



3014 (02-09-04)

ANNUAL REPORT

OF

Name: VERONA WATER UTILITY

Principal Office: 111 LINCOLN ST.
P.O. BOX 188
VERONA, WI 53593

For the Year Ended: DECEMBER 31, 1998

**WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: VERONA WATER UTILITY

Utility Address: 111 LINCOLN ST.
P.O. BOX 188
VERONA, WI 53593

When was utility organized? 9/1/1932

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MR RON RIEDER
Title: PUBLIC WORKS DIRECTOR

Office Address:
111 LINCOLN ST.
P.O. BOX 188
VERONA, WI 53593

Telephone: (608) 845 - 6695

Fax Number:

E-mail Address:

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

Name: MR JAY BENNETT CPA
Title: AUDITOR

Office Address: JOHNSON BLOCK & CO., INC.
229 HIGH ST.
MINERAL POINT, WI 53565

Telephone: (608) 987 - 2206

Fax Number: (608) 987 - 3391

E-mail Address: jbcmp@mhtc.net

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

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

Name: MR JAY BENNETT CPA
Title: AUDITOR

Office Address: JOHNSON BLOCK & CO., INC.
229 HIGH ST.
MINERAL POINT, WI 53565

Telephone: (608) 987 - 2206

Fax Number: (608) 987 - 3391

E-mail Address: jbcmp@mhtc.net

Date of most recent audit report: 2/20/1998

Period covered by most recent audit: 1/1/97-12/31/97

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: MR RON RIEDER

Title: PUBLIC WORKS DIRECTOR

Office Address:

111 LINCOLN ST
P.O. BOX 188
VERONA, WI 53593

Telephone: (608) 845 - 6695

Fax Number:

E-mail Address:

Name of utility commission/committee:

Names of members of utility commission/committee:

MR ROCCO CENITI
MR DAN REID
MR EDWARD RINGGENBERG

Is sewer service rendered by the utility? NO

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.077 of the Wisconsin Statutes? NO

Date of Ordinance:

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

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

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	524,403	463,375	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	249,491	263,666	2
Depreciation Expense (403)	116,036	100,123	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	129,645	105,892	5
Total Operating Expenses	495,172	469,681	
Net Operating Income	29,231	(6,306)	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	29,231	(6,306)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	29,108	16,047	10
Miscellaneous Nonoperating Income (421)	0	0	11
Total Other Income	29,108	16,047	
Total Income	58,339	9,741	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	12
Other Income Deductions (426)	0	0	13
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	58,339	9,741	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	93,063	52,503	14
Amortization of Debt Discount and Expense (428)	1,309	1,884	15
Amortization of Premium on Debt--Cr. (429)			16
Interest on Debt to Municipality (430)	0	0	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)			19
Total Interest Charges	94,372	54,387	
Net Income	(36,033)	(44,646)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	534,650	589,446	20
Balance Transferred from Income (433)	(36,033)	(44,646)	21
Miscellaneous Credits to Surplus (434)	0	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	2,543	10,150	25
Total Unappropriated Earned Surplus End of Year (216)	496,074	534,650	

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 Income from Nonutility Operations, Account 417.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Income from Nonutility Operations (417):		
NONE		3
Total (Acct. 417):	0	
Nonoperating Rental Income (418):		
NONE		4
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
Interest Income	28,811	5
Interest on Special Assessments	297	6
Total (Acct. 419):	29,108	
Miscellaneous Nonoperating Income (421):		
NONE		7
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		8
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		9
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		10
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		11
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		12
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
TIF 2 interest payments	2,543	13
Total (Acct. 439)--Debit:	2,543	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	524,403	0	0	0	524,403	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	524,403	0	0	0	524,403	

DISTRIBUTION OF TOTAL PAYROLL

1. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
2. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
3. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	61,769		61,769	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts			0	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
Total Payroll	61,769	0	61,769	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	6,737,539	6,034,182	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	678,391	659,593	2
Net Utility Plant	6,059,148	5,374,589	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	79,468	76,925	5
Other Investments (124)	46,131	45,541	6
Special Funds (125)	828,509	0	7
Total Other Property and Investments	954,108	122,466	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	155,919	87,715	8
Temporary Cash Investments (132)	37,062	63,483	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	135,519	76,960	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	13,768	11,214	14
Materials and Supplies (150)	7,211	8,603	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	349,479	247,975	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	71,287	18,946	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	156,548	213,604	20
Total Deferred Debits	227,835	232,550	
Total Assets and Other Debits	7,590,570	5,977,580	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	1,131,788	1,036,391	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	496,074	534,650	23
Total Proprietary Capital	1,627,862	1,571,041	
LONG-TERM DEBT			
Bonds (221)	2,176,146	987,853	24
Advances from Municipality (223)	0	0	25
Other Long-Term Debt (224)	0	0	26
Total Long-Term Debt	2,176,146	987,853	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	45,130	9,843	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	11,093	16,596	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	56,223	26,439	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	79,468	76,925	36
Total Deferred Credits	79,468	76,925	
OPERATING RESERVES			
Property Insurance Reserve (261)			37
Injuries and Damages Reserve (262)			38
Pensions and Benefits Reserve (263)			39
Miscellaneous Operating Reserves (265)			40
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	3,650,871	3,315,322	41
Total Liabilities and Other Credits	7,590,570	5,977,580	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (101)	6,737,539	0	0	0	1
Utility Plant Purchased or Sold (102)					2
Utility Plant in Process of Reclassification (103)					3
Utility Plant Leased to Others (104)					4
Property Held for Future Use (105)					5
Completed Construction not Classified (106)					6
Construction Work in Progress (107)					7
Utility Plant Acquisition Adjustments (108)					8
Other Utility Plant Adjustments (109)					9
Total Utility Plant	6,737,539	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	678,391	0	0	0	10
Total Accumulated Provision	678,391	0	0	0	
Net Utility Plant	6,059,148	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	659,593				659,593	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	116,036				116,036	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	9,048				9,048	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage	348				348	10
Other credits (specify):						11
					0	12
Total credits	125,432	0	0	0	125,432	13
Debits during year						14
Book cost of plant retired	101,461				101,461	15
Cost of removal	5,173				5,173	16
Other debits (specify):						17
					0	18
Total debits	106,634	0	0	0	106,634	19
Balance End of Year	678,391	0	0	0	678,391	20
Composite Depreciation Rate?	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
Other (specify):	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

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

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	7,211	8,603 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	<u>7,211</u>	<u>8,603</u>

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

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

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
1989 Bonds	244	428	0	1
1991 Bonds	376	428	0	2
1997 Bonds	689	428	5,378	3
1998 Deferred amount on refinancing	0	0	65,909	4
Total			71,287	
Unamortized premium on debt (251)				
NONE	0	0	0	5
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	1,036,391	1
Changes during year (explain):		
Util. additions paid for by TIF Dist.	95,397	2
Balance end of year	<u>1,131,788</u>	

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
1997 Bonds	07/01/1997	04/01/2012	4.78%	324,500	1
1998 Mortgage Revenue Bonds	06/01/1998	06/01/2018	4.40%	1,851,646	2
Total Bonds (Account 221):				2,176,146	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
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NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	129,645	2
Charged electric department expense		3
Charged sewer department expense	2,952	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>132,597</u>	
Taxes paid during year:		
County, state and local taxes	125,030	6
Social Security taxes	4,671	7
PSC Remainder Assessment	2,896	8
Other (explain):		
NONE		9
Total payments and other debits	<u>132,597</u>	
Balance end of year	<u><u>0</u></u>	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
1989 Bonds	1,206	6,030	7,236	0	1
1991 bonds	7,177	20,977	28,154	0	2
1997 bonds	8,213	16,367	20,585	3,995	3
1998 MRB bonds		49,689	42,591	7,098	4
Subtotal	16,596	93,063	98,566	11,093	
Advances from Municipality (223)					
NONE	0			0	5
Subtotal	0	0	0	0	
Other Long-Term Debt (224)					
NONE	0			0	6
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	7
Subtotal	0	0	0	0	
Total	16,596	93,063	98,566	11,093	

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	3,315,322	0	0	0	0	3,315,322	1
Add credits during year:							
For Services	117,381					117,381	2
For Mains	199,174					199,174	3
Other (specify):							
Hydrants	18,994					18,994	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	3,650,871	0	0	0	0	3,650,871	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
Due from TIF District	79,468	1
Total (Acct. 123):	79,468	
Other Investments (124):		
Special Assessment Receivable	46,131	2
Total (Acct. 124):	46,131	
Special Funds (125):		
Reserved for Construction	828,509	3
Total (Acct. 125):	828,509	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	102,772	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
Due from Developer	32,747	8
Total (Acct. 142):	135,519	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
Tax Roll due from General	12,457	12
Due from Dane county	1,311	13
Total (Acct. 145):	13,768	
Prepayments (165):		
NONE		14
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		15
Total (Acct. 182):	0	
Other Deferred Debits (183):		
1996 Well rehab. expense	27,655	16

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)	
Other Deferred Debits (183):		
1996 well pump rehab.	1,583	17
1997 Water Tower painting expense	127,310	18
Total (Acct. 183):	156,548	
Payables to Municipality (233):		
NONE		19
Total (Acct. 233):		0
Other Deferred Credits (253):		
TIF 2 amount deferred	79,468	20
Total (Acct. 253):	79,468	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	6,376,565	0	0	0	6,376,565	1
Materials and Supplies	7,907	0	0	0	7,907	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	668,992	0	0	0	668,992	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	3,483,096	0	0	0	3,483,096	6
Other (specify):					0	7
Average Net Rate Base	2,232,384	0	0	0	2,232,384	
Net Operating Income	29,231	0	0	0	29,231	8
Net Operating Income as a percent of Average Net Rate Base	1.31%	N/A	N/A	N/A	1.31%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	1,084,089	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	515,362	3
Other (Specify):		4
Total Average Proprietary Capital	1,599,451	
Net Income		
Net Income	(36,033)	5
Percent Return on Proprietary Capital	-2.25%	

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.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Commission/Committee (Page iv)

See Accountant's Compilation Report

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

COMPILATION REPORT OF CERTIFIED PUBLIC ACCOUNTANTS
City Council
City of Verona
Verona, Wisconsin 53593

We have compiled the accompanying prescribed Municipal Utility Annual Report of the City of Verona Water Utility as of December 31, 1998, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying Municipal Utility annual Report and, accordingly, do not express an opinion or any other form of assurance on this report.

The aforementioned report was prepared for the purpose of complying with statutory requirements, rules, regulations and guidelines of the Wisconsin Public Service Commission and is not intended to be a complete presentation in conformity with generally accepted accounting principles.

This report is intended solely for the information and use of the management of the City of Verona and the Wisconsin Public Service Commission, and should not be used for any other purpose.

JOHNSON BLOCK AND COMPANY, INC.

July 22, 1999

Mr. Ron Rieder, Public Works Director
Verona Water Utility
111 Lincoln Street
P.O. Box 188
Verona, WI 53593-0188

1998 Analytical Review DWCCA-6100-ELE

Dear Mr. Rieder:

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

1. Your 1998 annual report was filed after the due date of April 1, 1999. Wis. Stat. § 196.07(1) require annual reports to be filed on or before April 1st. If a utility fails to file an annual report by the due date, the PSC may prepare the report from the utility records charging the utility all expenses in preparing the report, plus a penalty equal to 50% of the amount of the expenses. Please implement time tables for closing of your 1999 financial records and completion of the financial audit to enable timely

FINANCIAL SECTION FOOTNOTES

filing of your 1999 annual report.

2. During our review, we noted a water loss of 36% reported on page W-10. In 1997, a water loss of 28% was reported. We noted that your utility has purchased water leak detection equipment. You may also be aware that the Wisconsin Rural Water Association has been able to assist many communities with investigating leakage. Their phone number in Plover, Wisconsin is (715) 344-7778. We recommend that you complete an investigation of the entire Verona system. If budget and/or personnel constraints prevent your utility from completing this investigation in one year, you may try a phased approach over a number of years. For any questions on this recommendation, please contact Peter Feneht in our office at (608) 266-5614. Your water loss will be reviewed again in 1999.

Thank you for your efforts in preparing your 1998 annual report. You may consider our review closed. If you have any questions, please feel free to contact me at (608) 266-3768.

Sincerely,

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

ELE:tlk:w:\compl\analytical review letters\July 22 1999 rev letters e 1.doc

cc: Mr. Rocco Ceniti

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	497,241	1
Total Sales of Water	497,241	
Other Operating Revenues		
Forfeited Discounts (470)	2,186	2
Miscellaneous Service Revenues (471)	0	3
Rents from Water Property (472)	15,500	4
Interdepartmental Rents (473)	0	5
Other Water Revenues (474)	9,476	6
Amortization of Construction Grants (475)	0	7
Total Other Operating Revenues	27,162	
Total Operating Revenues	524,403	
Operation and Maintenance Expenses		
Source of Supply Expenses (600-605)	13,828	8
Pumping Expenses (620-625)	52,620	9
Water Treatment Expenses (630-635)	9,798	10
Transmission and Distribution Expenses (640-655)	95,846	11
Customer Accounts Expenses (901-904)	15,412	12
Sales Expenses (910)	0	13
Administrative and General Expenses (920-935)	61,987	14
Total Operation and Maintenance Expenses	249,491	
Other Operating Expenses		
Depreciation Expense (403)	116,036	15
Amortization Expense (404-407)		16
Taxes (408)	129,645	17
Total Other Operating Expenses	245,681	
Total Operating Expenses	495,172	
NET OPERATING INCOME	29,231	

WATER OPERATING REVENUES - SALES OF WATER

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

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	2,051	135,409	246,929	4
Commercial	193	35,751	48,030	5
Industrial	35	36,343	37,199	6
Total Metered Sales to General Customers (461)	2,279	207,503	332,158	
Private Fire Protection Service (462)	15		4,489	7
Public Fire Protection Service (463)	1		148,863	8
Other Sales to Public Authorities (464)	21	11,722	11,731	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
 Total Sales of Water	 2,316	 219,225	 497,241	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

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

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1)	148,863	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	148,863	
Forfeited Discounts (470):		
Customer late payment charges	2,186	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	2,186	
Miscellaneous Service Revenues (471):		
NONE		7
Total Miscellaneous Service Revenues (471)	0	
Rents from Water Property (472):		
Rent of space on water tower for communication equipment	15,500	8
Total Rents from Water Property (472)	15,500	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	9,450	10
Other (specify):		
Miscellaneous	26	11
Total Other Water Revenues (474)	9,476	
Amortization of Construction Grants (475):		
NONE		12
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
SOURCE OF SUPPLY EXPENSES		
Operation Labor (600)		1
Purchased Water (601)		2
Operation Supplies and Expenses (602)		3
Maintenance of Water Source Plant (605)	13,828	4
Total Source of Supply Expenses	13,828	
 PUMPING EXPENSES		
Operation Labor (620)	9,021	5
Fuel for Power Production (621)		6
Fuel or Power Purchased for Pumping (622)	33,628	7
Operation Supplies and Expenses (623)	5,532	8
Maintenance of Pumping Plant (625)	4,439	9
Total Pumping Expenses	52,620	
 WATER TREATMENT EXPENSES		
Operation Labor (630)	2,471	10
Chemicals (631)	5,385	11
Operation Supplies and Expenses (632)	507	12
Maintenance of Water Treatment Plant (635)	1,435	13
Total Water Treatment Expenses	9,798	
 TRANSMISSION AND DISTRIBUTION EXPENSES		
Operation Labor (640)	30,687	14
Operation Supplies and Expenses (641)	9,517	15
Maintenance of Distribution Reservoirs and Standpipes (650)	42,437	16
Maintenance of Mains (651)	3,507	17
Maintenance of Services (652)	3,991	18
Maintenance of Meters (653)	760	19
Maintenance of Hydrants (654)	957	20
Maintenance of Other Plant (655)	3,990	21
Total Transmission and Distribution Expenses	95,846	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
CUSTOMER ACCOUNTS EXPENSES		
Meter Reading Labor (901)	3,356	22
Accounting and Collecting Labor (902)	8,671	23
Supplies and Expenses (903)	3,385	24
Uncollectible Accounts (904)		25
Total Customer Accounts Expenses	15,412	
 SALES EXPENSES		
Sales Expenses (910)		26
Total Sales Expenses	0	
 ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (920)	7,564	27
Office Supplies and Expenses (921)	2,224	28
Administrative Expenses Transferred--Credit (922)		29
Outside Services Employed (923)	21,900	30
Property Insurance (924)	6,404	31
Injuries and Damages (925)		32
Employee Pensions and Benefits (926)	21,402	33
Regulatory Commission Expenses (928)		34
Miscellaneous General Expenses (930)	2,162	35
Transportation Expenses (933)	331	36
Maintenance of General Plant (935)		37
Total Administrative and General Expenses	61,987	
 Total Operation and Maintenance Expenses	 249,491	

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		125,030	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		2,952	2
Net property tax equivalent		122,078	
Social Security		4,671	3
PSC Remainder Assessment		2,896	4
Other (specify): NONE			5
Total tax expense		<u>129,645</u>	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.069(1)(c). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Dane				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.210320				3
County tax rate	mills		3.664620				4
Local tax rate	mills		8.310500				5
School tax rate	mills		13.628160				6
Voc. school tax rate	mills		1.556460				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		27.370060				10
Less: state credit	mills		2.035670				11
Net tax rate	mills		25.334390				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		8.310500				14
Combined School Tax Rate	mills		15.184620				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		23.495120				17
Total Tax Rate	mills		27.370060				18
Ratio of Local and School Tax to Total	dec.		0.858424				19
Total tax net of state credit	mills		25.334390				20
Net Local and School Tax Rate	mills		21.747652				21
Utility Plant, Jan. 1	\$	6,034,182	6,034,182				22
Materials & Supplies	\$	8,603	8,603				23
Subtotal	\$	6,042,785	6,042,785				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	6,042,785	6,042,785				26
Assessment Ratio	dec.		0.951400				27
Assessed Value	\$	5,749,106	5,749,106				28
Net Local & School Rate	mills		21.747652				29
Tax Equiv. Computed for Current Year	\$	125,030	125,030				30
Tax Equivalent per 1994 PSC Report	\$	96,999					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	125,030					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		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)	350,605		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	350,605	0	
PUMPING PLANT			
Land and Land Rights (320)	8,551		12
Structures and Improvements (321)	230,553		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	143,129		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	1,384		20
Total Pumping Plant	383,617	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	7,187		23
Total Water Treatment Plant	7,187	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 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)			350,605 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	350,605
PUMPING PLANT			
Land and Land Rights (320)			8,551 12
Structures and Improvements (321)			230,553 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			143,129 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			1,384 20
Total Pumping Plant	0	0	383,617
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			7,187 23
Total Water Treatment Plant	0	0	7,187
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	143,826		26
Transmission and Distribution Mains (343)	3,578,660	520,665	27
Fire Mains (344)	0		28
Services (345)	734,032	120,951	29
Meters (346)	271,419	69,734	30
Hydrants (348)	459,630	39,131	31
Other Transmission and Distribution Plant (349)	24,159		32
Total Transmission and Distribution Plant	5,211,726	750,481	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	1,000		34
Office Furniture and Equipment (391)	2,612	1,866	35
Computer Equipment (391.1)	6,406	21,668	36
Transportation Equipment (392)	33,115	46,407	37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	19,323	2,987	39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	62,456	72,928	
Total utility plant in service directly assignable	6,015,591	823,409	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	6,015,591	823,409	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Distribution Reservoirs and Standpipes (342)			143,826	26
Transmission and Distribution Mains (343)	69,363		4,029,962	27
Fire Mains (344)			0	28
Services (345)	17,472	25,069	862,580	29
Meters (346)	9,396		331,757	30
Hydrants (348)	3,830	(25,069)	469,862	31
Other Transmission and Distribution Plant (349)			24,159	32
Total Transmission and Distribution Plant	100,061	0	5,862,146	
GENERAL PLANT				
Land and Land Rights (389)			0	33
Structures and Improvements (390)			1,000	34
Office Furniture and Equipment (391)	400		4,078	35
Computer Equipment (391.1)	1,000		27,074	36
Transportation Equipment (392)			79,522	37
Stores Equipment (393)			0	38
Tools, Shop and Garage Equipment (394)			22,310	39
Laboratory Equipment (395)			0	40
Power Operated Equipment (396)			0	41
Communication Equipment (397)			0	42
SCADA Equipment (397.1)			0	43
Miscellaneous Equipment (398)			0	44
Other Tangible Property (399)			0	45
Total General Plant	1,400	0	133,984	
Total utility plant in service directly assignable	101,461	0	6,737,539	
Common Utility Plant Allocated to Water Department			0	46
Total utility plant in service	101,461	0	6,737,539	

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			28,568	28,568	1
February			25,369	25,369	2
March			27,767	27,767	3
April			27,031	27,031	4
May			30,602	30,602	5
June			29,345	29,345	6
July			32,360	32,360	7
August			29,924	29,924	8
September			29,281	29,281	9
October			29,971	29,971	10
November			27,396	27,396	11
December			29,876	29,876	12
Total for year	0	0	347,490	347,490	
Less: Measured or estimated water used in main flushing and water treatment during year				2,500	13
Less: Other utility use				1,641	14
Other utility use explanation:					15
Water loss from stuck meters					
Water pumped into distribution system				343,349	16
Less: Water sold				219,225	17
Losses and unaccounted for				124,124	18
Percent unaccounted for to the nearest whole percent (%)				36%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
Utility purchased a water leak locator to try to locate leaks and fix them.					
Maximum gallons pumped by all methods in any one day during reporting year				1,478	21
Date of maximum: 8/1/1998					22
Cause of maximum:					23
Flushing hydrants					
Minimum gallons pumped by all methods in any one day during reporting year				481	24
Date of minimum: 10/23/1998					25
Total KWH used for pumping for the year				497,507	26
If water is purchased: Vendor Name:					27
Point of Delivery:					28

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
1932 WELL	1	114	12	500,000	Yes	1
1959 WELL	2	170	15	864,000	Yes	2
1974 WELL	3	1,033	17	1,440,000	Yes	3
1993 WELL	4	1,100	17	216,000	Yes	4

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	1	2	3	1
Location	VERONA	VERONA	VERONA	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	LAYNE	LAYNE	LAYNE	5
Year Installed	1982	1987	1976	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	370	1,000	1,000	8
Pump Motor or Standby Engine Mfr	G. E.	U.S. MOTORS	WESTINGHOUSE	10
Year Installed	1982	1987	1976	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	40	125	125	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	4			14
Location	VERONA			15
Purpose	P			16
Destination	D			17
Pump Manufacturer	LAYNE			18
Year Installed	1993			19
Type	VERTICAL TURBINE			20
Actual Capacity (gpm)	1,500			21
Pump Motor or Standby Engine Mfr	U.S. MOTORS			23
Year Installed	1993			24
Type	ELECTRIC			25
Horsepower	150			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)
----------------------------------	-----------------------------	-----------------------------	-----------------------------

NONE

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	2.000	550	0	0	0	550	1
M	D	6.000	64,717	724	0	0	65,441	2
M	D	8.000	56,821	4,661	3,423	0	58,059	3
M	D	10.000	47,045	5,725	0	0	52,770	4
M	D	12.000	7,470	1,325	0	0	8,795	5
Total Within Municipality			176,603	12,435	3,423	0	185,615	
Total Utility			176,603	12,435	3,423	0	185,615	

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	1,216	0	52	0	1,164		1
M	1.000	735	167	0	0	902	71	2
M	1.250	54	4	0	0	58		3
M	1.500	148	0	0	0	148		4
M	2.000	15	0	0	0	15		5
M	4.000	4	0	0	0	4		6
M	6.000	9	0	0	0	9		7
M	8.000	1	0	0	0	1		8
Total Utility		2,182	171	52	0	2,301	71	

METERS

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

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	372	444	87	0	729	346	1
0.750	1,998	0	0	(149)	1,849	0	2
1.000	58	10	0	(22)	46	9	3
1.500	43	6	0	(1)	48	8	4
2.000	28	2	0	(10)	20	1	5
3.000	4	0	0	(1)	3	0	6
4.000	3	0	0	(2)	1	0	7
Total:	2,506	462	87	(185)	2,696	364	

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	729	0	0	0	0	0	729	1
0.750	1,317	126	30	8	0	368	1,849	2
1.000	1	29	2	4	0	10	46	3
1.500	0	27	3	1	0	17	48	4
2.000	0	10	0	6	0	4	20	5
3.000	0	1	0	1	0	1	3	6
4.000	0	0	0	1	0	0	1	7
Total:	2,047	193	35	21	0	400	2,696	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	360	20	3		377	2
Total Fire Hydrants	360	20	3	0	377	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

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

Number of hydrants operated during year:	377
Number of distribution system valves end of year:	822
Number of distribution valves operated during year:	410

WATER OPERATING SECTION FOOTNOTES

Water Operating Revenues & Expenses (Page W-01)

See Accountant's Compilation Report

Water Operation & Maintenance Expenses (Page W-05)

A/C 620 Decrease due to not spending as much time as in the past for pumping work.

A/C 650 Decrease due to performing less maintenance on reservoirs and statndpipes.

Water Utility Plant in Service (Page W-08)

Amounts in the adjustment column is to correct beginning balances for additions in 1997.

A/C 391.1 Computers - Addition is for a land records modernization model the utility added to map its mains.

A/C 392 Transportation - Addition is for two new trucks purchased (with nc removal).

Water Mains (Page W-15)

\$199,174 of the additions were financed by developers, the rest was through operating revenues and the loan proceeds taken out as part of the refinancing.

Water Services (Page W-16)

\$117,381 of service additions were financed through developer additions. Th remaining amounts were financed through operating revenues.

Meters (Page W-17)

Meter adjustments are to get balances to the correct amounts at year end per utility meter summary. They were not removals, the number of meters had been incorrectly reported in previous reports due to transponders purchased and a few disceptancies.

Hydrants and Distribution System Valves (Page W-18)

Hydrants were financed through developer paid for additions - \$18,995. The remaining amounts were financed through operating revenues or loan proceeds from the refinancing.
