



3015 (02-09-04)

**ANNUAL REPORT**

OF

Name: TOWN OF SHEBOYGAN SANITARY DIST. # 3 (WATER)

---

Principal Office: 3932 SUPERIOR AVE.  
SHEBOYGAN, WI 53081

---

For the Year Ended: DECEMBER 31, 2002

---

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.*



## TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
 <b>FINANCIAL SECTION</b>	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110)	F-07
Net Nonutility Property (Accts. 121 & 122)	F-08
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-09
Materials and Supplies	F-10
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-11
Capital Paid in by Municipality (Acct. 200)	F-12
Bonds (Acct. 221)	F-13
Notes Payable & Miscellaneous Long-Term Debt	F-14
Taxes Accrued (Acct. 236)	F-15
Interest Accrued (Acct. 237)	F-16
Contributions in Aid of Construction (Account 271)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Return on Proprietary Capital Computation	F-20
Important Changes During the Year	F-21
Financial Section Footnotes	F-22
 <b>WATER OPERATING SECTION</b>	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Water Utility Plant in Service	W-08
Source of Supply, Pumping and Purchased Water Statistics	W-10
Sources of Water Supply - Ground Waters	W-11
Sources of Water Supply - Surface Waters	W-12
Pumping & Power Equipment	W-13
Reservoirs, Standpipes & Water Treatment	W-14
Water Mains	W-15
Water Services	W-16
Meters	W-17
Hydrants and Distribution System Valves	W-18
Water Operating Section Footnotes	W-19

**IDENTIFICATION AND OWNERSHIP**

**Exact Utility Name:** TOWN OF SHEBOYGAN SANITARY DIST. # 3 (WATER)

**Utility Address:** 3932 SUPERIOR AVE.  
SHEBOYGAN, WI 53081

**When was utility organized?** 1/31/1986

**Report any change in name:**

**Effective Date:**

**Utility Web Site:**

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

**Name:** MS. LOUELLA CONWAY  
**Title:** ADMINISTRATIVE ASSISTANT

**Office Address:**  
3932 SUPERIOR AVE.  
SHEBOYGAN, WI 53081

**Telephone:** (920) 451 - 2320

**Fax Number:** (920) 451 - 2323

**E-mail Address:** louella@townofsheboygan.org

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

**Name:**  
**Title:**

**Office Address:** VIRCHOW, KRAUSE & COMPANY, LLP  
TEN TERRACE COURT  
P.O. BOX 7398  
MADISON, WI 53707-7398

**Telephone:** (608) 249 - 6622

**Fax Number:** (608) 249 - 8532

**E-mail Address:** therlitzka@virchowkrause.com

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

**Name:** GERALD SAMPSON  
**Title:** SANITARY DISTRICT #3

**Office Address:**  
3932 SUPERIOR AVENUE  
SHEBOYGAN, WI 53081

**Telephone:** (920) 451 - 2320

**Fax Number:** (920) 451 - 2323

**E-mail Address:**

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

**IDENTIFICATION AND OWNERSHIP**

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

**Name:**

**Title:**

**Office Address:** VIRCHOW, KRAUSE & COMPANY, LLP  
TEN TERRACE COURT  
P.O. BOX 7398  
MADISON, WI 53707-7398

**Telephone:** (608) 249 - 6622

**Fax Number:** (608) 249 - 8532

**E-mail Address:** therlitzka@virchowkrause.com

**Date of most recent audit report:** 3/18/2003

**Period covered by most recent audit:** 2002

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

**Name:** LOUELLA CONWAY

**Title:** TOWN ADMINISTRATOR

**Office Address:**

3932 SUPERIOR AVENUE  
SHEBOYGAN, WI 53081

**Telephone:** (920) 451 - 2320

**Fax Number:** (920) 451 - 2323

**E-mail Address:** tofsheb@bytehead.com

**Name:** MR WILLIAM BLASHKA

**Title:** CERTIFIED OPERATOR

**Office Address:**

3932 SUPERIOR AVENUE  
SHEBOYGAN, WI 53081

**Telephone:** (920) 451 - 2320

**Fax Number:** (920) 451 - 2323

**E-mail Address:**

**Name of utility commission/committee:** TOWN OF SHEBOYGAN SANITARY DISTRICT NO. 3 (WATER)

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

- MR MARK FLASHER, TREASURER
- MR GERALD SAMPSON, PRESIDENT
- MR JOHN SKVARCE, SECRETARY

**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. § 66.0819 of the Wisconsin Statutes? NO

**Date of Ordinance:** [REDACTED]

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

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

---

---

## IDENTIFICATION AND OWNERSHIP

---

---

**Firm Name:**

**Contact Person:**

**Title:**

**Telephone:**

**Fax Number:**

**E-mail Address:**

---

**Contract/Agreement beginning-ending dates:**

**Provide a brief description of the nature of Contract Operations being provided:**

**INCOME STATEMENT**

Particulars (a)	This Year (b)	Last Year (c)	
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	407,819	374,234	1
<b>Operating Expenses:</b>			
Operation and Maintenance Expense (401)	184,068	172,164	2
Depreciation Expense (403)	152,887	148,767	3
Amortization Expense (404)	0	0	4
Taxes (408)	4,507	4,865	5
<b>Total Operating Expenses</b>	<b>341,462</b>	<b>325,796</b>	
<b>Net Operating Income</b>	<b>66,357</b>	<b>48,438</b>	
Income from Utility Plant Leased to Others (412-413)	0	0	6
<b>Utility Operating Income</b>	<b>66,357</b>	<b>48,438</b>	
<b>OTHER INCOME</b>			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	14,205	8
Interest and Dividend Income (419)	29,234	75,768	9
Miscellaneous Nonoperating Income (421)	123,650	124,313	10
<b>Total Other Income</b>	<b>152,884</b>	<b>214,286</b>	
<b>Total Income</b>	<b>219,241</b>	<b>262,724</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>219,241</b>	<b>262,724</b>	
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	90,998	109,424	13
Amortization of Debt Discount and Expense (428)	9,632	9,632	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>100,630</b>	<b>119,056</b>	
<b>Net Income</b>	<b>118,611</b>	<b>143,668</b>	
<b>EARNED SURPLUS</b>			
Unappropriated Earned Surplus (Beginning of Year) (216)	45,167	(151,444)	19
Balance Transferred from Income (433)	118,611	143,668	20
Miscellaneous Credits to Surplus (434)	0	52,943	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>163,778</b>	<b>45,167</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>		
INVESTMENT INCOME	29,234	4
<b>Total (Acct. 419):</b>	<b>29,234</b>	
<b>Miscellaneous Nonoperating Income (421):</b>		
TAX LEVY	123,650	5
<b>Total (Acct. 421):</b>	<b>123,650</b>	
<b>Miscellaneous Amortization (425):</b>		
NONE		6
<b>Total (Acct. 425):</b>	<b>0</b>	
<b>Other Income Deductions (426):</b>		
NONE		7
<b>Total (Acct. 426):</b>	<b>0</b>	
<b>Miscellaneous Credits to Surplus (434):</b>		
NONE		8
<b>Total (Acct. 434):</b>	<b>0</b>	
<b>Miscellaneous Debits to Surplus (435):</b>		
NONE		9
<b>Total (Acct. 435)--Debit:</b>	<b>0</b>	
<b>Appropriations of Surplus (436):</b>		
Detail appropriations to (from) account 215		10
<b>Total (Acct. 436)--Debit:</b>	<b>0</b>	
<b>Appropriations of Income to Municipal Funds (439):</b>		
NONE		11
<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	407,819	0	0	0	407,819	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>						
.					0	6
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>407,819</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>407,819</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)	9,212,899	9,197,587	<b>1</b>
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	1,274,860	1,118,744	<b>2</b>
<b>Net Utility Plant</b>	<b>7,938,039</b>	<b>8,078,843</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property (121)	0	0	<b>3</b>
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	<b>4</b>
<b>Net Nonutility Property</b>	<b>0</b>	<b>0</b>	
Investment in Municipality (123)	0	0	<b>5</b>
Other Investments (124)	243,763	370,262	<b>6</b>
Special Funds (125)	0	0	<b>7</b>
<b>Total Other Property and Investments</b>	<b>243,763</b>	<b>370,262</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash and Working Funds (131)	409,626	498,427	<b>8</b>
Temporary Cash Investments (132)			<b>9</b>
Notes Receivable (141)	0	0	<b>10</b>
Customer Accounts Receivable (142)	56,389	54,399	<b>11</b>
Other Accounts Receivable (143)	18,178	25,098	<b>12</b>
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	<b>13</b>
Receivables from Municipality (145)	247,485	250,245	<b>14</b>
Materials and Supplies (150)	8,732	10,964	<b>15</b>
Prepayments (165)	0	2,967	<b>16</b>
Other Current and Accrued Assets (170)			<b>17</b>
<b>Total Current and Accrued Assets</b>	<b>740,410</b>	<b>842,100</b>	
<b>DEFERRED DEBITS</b>			
Unamortized Debt Discount and Expense (181)	57,786	67,418	<b>18</b>
Extraordinary Property Losses (182)	0	0	<b>19</b>
Other Deferred Debits (183)	16,320	15,980	<b>20</b>
<b>Total Deferred Debits</b>	<b>74,106</b>	<b>83,398</b>	
<b>Total Assets and Other Debits</b>	<b>8,996,318</b>	<b>9,374,603</b>	

**BALANCE SHEET**

<b>Liabilities and Other Credits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>PROPRIETARY CAPITAL</b>			
Capital Paid in by Municipality (200)	489,235	489,235	<b>21</b>
Appropriated Earned Surplus (215)			<b>22</b>
Unappropriated Earned Surplus (216)	163,778	45,167	<b>23</b>
<b>Total Proprietary Capital</b>	<b>653,013</b>	<b>534,402</b>	
<b>LONG-TERM DEBT</b>			
Bonds (221)	0	0	<b>24</b>
Advances from Municipality (223)	0	0	<b>25</b>
Other long-Term Debt (224)	1,925,000	2,445,000	<b>26</b>
<b>Total Long-Term Debt</b>	<b>1,925,000</b>	<b>2,445,000</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable (231)	0	0	<b>27</b>
Accounts Payable (232)	0	5,832	<b>28</b>
Payables to Municipality (233)	2,439	2,438	<b>29</b>
Customer Deposits (235)			<b>30</b>
Taxes Accrued (236)	0	0	<b>31</b>
Interest Accrued (237)	19,100	24,000	<b>32</b>
Other Current and Accrued Liabilities (238)			<b>33</b>
<b>Total Current and Accrued Liabilities</b>	<b>21,539</b>	<b>32,270</b>	
<b>DEFERRED CREDITS</b>			
Unamortized Premium on Debt (251)	0	0	<b>34</b>
Customer Advances for Construction (252)	86,639	86,639	<b>35</b>
Other Deferred Credits (253)	140,896	123,650	<b>36</b>
<b>Total Deferred Credits</b>	<b>227,535</b>	<b>210,289</b>	
<b>OPERATING RESERVES</b>			
Miscellaneous Operating Reserves (265)			<b>37</b>
<b>Total Operating Reserves</b>	<b>0</b>	<b>0</b>	
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
Contributions in Aid of Construction (271)	6,169,231	6,152,642	<b>38</b>
<b>Total Liabilities and Other Credits</b>	<b>8,996,318</b>	<b>9,374,603</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)	9,212,899	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>	9,212,899	0	0	0	
<b>Accumulated Provision for Depreciation and Amortization:</b>					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	1,274,860	0	0	0	9
<b>Total Accumulated Provision</b>	1,274,860	0	0	0	
<b>Net Utility Plant</b>	7,938,039	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>	1,118,744				1,118,744	1
<b>Credits During Year</b>						2
<b>Accruals:</b>						3
Charged depreciation expense (403)	152,887				152,887	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	3,549				3,549	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
<b>Total credits</b>	<b>156,436</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>156,436</b>	<b>13</b>
<b>Debits during year</b>						14
Book cost of plant retired	320				320	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
<b>Total debits</b>	<b>320</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>320</b>	<b>19</b>
<b>Balance End of Year</b>	<b>1,274,860</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,274,860</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	0			0	1
<b>Other (specify):</b>					
NONE	0			0	2
<b>Total Nonutility Property (121)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Less accum. prov. depr. & amort. (122)	0			0	3
<b>Net Nonutility Property</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</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	8,732	10,964
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
<b>Total Materials and Supplies</b>	<b>8,732</b>	<b>10,964</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>				
1999 GO NOTES	9,632	428	57,786	1
<b>Total</b>			<b>57,786</b>	
<b>Unamortized premium on debt (251)</b>				
NONE				2
<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.

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	489,235	1
<b>Changes during year (explain):</b>		<b>2</b>
<b>Balance end of year</b>	<u><u>489,235</u></u>	

**BONDS (ACCT. 221)**

- 1. Report hereunder information required for each separate issue of bonds.
- 2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
- 3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

---

<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>
-------------------------------------	------------------------------	------------------------------------	------------------------------	---

---

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>					
1999 GO NOTES PAYABLE	01/06/1999	10/01/2008	3.95%	1,925,000	1
<b>Total for Account 224</b>				<b><u>1,925,000</u></b>	

**TAXES ACCRUED (ACCT. 236)**

Particulars (a)	Amount (b)	
Balance first of year	0	1
<b>Accruals:</b>		
Charged water department expense	4,507	2
Charged electric department expense		3
Charged sewer department expense		4
<b>Other (explain):</b>		
NONE		5
<b>Total Accruals and other credits</b>	<u>4,507</u>	
<b>Taxes paid during year:</b>		
County, state and local taxes		6
Social Security taxes	4,077	7
PSC Remainder Assessment	430	8
<b>Other (explain):</b>		
NONE		9
<b>Total payments and other debits</b>	<u>4,507</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>					
1999 GO NOTES	24,000	90,998	95,898	19,100	3
<b>Subtotal</b>	<b>24,000</b>	<b>90,998</b>	<b>95,898</b>	<b>19,100</b>	
<b>Notes Payable (231)</b>					
TEMP LOANS	0			0	4
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total</b>	<b>24,000</b>	<b>90,998</b>	<b>95,898</b>	<b>19,100</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	6,152,642	0	0	0	0	<b>6,152,642</b>	1
<b>Add credits during year:</b>							
For Services	16,589					<b>16,589</b>	2
For Mains						<b>0</b>	3
<b>Other (specify):</b>							
NONE						<b>0</b>	4
<b>Deduct charges (specify):</b>							
NONE						<b>0</b>	5
<b>Balance End of Year</b>	<b>6,169,231</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,169,231</b>	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						<b>0</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>		
SPECIAL ASSESSMENTS	243,763	2
<b>Total (Acct. 124):</b>	<b>243,763</b>	
<b>Special Funds (125):</b>		
NONE		3
<b>Total (Acct. 125):</b>	<b>0</b>	
<b>Notes Receivable (141):</b>		
NONE		4
<b>Total (Acct. 141):</b>	<b>0</b>	
<b>Customer Accounts Receivable (142):</b>		
Water	56,389	5
Electric		6
Sewer (Regulated)		7
<b>Other (specify):</b>		
NONE		8
<b>Total (Acct. 142):</b>	<b>56,389</b>	
<b>Other Accounts Receivable (143):</b>		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
<b>Other (specify):</b>		
MISCELLANEOUS ACCOUNTS RECEIVABLE	1,845	11
MISAPPROPRIATION RECEIVABLE	16,333	12
<b>Total (Acct. 143):</b>	<b>18,178</b>	
<b>Receivables from Municipality (145):</b>		
ADDITIONAL PUBLIC FIRE PROTECTION CHARGES	4,561	13
SPECIAL ASSESSMENTS PLACED ON TAX ROLL	80,009	14
TAX LEVY	140,896	15
DELINQUENT ACCOUNTS RECEIVABLE PLACED ON TAX ROLL	17,673	16
DUE FROM DISTRICT #2 - JOINT METERING	3,729	17
DUE FROM CITY OF SHEBOYGAN	617	18
<b>Total (Acct. 145):</b>	<b>247,485</b>	
<b>Prepayments (165):</b>		
NONE		19
<b>Total (Acct. 165):</b>	<b>0</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		20
<b>Total (Acct. 182):</b>		<b>0</b>
<b>Other Deferred Debits (183):</b>		
PRELIMINARY SURVEY AND INVESTIGATION	16,320	21
<b>Total (Acct. 183):</b>	<b>16,320</b>	
<b>Payables to Municipality (233):</b>		
DUE TO TOWN FOR VARIOUS OPERATING ITEMS	2,439	22
<b>Total (Acct. 233):</b>	<b>2,439</b>	
<b>Other Deferred Credits (253):</b>		
TAX LEVY DEFERRED REVENUE	140,896	23
<b>Total (Acct. 253):</b>	<b>140,896</b>	

### 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	9,054,544	0	0	0	9,054,544	1
Materials and Supplies	9,848	0	0	0	9,848	2
<b>Other (specify):</b>					<b>0</b>	<b>3</b>
<b>Less Average:</b>						
Reserve for Depreciation	1,196,802	0	0	0	1,196,802	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	6,160,936	0	0	0	6,160,936	6
<b>Other (specify):</b>					<b>0</b>	<b>7</b>
<b>Average Net Rate Base</b>	<b>1,706,654</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,706,654</b>	
Net Operating Income	66,357	0	0	0	66,357	8
<b>Net Operating Income as a percent of Average Net Rate Base</b>	<b>3.89%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>3.89%</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.

Description (a)	Amount (b)	
<b>Average Proprietary Capital</b>		
Capital Paid in by Municipality	489,235	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	104,472	3
<b>Other (Specify):</b>		4
<b>Total Average Proprietary Capital</b>	<b>593,707</b>	
<b>Net Income</b>		
Net Income	118,611	5
<b>Percent Return on Proprietary Capital</b>	<b>19.98%</b>	

---

## IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

---

**1. Acquisitions.**

---

**2. Leaseholder changes.**

---

**3. Extensions of service.**

---

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

---

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

---

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

---

**7. Any additional matters.**

As the commission is aware, there was an alleged misappropriation of funds which occurred. Efforts are being made to recover the full amount of the alleged misappropriation. The net uncollected amount is shown in account 143.

## FINANCIAL SECTION FOOTNOTES

---

### Balance Sheet End-of-Year Account Balances (Page F-18)

From 2001 report, ele: Account 143 - The missappropriation balance represents an alleged missappropriation of funds by a former employee. This employee has been criminally charged and an attempt will be made to recover the funds.

---

### Signature Page (Page ii)

ACCOUNTANTS' COMPILATION REPORT

Town of Sheboygan Sanitary District #3  
Sheboygan, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balance sheets of the Town of Sheboygan Sanitary District #3 an enterprise fund of the Town of Sheboygan as of December 31, 2002 and 2001, and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the year ended December 31, 2002 in the accompanying prescribed form.

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

The financial statements and related supplemental schedules are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements and schedules are not designed for those who are not informed about such differences.

VIRCHOW, KRAUSE & COMPANY, LLP

Madison, Wisconsin  
March 18, 2003

---

## FINANCIAL SECTION FOOTNOTES

---

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

10/17/03 email response:  
Dear Mr. Herlitzka:

Thank you for your response to our 2002 review letter regarding Town of Sheboygan Sanitary District. We have one comment regarding your response:

It appears from the answer to question no. 4 that the utility is improperly accounting for the tax levy.

Receipts by sanitary districts resulting from taxes levied upon taxable property in the district, and direct subsidies of utilities and sanitary districts by municipalities that will not be repaid should be accounted for as follows:

1. Amounts received for use of mains and hydrants and for water delivered for purposes of fire protection should be included in account 463, Public Fire Protection Service.
2. Amounts received for operation and maintenance expenses should be included in Other Operating Revenues (account 474 for water and account 635 for the sewer department). These amounts should not be credited to expense accounts.
3. The amount received for payment of bond interest should be included in account 421, Miscellaneous Nonoperating Income.
4. Amounts received for payment of bond principal should be included in account 200, Capital Paid in by Municipality.

Please follow this accounting in the future.

Thanks for your cooperation.

Regards, Elaine

TO: Elaine Engelke, Public Service Commission of Wisconsin  
FROM: Tim Herlitzka  
CC: Louella Conway, Town of Sheboygan Administrator  
DATE: October 9, 2003  
RE: Analytical Review of 2002 Annual Report

This memo is in response to the letter dated September 16, 2003 to the Town of Sheboygan Sanitary District #3 regarding the Analytical Review of the 2002 Annual Report. The following issues correspond to the numbers in your letter:

1. This amount represents a tax levy receivable levied by the town which is collectible in 2003. The sanitary district has elected to collect a portion of the revenue required to operate the utility through a property tax levy as opposed to through water rates.

### FINANCIAL SECTION FOOTNOTES

- 
- 2. The services added in 2002 were contributed to the utility by customers using special assessments.
  - 3. The \$49,000 adjustment for water tower painting was erroneously not made in 2002. This adjustment will be made in 2003.
  - 4. See response for question #1.

Feel free to contact me at (608) 240.2659 if you have further questions.

Please make note of new e-mail addresses of the Town of Sheboygan.

Old e-mail address of tofsheb@bytehead.com will no longer be valid. Any e-mails sent to that address will no longer be delivered.

New e-mails are as follow:

Administrator	louella@townofsheboygan.org
Town Clerk	carol@townofsheboygan.org
Admin. Sec.	gail@townofsheboygan.org
Utility Clerk	darla@townofsheboygan.org
DPW	williamblashka@townofsheboygan.org

Please make your necessary changes.

Thank You,  
Dear Ms. Conway:

The Public Service Commission (Commission) staff has completed its analytical review of your utility's 2002 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. On Page F-18, an amount is reported in Account 145 described as "tax levy". Please provide an explanation of this amount.
- 2. On Page W-16, 18 services are reported added. A footnote to this schedule indicates that the utility paid for the services. However, \$16,589 is reported as a water services contribution on Page F-17. Who contributed this amount, what was it for, and what was the basis for charging this amount to a customer?
- 3. On August 25, 2000, David Sheard of our office wrote your utility and requested that \$49,000 be credited to Account 342, Distribution Reservoirs and Standpipes and debited to Earned Surplus. The \$49,000 adjustment was for water tower painting that was capitalized in 1999 and should have been expensed. By email dated December 16, 2002, Tim Herlitzka of Virchow Krause indicated that this adjustment would be booked in 2002. However, it appears this adjustment was not booked in 2002. Please furnish an explanation.
- 4. On Page F-2, an amount is reported in Account 421 described as "tax levy". What is the purpose of this amount?

---

## FINANCIAL SECTION FOOTNOTES

---

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) 266-3768. 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 elaine.engelke@psc.state.wi.us. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

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

---

**WATER OPERATING REVENUES & EXPENSES**

Particulars (a)	Amounts (b)	
<b>Operating Revenues</b>		
<b>Sales of Water</b>		
Sales of Water (460-467)	388,797	1
<b>Total Sales of Water</b>	<b>388,797</b>	
<b>Other Operating Revenues</b>		
Forfeited Discounts (470)	932	2
Other Water Revenues (474)	18,090	3
Amortization of Construction Grants (475)	0	4
<b>Total Other Operating Revenues</b>	<b>19,022</b>	
<b>Total Operating Revenues</b>	<b>407,819</b>	
<b>Operation and Maintenance Expenses</b>		
Plant Operation and Maintenance Expenses (600-660)	79,013	5
General Operating Expenses (680-690)	105,055	6
<b>Total Operation and Maintenance Expenses</b>	<b>184,068</b>	
<b>Other Operating Expenses</b>		
Depreciation Expense (403)	152,887	7
Amortization Expense (404)		8
Taxes (408)	4,507	9
<b>Total Other Operating Expenses</b>	<b>157,394</b>	
<b>Total Operating Expenses</b>	<b>341,462</b>	
<b>NET OPERATING INCOME</b>	<b>66,357</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	6	100	602	2
Industrial				3
<b>Total Unmetered Sales to General Customers (460)</b>	<b>6</b>	<b>100</b>	<b>602</b>	
Metered Sales to General Customers (461)				
Residential	1,092	73,300	219,218	4
Commercial	71	22,087	54,634	5
Industrial		0		6
<b>Total Metered Sales to General Customers (461)</b>	<b>1,163</b>	<b>95,387</b>	<b>273,852</b>	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		113,837	8
Other Sales to Public Authorities (464)	3	139	506	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)			0	12
<b>Total Sales of Water</b>	<b>1,173</b>	<b>95,626</b>	<b>388,797</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)	113,837	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>113,837</b>	
<b>Forfeited Discounts (470):</b>		
Customer late payment charges	932	5
<b>Other (specify):</b> NONE		6
<b>Total Forfeited Discounts (470)</b>	<b>932</b>	
<b>Other Water Revenues (474):</b>		
Return on net investment in meters charged to sewer department	2,973	7
<b>Other (specify):</b> WATER TOWER LEASE AND OTHER WATER REVENUES	15,117	8
<b>Total Other Water Revenues (474)</b>	<b>18,090</b>	
<b>Amortization of Construction Grants (475):</b>		
NONE		9
<b>Total Amortization of Construction Grants (475)</b>	<b>0</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.

<b>Particulars (a)</b>	<b>Amount (b)</b>	
<b>PLANT OPERATION AND MAINTENANCE EXPENSES</b>		
Salaries and Wages (600)	42,697	1
Purchased Water (610)	0	2
Fuel or Power Purchased for Pumping (620)	13,870	3
Chemicals (630)	349	4
Supplies and Expenses (640)	13,146	5
Repairs of Water Plant (650)	7,375	6
Transportation Expenses (660)	1,576	7
<b>Total Plant Operation and Maintenance Expenses</b>	<b>79,013</b>	
<b>GENERAL OPERATING EXPENSES</b>		
Administrative and General Salaries (680)	30,517	8
Office Supplies and Expenses (681)	10,792	9
Outside Services Employed (682)	40,474	10
Insurance Expense (684)	8,714	11
Employees Pensions and Benefits (686)	13,098	12
Regulatory Commission Expenses (688)	0	13
Miscellaneous General Expenses (689)	1,460	14
Uncollectible Accounts (690)		15
<b>Total General Operating Expenses</b>	<b>105,055</b>	
<b>Total Operation and Maintenance Expenses</b>	<b>184,068</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		4,077	3
PSC Remainder Assessment		430	4
Other (specify): NONE			5
<b>Total tax expense</b>		<b><u>4,507</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)	14,000		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)	206,620		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>220,620</b>	<b>0</b>	
<b>PUMPING PLANT</b>			
Land and Land Rights (320)	34,120		12
Structures and Improvements (321)	245,805		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	403,032		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
<b>Total Pumping Plant</b>	<b>682,957</b>	<b>0</b>	
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)	1,000	15,650	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)			14,000 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)			206,620 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>220,620</b>
<b>PUMPING PLANT</b>			
Land and Land Rights (320)			34,120 12
Structures and Improvements (321)			245,805 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			403,032 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
<b>Total Pumping Plant</b>	<b>0</b>	<b>0</b>	<b>682,957</b>
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)			16,650 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)	991,166		<b>26</b>
Transmission and Distribution Mains (343)	5,540,770	238,406	<b>27</b>
Fire Mains (344)	0		<b>28</b>
Services (345)	732,852	21,155	<b>29</b>
Meters (346)	115,294	6,272	<b>30</b>
Hydrants (348)	497,187	31,773	<b>31</b>
Other Transmission and Distribution Plant (349)	0		<b>32</b>
<b>Total Transmission and Distribution Plant</b>	<b>7,878,269</b>	<b>313,256</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (370)	0		<b>33</b>
Structures and Improvements (371)	902		<b>34</b>
Office Furniture and Equipment (372)	18,725	3,035	<b>35</b>
Computer Equipment (372.1)	12,605		<b>36</b>
Transportation Equipment (373)	41,534		<b>37</b>
Other General Equipment (379)	40,578	738	<b>38</b>
Other Tangible Property (390)	0		<b>39</b>
<b>Total General Plant</b>	<b>114,344</b>	<b>3,773</b>	
<b>Total utility plant in service directly assignable</b>	<b>8,896,190</b>	<b>317,029</b>	
Common Utility Plant Allocated to Water Department	0		<b>40</b>
<b>Total utility plant in service</b>	<b>8,896,190</b>	<b>317,029</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)			991,166 26
Transmission and Distribution Mains (343)			5,779,176 27
Fire Mains (344)			0 28
Services (345)			754,007 29
Meters (346)	320		121,246 30
Hydrants (348)			528,960 31
Other Transmission and Distribution Plant (349)			0 32
<b>Total Transmission and Distribution Plant</b>	<b>320</b>	<b>0</b>	<b>8,191,205</b>
<b>GENERAL PLANT</b>			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			902 34
Office Furniture and Equipment (372)			21,760 35
Computer Equipment (372.1)			12,605 36
Transportation Equipment (373)			41,534 37
Other General Equipment (379)			41,316 38
Other Tangible Property (390)			0 39
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	<b>118,117</b>
<b>Total utility plant in service directly assignable</b>	<b>320</b>	<b>0</b>	<b>9,212,899</b>
Common Utility Plant Allocated to Water Department			0 40
<b>Total utility plant in service</b>	<b>320</b>	<b>0</b>	<b>9,212,899</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</b>	<b>Surface Water</b>	<b>Ground Water</b>	<b>Total Gallons</b>	
<b>(a)</b>	<b>Gallons</b>	<b>Gallons</b>	<b>Gallons</b>	<b>All Methods</b>	
	<b>(000's)</b>	<b>(000's)</b>	<b>(000's)</b>	<b>(000's)</b>	
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
January			8,022	<b>8,022</b>	1
February			7,142	<b>7,142</b>	2
March			7,843	<b>7,843</b>	3
April			7,337	<b>7,337</b>	4
May			8,294	<b>8,294</b>	5
June			9,108	<b>9,108</b>	6
July			15,092	<b>15,092</b>	7
August			12,622	<b>12,622</b>	8
September			10,396	<b>10,396</b>	9
October			7,908	<b>7,908</b>	10
November			7,737	<b>7,737</b>	11
December			8,446	<b>8,446</b>	12
<b>Total annual pumpage</b>	<b>0</b>	<b>0</b>	<b>109,947</b>	<b>109,947</b>	
Less: Water sold				95,626	13
Volume pumped but not sold				<b>14,321</b>	14
Volume sold as a percent of volume pumped				<b>87%</b>	15
Volume used for water production, water quality and system maintenance				7,835	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>7,835</b>	19
Volume pumped but unaccounted for				<b>6,486</b>	20
Percent of water lost				<b>6%</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.)				686	23
Date of maximum: 8/8/2002					24
Cause of maximum:					25
Hydrant Flushing					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				95	26
Date of minimum: 5/19/2002					27
Total KWH used for pumping for the year				186,200	28
If water is purchased: Vendor Name: N/A					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>	
TOWN OF SHEBOYGAN	WELL #1	500	12	25,000	Yes	<b>1</b>
TOWN OF SHEBOYGAN	WELL #2	740	12	170,000	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	1	2	1
Location	WELL #1	WELL# 2	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	SIMMONS	LAYNE	5
Year Installed	1999	1995	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	490	420	8
Pump Motor or Standby Engine Mfr	US MOTOR	US MOTOR	9 10
Year Installed	1999	1995	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	75	40	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 23
Year Installed			24
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	2	1
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>			<b>2</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET	<b>3</b>
Year constructed	1987	1995	<b>4</b>
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	<b>5</b>
Elevation difference in feet (See Headnote 3.)	160	172	<b>6</b>
Total capacity in gallons (actual)	200,000	300,000	<b>7</b>
<b>WATER TREATMENT PLANT</b>			<b>8</b>
Disinfection, type of equipment (gas, liquid, powder, other)			<b>9</b>
Points of application (wellhouse, central facilities, booster station, other)			<b>10</b>
Filters, type (gravity, pressure, other, none)			<b>11</b>
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			<b>12</b>
Is a corrosion control chemical used (yes, no)?			<b>13</b>
Is water fluoridated (yes, no)?			<b>14</b>

### 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)
P	D	6.000	8,746	142	0	0	<b>8,888</b>
P	D	8.000	74,367	930	0	0	<b>75,297</b>
P	D	12.000	83,848	5,528	0	0	<b>89,376</b>
P	D	15.000	590	0	0	0	<b>590</b>
<b>Total Within Municipality</b>			<b>167,551</b>	<b>6,600</b>	<b>0</b>	<b>0</b>	<b>174,151</b>
<b>Total Utility</b>			<b>167,551</b>	<b>6,600</b>	<b>0</b>	<b>0</b>	<b>174,151</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)	
P	0.625	994	0	0	0	994	54	1
P	1.000	0	18	0	0	18	0	2
P	1.500	23	0	0	0	23		3
P	2.000	10	0	0	0	10	1	4
P	3.000	4	0	0	0	4	3	5
<b>Total Utility</b>		<b>1,031</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>1,049</b>	<b>58</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	1,118	92	5	45	1,250	10	1
1.000	11	0	0	0	11	0	2
1.500	28	0	0	2	30	0	3
2.000	11	0	0	2	13	0	4
3.000	5	1	0	0	6	0	5
<b>Total:</b>	<b>1,173</b>	<b>93</b>	<b>5</b>	<b>49</b>	<b>1,310</b>	<b>10</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	1,168	41	0	3	0	38	1,250	1
1.000	1	10	0	0	0	0	11	2
1.500	1	26	0	2	0	1	30	3
2.000	0	11	0	1	0	1	13	4
3.000	0	2	0	0	0	4	6	5
<b>Total:</b>	<b>1,170</b>	<b>90</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>44</b>	<b>1,310</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	362	12			374	2
<b>Total Fire Hydrants</b>	<b>362</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>374</b>	
<b>Flushing Hydrants</b>						
	1				1	3
<b>Total Flushing Hydrants</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</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:	374
Number of distribution system valves end of year:	891
Number of distribution valves operated during year:	320

---

## WATER OPERATING SECTION FOOTNOTES

---

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

Account 640 - Decrease is due to less maintenance requirements in 2002.

Account 650 - Increase is due to more water main repairs in 2002 than in 2001.

Account 680 - Decrease is due to staff turnover in 2002 which resulted in gaps in employment.

Account 681 - Increase is due to increase in rent expense.

Account 682 - Increase is due to legal fees resulting from the 2001 misappropriation of funds.

Account 686 - Variance due to overall increase in premium.

---

### Water Utility Plant in Service (Page W-08)

Account 340 - Additions were financed by the utility and were for easements.

Account 343 - Additions were for a looping project financed by the utility.

Account 345 - Additions were for a looping project financed by the utility.

Account 348 - Additions were for a looping project financed by the utility.

---

### Water Mains (Page W-15)

Water main were financed by the utility.

---

### Water Services (Page W-16)

Water Services were financed by the utility.

---

### Meters (Page W-17)

Adjustments were made to adjust meters to actual count at year-end.

---

### Hydrants and Distribution System Valves (Page W-18)

Due to time constraints of district staff, less than half of the distribution valves were tested in 2002.

---