>	<b>181,438</b>	
<b>LONG-TERM DEBT</b>			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	2,010,318	1,821,974	26
<b>Total Long-Term Debt</b>	<b>2,010,318</b>	<b>1,821,974</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable (231)	0	0	27
Accounts Payable (232)	8,550	32,542	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)	0		30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	16,928	14,805	32
Other Current and Accrued Liabilities (238)	4,479	5,986	33
<b>Total Current and Accrued Liabilities</b>	<b>29,957</b>	<b>53,333</b>	
<b>DEFERRED CREDITS</b>			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)	0		35
Other Deferred Credits (253)	0	0	36
<b>Total Deferred Credits</b>	<b>0</b>	<b>0</b>	
<b>OPERATING RESERVES</b>			
Miscellaneous Operating Reserves (265)	0		37
<b>Total Operating Reserves</b>	<b>0</b>	<b>0</b>	
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
Contributions in Aid of Construction (271)	5,058,031	5,249,469	38
<b>Total Liabilities and Other Credits</b>	<b>7,410,720</b>	<b>7,306,214</b>	

### 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)	
<b>Plant Accounts:</b>					
Utility Plant in Service (100)	2,031,085	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
<b>Total Utility Plant</b>	2,031,085	0	0	0	
<b>Accumulated Provision for Depreciation and Amortization:</b>					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	484,626	0	0	0	9
<b>Total Accumulated Provision</b>	484,626	0	0	0	
<b>Net Utility Plant</b>	1,546,459	0	0	0	

### ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 110)

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.  
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
<b>Balance first of year</b>	451,619				451,619	1
<b>Credits During Year</b>						2
<b>Accruals:</b>						3
Charged depreciation expense (403)	33,007				33,007	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
<b>Total credits</b>	<b>33,007</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33,007</b>	<b>13</b>
<b>Debits during year</b>						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
<b>Total debits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>
<b>Balance End of Year</b>	<b>484,626</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>484,626</b>	<b>20</b>
<b>Composite Depreciation Rate?</b>	No					21
If yes, what is the rate?						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	5,183,673			5,183,673	1
<b>Other (specify):</b>					
NONE	0			0	2
<b>Total Nonutility Property (121)</b>	<b>5,183,673</b>	<b>0</b>	<b>0</b>	<b>5,183,673</b>	
Less accum. prov. depr. & amort. (122)	359,737	75,403		435,140	3
<b>Net Nonutility Property</b>	<b>4,823,936</b>	<b>(75,403)</b>	<b>0</b>	<b>4,748,533</b>	

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

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

### MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
<b>Electric Utility</b>						
Fuel for generation					0	0
Other					0	0
<b>Total Electric Utility</b>					<b>0</b>	<b>0</b>

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	7,255	4,500
Sewer utility	500	500
Gas utility		0
Merchandise		0
Other materials & supplies	0	0
<b>Total Materials and Supplies</b>	<b>7,755</b>	<b>5,000</b>

**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)		
<b>Unamortized debt discount &amp; expense (181)</b>				
ISSUE COSTS OF 4-01 NOTES	996	428	12,281	1
ISSUE COSTS OF 4-96 BOND	910	425	0	2
ISSUE COSTS OF DNR CLEAN WATER BOND	125	428	1,604	3
ISSUE COSTS OF FMHA BOND	118	428	3,894	4
<b>Total</b>			<b>17,779</b>	
<b>Unamortized premium on debt (251)</b>				
NONE				5
<b>Total</b>			<b>0</b>	

**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	149,708	1
<b>Changes during year (explain):</b>		
2001V TAX LEVY	60,000	2
<b>Balance end of year</b>	<b><u>209,708</u></b>	

**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.

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<b>Description of Issue (a)</b>	<b>Date of Issue (b)</b>	<b>Final Maturity Date (c)</b>	<b>Interest Rate (d)</b>	<b>Principal Amount End of Year (e)</b>
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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)	
<b>Other Long-Term Debt (224)</b>					
FMHA BOND	01/23/1995	01/01/2035	5.00%	430,700	<b>1</b>
GENERAL OBLIGATION NOTES 4/01	04/01/2001	04/01/2011	4.61%	950,000	<b>2</b>
N/P ASSOCIATED BANK -90	12/28/1990	12/31/2000	7.50%	7,936	<b>3</b>
W/S REVENUE NOTES 4/96	04/01/1996	04/01/2001	4.30%	0	<b>4</b>
DNR CLEAN WATER LOAN	07/27/1994	05/11/2014	5.80%	621,682	<b>5</b>
<b>Total for Account 224</b>				<b>2,010,318</b>	

**TAXES ACCRUED (ACCT. 236)**

Particulars (a)	Amount (b)	
Balance first of year	0	1
<b>Accruals:</b>		
Charged water department expense	3,510	2
Charged electric department expense		3
Charged sewer department expense	3,162	4
<b>Other (explain):</b>		
NONE		5
<b>Total Accruals and other credits</b>	<u>6,672</u>	
<b>Taxes paid during year:</b>		
County, state and local taxes		6
Social Security taxes	6,432	7
PSC Remainder Assessment	240	8
<b>Other (explain):</b>		
NONE		9
<b>Total payments and other debits</b>	<u>6,672</u>	
<b>Balance end of year</b>	<u><u>0</u></u>	

### INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.  
 2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
<b>Bonds (221)</b>					
NONE	0			0	1
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Advances from Municipality (223)</b>					
NONE	0			0	2
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Other long-Term Debt (224)</b>					
FMHA BOND	0	21,790	21,790	0	3
DNR CLEAN WATER LOAN	6,314	36,667	36,972	6,009	4
W/S REVENUE NOTES 4/96	8,491	8,490	16,981	0	5
N/P ASSOCIATED BANK - 90	0	887	887	0	6
GENERAL OBLIGATIN NOTES 04/01	0	32,757	21,838	10,919	7
<b>Subtotal</b>	<b>14,805</b>	<b>100,591</b>	<b>98,468</b>	<b>16,928</b>	
<b>Notes Payable (231)</b>					
NONE	0			0	8
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total</b>	<b>14,805</b>	<b>100,591</b>	<b>98,468</b>	<b>16,928</b>	

**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	949,582	0	0	4,299,887	0	<b>5,249,469</b>	1
<b>Add credits during year:</b>							
For Services						<b>0</b>	2
For Mains						<b>0</b>	3
<b>Other (specify):</b>							
NONE						<b>0</b>	4
<b>Deduct charges (specify):</b>							
GRANT AMORTIZATION	3,695			187,743		<b>191,438</b>	5
<b>Balance End of Year</b>	<b>945,887</b>	<b>0</b>	<b>0</b>	<b>4,112,144</b>	<b>0</b>	<b>5,058,031</b>	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	638,209			3,986,452		<b>4,624,661</b>	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)	
<b>Investment in Municipality (123):</b>		
NONE		1
<b>Total (Acct. 123):</b>	<b>0</b>	
<b>Other Investments (124):</b>		
WATER SPECIAL ASSESSMENTS	88,990	2
SEWER SPECIAL ASSESSMENTS	294,647	3
<b>Total (Acct. 124):</b>	<b>383,637</b>	
<b>Special Funds (125):</b>		
FHA DEPRECIATION FUNDS	26,738	4
DNR DEPRECIATION FUNDS	95,332	5
FHA DEBT RETIREMENT FUNDS	45,411	6
DNR DEBT RETIREMENT FUNDS	37,201	7
<b>Total (Acct. 125):</b>	<b>204,682</b>	
<b>Notes Receivable (141):</b>		
NONE		8
<b>Total (Acct. 141):</b>	<b>0</b>	
<b>Customer Accounts Receivable (142):</b>		
Water	10,335	9
Electric		10
Sewer (Regulated)		11
<b>Other (specify):</b>		
NONE		12
<b>Total (Acct. 142):</b>	<b>10,335</b>	
<b>Other Accounts Receivable (143):</b>		
Sewer (Non-regulated)	12,548	13
Merchandising, jobbing and contract work		14
<b>Other (specify):</b>		
NONE		15
<b>Total (Acct. 143):</b>	<b>12,548</b>	
<b>Receivables from Municipality (145):</b>		
2001 TAX LEVY	105,803	16
<b>Total (Acct. 145):</b>	<b>105,803</b>	
<b>Prepayments (165):</b>		
PREPAID INSURANCE	4,039	17
<b>Total (Acct. 165):</b>	<b>4,039</b>	

### 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)	
<b>Extraordinary Property Losses (182):</b>		
NONE		18
<b>Total (Acct. 182):</b>	0	
<b>Other Deferred Debits (183):</b>		
NEW WELL AND/OR IRON REMOVAL PLANT IN PROGRESS	86,224	19
<b>Total (Acct. 183):</b>	86,224	
<b>Payables to Municipality (233):</b>		
NONE		20
<b>Total (Acct. 233):</b>	0	
<b>Other Deferred Credits (253):</b>		
NONE		21
<b>Total (Acct. 253):</b>	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)	
<b>Add Average:</b>						
Utility Plant in Service	2,031,085	0	0	0	2,031,085	1
Materials and Supplies	5,877	0	0	0	5,877	2
<b>Other (specify):</b>					<b>0</b>	<b>3</b>
<b>Less Average:</b>						
Reserve for Depreciation	468,122	0	0	0	468,122	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	947,734	0	0	0	947,734	6
<b>Other (specify):</b>					<b>0</b>	<b>7</b>
<b>Average Net Rate Base</b>	<b>621,106</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>621,106</b>	
Net Operating Income	4,121	0	0	0	4,121	8
<b>Net Operating Income as a percent of Average Net Rate Base</b>	<b>0.66%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.66%</b>	

## 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.

<b>Description (a)</b>	<b>Amount (b)</b>	
<b>Average Proprietary Capital</b>		
Capital Paid in by Municipality	179,708	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	67,218	3
<b>Other (Specify):</b>		
NONE		4
<b>Total Average Proprietary Capital</b>	<b>246,926</b>	
<b>Net Income</b>		
Net Income	70,976	5
<b>Percent Return on Proprietary Capital</b>	<b>28.74%</b>	

## IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

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**1. Acquisitions.**

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**2. Leaseholder changes.**

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**3. Extensions of service.**

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**4. Estimated changes in revenues due to rate changes.**

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**5. Obligations incurred or assumed, excluding commercial paper.**

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**6. Formal proceedings with the Public Service Commission.**

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**7. Any additional matters.**

(183) The utility has been incurring costs associated with development of a new well or replacement of the existing iron removal plant. Costs consist of engineering and test borings. The final decision on how to proceed has not yet been determined.

(224) General obligation notes for \$950,000 were issued,. Proceeds were used to pay off a debt of \$715,000, with the remaining funds to be used for the project noted above.

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## FINANCIAL SECTION FOOTNOTES

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### Signature Page (Page ii)

DAVID TRACZYK  
Certified Public Accountant  
327 Silver Street  
Hurley, Wisconsin 54534

Board of Commissioners  
Mercer Sanitary District #1  
Mercer, Wisconsin

I have compiled the accompanying balance sheets, statements of income and retained earnings, and statistical data of the Mercer Sanitary District #1 for the years ended December 31, 2001 and 2000, included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants .

My compilations were limited to presenting in the form prescribed by the Wisconsin Public Service Commission information that is the representation of management. I have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

March 28, 2002

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### FINANCIAL SECTION FOOTNOTES

#### Identification and Ownership - Contacts (Page iv)

received late response on 3/19/03:

1. Meters are used for sewer volume. Will bill sewer department in 2002.
2. Meters in inventory have been reclassified to a/c 346 in 2002.
3. Fules costs for well house have been reclassified to a/c 640 in 2002.
4. All 1.5 and 2 inch meters were tested.

ele

no response, review items against 2002 report. 2/3/03 ele

September 19, 2002

Mr. Richard Williams, President  
 Mercer Sanitary District No. 1  
 P.O. Box 660  
 Mercer, WI 54547-0660

2001 Analytical Review DWCCA-3600-PJL

Dear Mr. Williams:

The Public Service Commission (Commission) staff has completed its analytical review of your utility's 2001 annual report. The primary purpose of the analytical review is to detect possible reporting or accounting related errors and also to identify significant fluctuations from prior years' data that are not sufficiently explained in the annual report. The analytical review did identify the following issues:

1. During our review we noted that that the utility did not report any depreciation expense on meters charged to sewer, (Account 110), or return on net investment in meters charged to sewer department, (Account 474). If a sewer department uses the water meter to measure sewer volume for purposes of charging for sewer service, the water utility must charge the sewer department for its share of water meter costs. See section 4, pages 10 and 11 of the Water Utility Reference Manual (enclosed). Please confirm that the sewer department does not use the water meter to measure sewer volume, or, if the sewer department is using the water meter, please confirm that your utility will begin to allocate the water meter costs on your 2002 books
2. During our review we noted that in the footnotes to the Meters schedule on page W-17 it is explained that the 50 meters that were purchased during the year were recorded in inventory (Account 150) at year end. You went on to explain that the cost of meters would be charged to the plant account (Account 346) as they are installed. Please note that the enclosed copies of pages 16 and 17 of the Uniform System of Accounts for Municipally Owned Utilities directs that meters not be charged to this account. Please confirm that an adjustment will be made to the utility's 2002 report to transfer those dollars to Account 346.
3. In regard to the cost of the fuel explained in the footnotes to page W-5 as fuel recorded in Account 620, but actually used to heat the well houses, please confirm that these dollars will be reported in Account 640, Supplies and Expenses in the future.

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## FINANCIAL SECTION FOOTNOTES

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4. Item number 5 of the letter from Steven Metz dated July 19, 2001, explained that the utility tested all of its 1.5 and 2 inch meters in the spring of 2001. However, column (g) of page W-17 indicates that the only meters tested during 2001 were 17 .625" meters. Please explain.

Responding to the questions posed from the analytical review does not preclude you from possibly receiving other inquiries from our office regarding your annual report in the future: for instance, during a rate case, construction authorization, or other Commission reviews.

We appreciate your cooperation in providing the above information. If you have any questions, please feel free to contact me at (608) 267-9198. Please respond within 30 days of this letter. We prefer that you respond by e-mail if it is convenient for you to do so. My e-mail address is peter.leege@psc.state.wi.us. 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

Enclosures

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Mercer.doc

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**WATER OPERATING REVENUES & EXPENSES**

Particulars (a)	Amounts (b)	
<b>Operating Revenues</b>		
<b>Sales of Water</b>		
Sales of Water (460-467)	144,458	1
<b>Total Sales of Water</b>	<b>144,458</b>	
<b>Other Operating Revenues</b>		
Forfeited Discounts (470)	247	2
Other Water Revenues (474)	5,971	3
Amortization of Construction Grants (475)	3,695	4
<b>Total Other Operating Revenues</b>	<b>9,913</b>	
<b>Total Operating Revenues</b>	<b>154,371</b>	
<b>Operation and Maintenance Expenses</b>		
Plant Operation and Maintenance Expenses (600-660)	62,175	5
General Operating Expenses (680-690)	51,558	6
<b>Total Operation and Maintenance Expenses</b>	<b>113,733</b>	
<b>Other Operating Expenses</b>		
Depreciation Expense (403)	33,007	7
Amortization Expense (404)		8
Taxes (408)	3,510	9
<b>Total Other Operating Expenses</b>	<b>36,517</b>	
<b>Total Operating Expenses</b>	<b>150,250</b>	
<b>NET OPERATING INCOME</b>	<b>4,121</b>	

### WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
<b>Operating Revenues</b>				
<b>Sales of Water</b>				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
<b>Total Unmetered Sales to General Customers (460)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Metered Sales to General Customers (461)				
Residential	270	6,403	53,336	4
Commercial	75	6,890	33,677	5
Industrial	9	1,922	7,407	6
<b>Total Metered Sales to General Customers (461)</b>	<b>354</b>	<b>15,215</b>	<b>94,420</b>	
Private Fire Protection Service (462)	2		1,177	7
Public Fire Protection Service (463)	1		43,993	8
Other Sales to Public Authorities (464)	14	575	4,868	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
<b>Total Sales of Water</b>	<b>371</b>	<b>15,790</b>	<b>144,458</b>	

**SALES FOR RESALE (ACCT. 466)**

Use a separate line for each delivery point.

<b>Customer Name (a)</b>	<b>Point of Delivery (b)</b>	<b>Thousands of Gallons Sold (c)</b>	<b>Revenues (d)</b>
------------------------------	----------------------------------	--	-------------------------

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)	
<b>Public Fire Protection Service (463):</b>		
Amount billed (usually per rate schedule F-1 or Fd-1)	43,993	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
<b>Other (specify):</b>		
NONE		4
<b>Total Public Fire Protection Service (463)</b>	<b>43,993</b>	
<b>Forfeited Discounts (470):</b>		
Customer late payment charges	247	5
<b>Other (specify):</b>		
NONE		6
<b>Total Forfeited Discounts (470)</b>	<b>247</b>	
<b>Other Water Revenues (474):</b>		
Return on net investment in meters charged to sewer department		7
<b>Other (specify):</b>		
TOWER RENTAL	4,140	8
MISCELLANEOUS FEES	1,831	9
<b>Total Other Water Revenues (474)</b>	<b>5,971</b>	
<b>Amortization of Construction Grants (475):</b>		
GRANT AMORTIZATION	3,695	10
<b>Total Amortization of Construction Grants (475)</b>	<b>3,695</b>	

## 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)	
<b>PLANT OPERATION AND MAINTENANCE EXPENSES</b>		
Salaries and Wages (600)	32,280	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	5,016	3
Chemicals (630)	598	4
Supplies and Expenses (640)	5,094	5
Repairs of Water Plant (650)	16,913	6
Transportation Expenses (660)	2,274	7
<b>Total Plant Operation and Maintenance Expenses</b>	<b>62,175</b>	
 <b>GENERAL OPERATING EXPENSES</b>		
Administrative and General Salaries (680)	10,680	8
Office Supplies and Expenses (681)	6,648	9
Outside Services Employed (682)	10,200	10
Insurance Expense (684)	17,365	11
Employees Pensions and Benefits (686)	3,088	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	3,577	14
Uncollectible Accounts (690)		15
<b>Total General Operating Expenses</b>	<b>51,558</b>	
 <b>Total Operation and Maintenance Expenses</b>	<b>113,733</b>	

**TAXES (ACCT. 408 - WATER)**

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

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent			1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
<b>Net property tax equivalent</b>		<b>0</b>	
Social Security		3,270	3
PSC Remainder Assessment		240	4
Other (specify): NONE			5
<b>Total tax expense</b>		<b><u>3,510</u></b>	

### 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)	
<b>INTANGIBLE PLANT</b>			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)	7,737		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)	48,628		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
<b>Total Source of Supply Plant</b>	<b>56,365</b>	<b>0</b>	
<b>PUMPING PLANT</b>			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	279,274		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	23,423		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	1,052		20
<b>Total Pumping Plant</b>	<b>303,749</b>	<b>0</b>	
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	175,979		22
Water Treatment Equipment (332)	4,664		23
<b>Total Water Treatment Plant</b>	<b>180,643</b>	<b>0</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)	6,591		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)	
<b>INTANGIBLE PLANT</b>				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>				
Land and Land Rights (310)			7,737	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)			48,628	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>0</b>	<b>56,365</b>	
<b>PUMPING PLANT</b>				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			279,274	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			23,423	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			1,052	20
<b>Total Pumping Plant</b>	<b>0</b>	<b>0</b>	<b>303,749</b>	
<b>WATER TREATMENT PLANT</b>				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			175,979	22
Water Treatment Equipment (332)			4,664	23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	<b>180,643</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Land and Land Rights (340)			6,591	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)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Distribution Reservoirs and Standpipes (342)	29,448		26
Transmission and Distribution Mains (343)	1,306,929		27
Fire Mains (344)	0		28
Services (345)	32,882		29
Meters (346)	25,705		30
Hydrants (348)	54,630		31
Other Transmission and Distribution Plant (349)	0		32
<b>Total Transmission and Distribution Plant</b>	<b>1,456,185</b>	<b>0</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	6,477		35
Computer Equipment (372.1)	6,420		36
Transportation Equipment (373)	14,393		37
Other General Equipment (379)	6,853		38
Other Tangible Property (390)	0		39
<b>Total General Plant</b>	<b>34,143</b>	<b>0</b>	
<b>Total utility plant in service directly assignable</b>	<b>2,031,085</b>	<b>0</b>	
Common Utility Plant Allocated to Water Department	0		40
<b>Total utility plant in service</b>	<b>2,031,085</b>	<b>0</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Distribution Reservoirs and Standpipes (342)			29,448 26
Transmission and Distribution Mains (343)			1,306,929 27
Fire Mains (344)			0 28
Services (345)			32,882 29
Meters (346)			25,705 30
Hydrants (348)			54,630 31
Other Transmission and Distribution Plant (349)			0 32
<b>Total Transmission and Distribution Plant</b>	<b>0</b>	<b>0</b>	<b>1,456,185</b>
<b>GENERAL PLANT</b>			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			6,477 35
Computer Equipment (372.1)			6,420 36
Transportation Equipment (373)			14,393 37
Other General Equipment (379)			6,853 38
Other Tangible Property (390)			0 39
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	<b>34,143</b>
<b>Total utility plant in service directly assignable</b>	<b>0</b>	<b>0</b>	<b>2,031,085</b>
Common Utility Plant Allocated to Water Department			0 40
<b>Total utility plant in service</b>	<b>0</b>	<b>0</b>	<b>2,031,085</b>

## SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

<b>Sources of Water Supply</b>					
<b>Month</b>	<b>Purchased Water Gallons (000's)</b>	<b>Surface Water Gallons (000's)</b>	<b>Ground Water Gallons (000's)</b>	<b>Total Gallons All Methods (000's)</b>	
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
January			2,228	<b>2,228</b>	1
February			1,601	<b>1,601</b>	2
March			2,016	<b>2,016</b>	3
April			1,348	<b>1,348</b>	4
May			2,447	<b>2,447</b>	5
June			1,580	<b>1,580</b>	6
July			1,943	<b>1,943</b>	7
August			1,785	<b>1,785</b>	8
September			1,483	<b>1,483</b>	9
October			1,407	<b>1,407</b>	10
November			1,294	<b>1,294</b>	11
December			1,475	<b>1,475</b>	12
<b>Total annual pumpage</b>	<b>0</b>	<b>0</b>	<b>20,607</b>	<b>20,607</b>	
Less: Water sold				15,790	13
Volume pumped but not sold				<b>4,817</b>	14
Volume sold as a percent of volume pumped				<b>77%</b>	15
Volume used for water production, water quality and system maintenance				901	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				<b>901</b>	19
Volume pumped but unaccounted for				<b>3,916</b>	20
Percent of water lost				<b>19%</b>	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				140	23
Date of maximum: 5/12/2001					24
Cause of maximum: Flushing					25
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				17	26
Date of minimum: 4/16/2001					27
Total KWH used for pumping for the year				27,014	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

**SOURCES OF WATER SUPPLY - GROUND WATERS**

<b>Location (a)</b>	<b>Identification Number (b)</b>	<b>Depth in feet (c)</b>	<b>Well Diameter in inches (d)</b>	<b>Yield Per Day in gallons (e)</b>	<b>Currently In Service? (f)</b>	
2992 HWY 51 SOUTH	BF973	56	16	432,000	Yes	<b>1</b>
WELL2	BF974	58	16	468,000	Yes	<b>2</b>

## SOURCES OF WATER SUPPLY - SURFACE WATERS

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

### PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	WELL 1	WELL 2	1
Location	2992 HWY 51 SOUTH	WELL 2 ROAD	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	LAYNE NORTHWEST	LAYNE NORTHWEST	5
Year Installed	1965	1978	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	300	325	8
Pump Motor or Standby Engine Mfr	US ELECTRIC	GENERAL ELECTRIC	10
Year Installed	1965	1976	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	20	20	13

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

## RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	WATER TOWER		1
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>			<b>2</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1978		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	105		6
Total capacity in gallons (actual)	150,000		7
<b>WATER TREATMENT PLANT</b>			<b>8</b>
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)	OTHER		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	1.0000		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		14

### WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	6.000	13,822	0	0	0	13,822	1
M	D	8.000	25,752	0	0	0	25,752	2
M	D	10.000	910	0	0	0	910	3
M	D	12.000	15,240	0	0	0	15,240	4
<b>Total Within Municipality</b>			<b>55,724</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>55,724</b>	
<b>Total Utility</b>			<b>55,724</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>55,724</b>	

### 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	271	0	0	0	271	57	1
M	1.000	152	0	0	0	152	77	2
M	1.250	1	0	0	0	1	1	3
M	1.500	10	0	0	0	10	4	4
M	2.000	5	0	0	0	5		5
M	6.000	3	0	0	0	3	2	6
M	8.000	1	0	0	0	1		7
M	10.000	1	0	0	0	1		8
<b>Total Utility</b>		<b>444</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>444</b>	<b>141</b>	

### METERS

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

#### Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	316	50	0	0	366	17	1
0.750	30	0	0	0	30	0	2
1.500	6	0	0	0	6	0	3
2.000	5	0	0	0	5	0	4
<b>Total:</b>	<b>357</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>407</b>	<b>17</b>	

#### 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	254	50	3	9	0	50	366	1
0.750	1	18	4	3	0	4	30	2
1.500	0	3	2	1	0	0	6	3
2.000	0	4	0	1	0	0	5	4
<b>Total:</b>	<b>255</b>	<b>75</b>	<b>9</b>	<b>14</b>	<b>0</b>	<b>54</b>	<b>407</b>	

### 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)	
<b>Fire Hydrants</b>						
Outside of Municipality	0				0	1
Within Municipality	89				89	2
<b>Total Fire Hydrants</b>	<b>89</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>89</b>	
<b>Flushing Hydrants</b>						
	0				0	3
<b>Total Flushing Hydrants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year**

Number of hydrants operated during year:	89
Number of distribution system valves end of year:	173
Number of distribution valves operated during year:	25

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## WATER OPERATING SECTION FOOTNOTES

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### Water Operation & Maintenance Expenses (Page W-05)

(640) Supplies decreased because less time as spent doing routine service.

(650) Repairs went up because of efforts to locate a break in a main. Contractors were used to locate and repair the break.

(689) Miscellaneous general expenses were less because less time was spent doing routine services.

(620) Fuel or Power Purchased for Pumping - this cost includes approximately \$2,000 for natural gas (1,125 therms) used to heat the well houses.

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### Meters (Page W-17)

(346) Meters - 50 meters were purchased during the year at a cost of \$2,755 and were in inventory (150) at year end. They will be charged to the plant account (346) as they are installed.

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