



3015 (02-09-04)

ANNUAL REPORT

OF

Name: VILLAGE OF WATERFORD WATER AND SEWER UTILITY

Principal Office: 123 NORTH RIVER STREET
WATERFORD, WI 53185

For the Year Ended: DECEMBER 31, 2000

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: VILLAGE OF WATERFORD WATER AND SEWER UTILITY

Utility Address: 123 NORTH RIVER STREET
WATERFORD, WI 53185

When was utility organized? 4/1/1952

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MR RANDY NIEWOLNY

Title: SUPERINTENDENT

Office Address:

123 NORTH RIVER STREET
WATERFORD, WI 53185

Telephone: (262) 534 - 3980

Fax Number: (262) 534 - 5373

E-mail Address:

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

Name: MR JOHN A. KNEPEL

Title: CPA, PARTNER

Office Address: VIRCHOW, KRAUSE AND COMPANY, LLP

115 S. 84TH STREET
MILWAUKEE, WI 53214

Telephone: (414) 777 - 5500

Fax Number: (414) 777 - 5555

E-mail Address: JKnepel@Virchowkrause.com

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

Name: NONE

Title:

Office Address:

Telephone:

Fax Number:

E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name: NONE

Title:

Office Address:

Telephone:

Fax Number:

E-mail Address:

Date of most recent audit report: 2/16/2001

Period covered by most recent audit: 1/1/00-12/31/00

Names and titles of utility management including manager or superintendent:

Name: MR RANDY NIEWOLNY

Title: SUPERINTENDENT

Office Address:

123 NORTH RIVER STREET
WATERFORD, WI 53185

Telephone: (262) 534 - 3980 EXT 127

Fax Number: (262) 534 - 5373

E-mail Address:

Name of utility commission/committee: VILLAGE OF WATERFORD WATER AND SEWER UTILITY

Names of members of utility commission/committee:

- MR FRANK CZUDA, COMMISSIONER
- MR JEFF DOLEZAL, COMMISSIONER
- MR RANDY HERRINGTON, CHAIRMAN
- MR KEN MORGAN, COMMISSIONER
- MR THOMAS SCHULTZ, COMMISSIONER

Is sewer service rendered by the utility? YES

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

Date of Ordinance: 7/28/1986

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)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	908,267	869,563	1
Operating Expenses:			
Operation and Maintenance Expense (401)	525,209	508,708	2
Depreciation Expense (403)	111,937	105,788	3
Amortization Expense (404)	0	0	4
Taxes (408)	88,071	78,421	5
Total Operating Expenses	725,217	692,917	
Net Operating Income	183,050	176,646	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	183,050	176,646	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	70,656	66,375	9
Miscellaneous Nonoperating Income (421)	7,923	0	10
Total Other Income	78,579	66,375	
Total Income	261,629	243,021	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	261,629	243,021	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	730	10,663	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	14,100	10,496	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	14,830	21,159	
Net Income	246,799	221,862	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	2,220,900	2,153,308	19
Balance Transferred from Income (433)	246,799	221,862	20
Miscellaneous Credits to Surplus (434)	13,153	40,964	21
Miscellaneous Debits to Surplus--Debit (435)	42,775	58,600	22
Appropriations of Surplus--Debit (436)	24,915	136,634	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	2,413,162	2,220,900	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE	0	1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE	0	2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE	0	3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST INCOME	70,656	4
Total (Acct. 419):	70,656	
Miscellaneous Nonoperating Income (421):		
DEBT REIMBURSEMENT FROM SEWER	7,923	5
Total (Acct. 421):	7,923	
Miscellaneous Amortization (425):		
NONE	0	6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE	0	7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
TO CORRECT OPERATING REVENUE ACCOUNTS	13,153	8
Total (Acct. 434):	13,153	
Miscellaneous Debits to Surplus (435):		
HYDRANT RENTAL TO VILLAGE WAIVED	42,775	9
Total (Acct. 435)--Debit:	42,775	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215	24,915	10
Total (Acct. 436)--Debit:	24,915	
Appropriations of Income to Municipal Funds (439):		
NONE		11
Total (Acct. 439)--Debit:	0	

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					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	477,968	0	430,299	0	908,267	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
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	477,968	0	430,299	0	908,267	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	8,085,294	7,129,995	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	1,258,337	1,157,207	2
Net Utility Plant	6,826,957	5,972,788	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	0	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	1,401,890	1,125,670	8
Temporary Cash Investments (132)	0	280,884	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	240,664	162,050	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	24,664	72,556	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	15,000	0	16
Other Current and Accrued Assets (170)	8,266	603	17
Total Current and Accrued Assets	1,690,484	1,641,763	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	8,517,441	7,614,551	

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)	1,334,141	1,265,214	21
Appropriated Earned Surplus (215)	161,549	136,634	22
Unappropriated Earned Surplus (216)	2,413,162	2,220,900	23
Total Proprietary Capital	3,908,852	3,622,748	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	226,149	294,146	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	226,149	294,146	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	83,110	63,319	28
Payables to Municipality (233)	89,379	81,819	29
Customer Deposits (235)	0	0	30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	0	4,007	32
Other Current and Accrued Liabilities (238)	1,972	0	33
Total Current and Accrued Liabilities	174,461	149,145	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)	230,792	154,534	35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	230,792	154,534	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)	0	0	37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	3,977,187	3,393,978	38
Total Liabilities and Other Credits	8,517,441	7,614,551	

NET UTILITY PLANT

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

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	4,882,430	3,157,516	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)		45,348			6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	4,882,430	3,202,864	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	548,206	710,131	0	0	9
Total Accumulated Provision	548,206	710,131	0	0	
Net Utility Plant	4,334,224	2,492,733	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)	Sewer (c)	(d)	(e)	Total (f)	
Balance first of year	489,119	668,088			1,157,207	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	68,871	43,066			111,937	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,023	(1,023)			0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage	0	7,200			7,200	10
Other credits (specify):						11
					0	12
Total credits	69,894	49,243	0	0	119,137	13
Debits during year						14
Book cost of plant retired	10,807	7,200			18,007	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	10,807	7,200	0	0	18,007	19
Balance End of Year	548,206	710,131	0	0	1,258,337	20
Composite Depreciation Rate?	Yes	Yes				21
If yes, what is the rate?	1.60%	1.40%				22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

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

Particulars (a)	Amount (b)
Balance first of year	0 1
Additions:	
Provision for uncollectibles during year	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		0 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	<u>0</u>	<u>0</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)				
NONE	0	0	0	1
Total			0	
Unamortized premium on debt (251)				
NONE	0	0	0	2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	1,265,214	1
Changes during year (explain):		
DESIGN AND PREPLANNING COSTS FOR WELLS 4 AND 5 PAID BY TID #2	68,927	2
Balance end of year	<u><u>1,334,141</u></u>	

BONDS (ACCT. 221)

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

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

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
GO REFUNDING BONDS	05/21/1998	05/21/2006	4.65%	0	1
GO REFUNDING BONDS	07/21/1999	12/01/2006	4.25%	226,149	2
GENERAL OBLIGATION DEBT	07/01/1991	01/01/2000	6.75%	0	3
Total for Account 223				226,149	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	83,280	2
Charged electric department expense		3
Charged sewer department expense	4,791	4
Other (explain):		
NONE		5
Total Accruals and other credits	88,071	
Taxes paid during year:		
County, state and local taxes	78,372	6
Social Security taxes	8,335	7
PSC Remainder Assessment	1,364	8
Other (explain):		
NONE		9
Total payments and other debits	88,071	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
G O REFUNDING & IMPROVEMENT NOTES	3,086	14,100	17,186	0	2
Subtotal	3,086	14,100	17,186	0	
Other long-Term Debt (224)					
NO.1 STATE TRUST FUND LOAN	0			0	3
NO. 2 STATE TRUST FUND LOAN	0			0	4
STATE FINANCIAL BANK NOTE PAYABLE	921	730	1,651	0	5
Subtotal	921	730	1,651	0	
Notes Payable (231)					
NONE	0			0	6
Subtotal	0	0	0	0	
Total	4,007	14,830	18,837	0	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	2,193,469	0	0	1,200,509	0	3,393,978	1
Add credits during year:							
For Services	40,346					40,346	2
For Mains	336,313			167,050		503,363	3
Other (specify):							
CONNECTION FEES	20,000			19,500		39,500	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	2,590,128	0	0	1,387,059	0	3,977,187	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	95,231	5
Electric		6
Sewer (Regulated)	145,433	7
Other (specify):		
NONE		8
Total (Acct. 142):	240,664	
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):		
DELINQUENTS PLACED ON TAX ROLL	19,662	12
REIMBURSEMENT FOR TIF #2 EXPENDITURES	5,002	13
Total (Acct. 145):	24,664	
Prepayments (165):		
2001 BUILDING RENT	15,000	14
Total (Acct. 165):	15,000	
Extraordinary Property Losses (182):		
NONE		15
Total (Acct. 182):	0	

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):		
NONE		16
Total (Acct. 183):	0	
Payables to Municipality (233):		
TAX EQUIVALENT	78,372	17
EMPLOYEE PAYROLL AND BENEFITS	11,007	18
Total (Acct. 233):	89,379	
Other Deferred Credits (253):		
NONE		19
Total (Acct. 253):	0	

RETURN ON RATE BASE COMPUTATION

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

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	4,581,919	0	3,003,051	0	7,584,970	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	518,662	0	689,109	0	1,207,771	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	2,391,798	0	1,293,784	0	3,685,582	6
Other (specify):						
NONE					0	7
Average Net Rate Base	1,671,459	0	1,020,158	0	2,691,617	
Net Operating Income	174,673	0	8,377	0	183,050	8
Net Operating Income as a percent of Average Net Rate Base						
	10.45%	N/A	0.82%	N/A	6.80%	

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	1,299,677	1
Appropriated Earned Surplus	149,091	2
Unappropriated Earned Surplus	2,317,031	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	3,765,799	
Net Income		
Net Income	246,799	5
 Percent Return on Proprietary Capital	 6.55%	

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.

On July 7, 2000, the Utility was granted permission to deregulate the sewer operation from the PSC control. The 2000 Annual Report contains the entire year's sewer operations. Pursuant to the order for deregulation, sewer operations will not be included in future annual reports.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Commission/Committee (Page iv)

October 18, 2001

Mr. Randy Niewolny, Superintendent
Village of Waterford Water & Sewer
123 North River Street
Waterford, WI 53185-4149

2000 Analytical Review DWCCA-6210-PJL

Dear Mr. Niewolny:

The Public Service Commission staff is in the process of completing an analytical review of your utility's 2000 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that this review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. During our review, we noted that the utility did not report any return on net investment in meters charged to sewer department, (Account 474). If the sewer department uses the water meter to measure sewer volume, all the water meter costs must be shared, including depreciation, return on rate base and taxes. Please review Section 4, Pages 10 and 11 of the Water Utility Reference Manual (enclosed) and properly allocate all water meter costs for 2001.
2. Given that your sewer department is no longer regulated, please be sure that if you file sewer pages when you submit your 2001 annual report, that you select the non-regulated sewer section when setting up the report.
3. As directed in the head notes of the Water Operation & Maintenance Expenses schedule on page W-5, please provide an explanation of any expense account which changed by \$2,000 and 30 percent when compared to the previous year and follow this procedure in the future.
4. During our review, we noted 1,177 services in use reported in the Water Services schedule and 1,500 customers reported on page W-2. Please confirm that there are a significant number of services with multiple customers per service.
5. During our review, we noted that according to our calculations, the amount the utility reports for public fire protection service billed per Rate Schedule F-1 in Account 463 on the Other Revenues (Water) schedule, page W-4, differs from our calculation by \$54,271 (see enclosed worksheet). Because of this large discrepancy, we also checked the amount reported in the 1999 annual report and discovered a discrepancy of \$55,946 for that year. The reason for this large difference may be due to the utility using incorrect base amounts of feet of mains and hydrants. Please ensure that the utility's F-1 rate schedule indicates 86,023 for the base amount of feet

FINANCIAL SECTION FOOTNOTES

of mains and 167 as a base amount for number of hydrants. Please adjust your 2001 Public Fire Protection Service charge to account for the total \$110,217 overcharge from 2000 and 1999. Please follow our procedure for calculating the charge in the future.

6. Please provide the date at which the sewer department was officially deregulated.

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 267-9198. Please respond within 30 days of this letter. We prefer that you respond by e-mail if it is convenient for you to do so. My e-mail address is leegep@psc.state.wi.us. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

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

PJL:tlm:w:\compl\Analytical Reviews\2000 analytical review letters\6210.doc

Enclosures

Response letter received 10/29/01:

#1, "The utility does allocate meter costs on a monthly basis and the shared meter costs are included in the appropriate sewer account numbers. The allocation for the return on net investment in meters charged to the sewer department was not made in 2000 due to the fact that we were waiting for a copy of the most recent docket showing the rate of return %age from the PSC. The client now has a copy of that docket and the adjustment will be made in future years."

#2, "We will take this comment into consideration for future reports."

#3,

A/C 600: Employees received a 3% salary increase and new payroll system allows for exact allocation of labor expense between water and sewer.

A/C 640: Less supplies were used in 2000.

A/C 680: Administrative salaries increased 5% and new payroll system allows for exact allocation of labor expense between water and sewer.

A/C 681: Less supplies were used in 2000.

A/C 684: The utility's insurance premiums increased in 2000 due to rising health insurance costs.

A/C 686: Pension expense is 11% of total salaries. Pension expense increased by the same % as salaries.

A/C 689: Increase is due to an increase in water education.

#4, There are a significant number of services with multiple customers.

#5, Utility had incorrect rate file and difference in between what the calculation was and should have been was waived \$58,600 in 1999 and \$42,775

FINANCIAL SECTION FOOTNOTES

~~Calculation was and should have been was waived, \$50,000 in 1999 and \$12,771~~
in 2000, see a/c 435.

#6, The sewer was deregulated on July 7, 2000.

Identification and Ownership - Contacts (Page iv)

-----Original Message-----

From: Boyle, Dan
Sent: Thursday, October 04, 2001 10:59 AM
To: Leege, Peter
Subject: RE: # 6210, Waterford.

The footnote says that they were authorized by the PSC on 7-7-00 to deregulate the sewer operations. They did not say when they actually deregulated it. They do indicate that sewer will not be reported as regulated in future reports. At this point I would not do anything. If you want, you can ask the utility as to what date the sewer department was officially deregulated. When they give us a date we can determine whether that would make a material enough difference to make an adjustment to next years remainder assessment.

-----Original Message-----

From: Leege, Peter
Sent: Wednesday, October 03, 2001 3:47 PM
To: Boyle, Dan
Subject: # 6210, Waterford.

Dan, could you look at their 2000 annual report and tell me if they properly handled their sewer revenues and remainder assessment issues considering the fact that the sewer department was deregulated 7/7/2000?

Thanks.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	475,735	1
Total Sales of Water	475,735	
Other Operating Revenues		
Forfeited Discounts (470)	1,500	2
Other Water Revenues (474)	733	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	2,233	
Total Operating Revenues	477,968	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	87,972	5
General Operating Expenses (680-690)	63,172	6
Total Operation and Maintenance Expenses	151,144	
Other Operating Expenses		
Depreciation Expense (403)	68,871	7
Amortization Expense (404)	0	8
Taxes (408)	83,280	9
Total Other Operating Expenses	152,151	
Total Operating Expenses	303,295	
NET OPERATING INCOME	174,673	

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	0			1
Commercial	0			2
Industrial	0			3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	1,270	73,592	190,584	4
Commercial	215	30,005	60,416	5
Industrial	15	7,712	10,406	6
Total Metered Sales to General Customers (461)	1,500	111,309	261,406	
Private Fire Protection Service (462)	9		4,715	7
Public Fire Protection Service (463)	1		198,775	8
Other Sales to Public Authorities (464)	15	5,672	10,839	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	1,525	116,981	475,735	

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)	198,775	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)	198,775	
Forfeited Discounts (470):		
Customer late payment charges		5
Other (specify):		
FORFEITED DISCOUNTS	1,500	6
Total Forfeited Discounts (470)	1,500	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		7
Other (specify):		
MISCELLANEOUS INCOME	733	8
Total Other Water Revenues (474)	733	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	45,782	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	26,150	3
Chemicals (630)		4
Supplies and Expenses (640)	1,893	5
Repairs of Water Plant (650)	13,009	6
Transportation Expenses (660)	1,138	7
Total Plant Operation and Maintenance Expenses	87,972	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	17,067	8
Office Supplies and Expenses (681)	3,738	9
Outside Services Employed (682)	9,859	10
Insurance Expense (684)	3,246	11
Employees Pensions and Benefits (686)	16,686	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	12,576	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	63,172	
 Total Operation and Maintenance Expenses	 151,144	

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		78,372	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		1,132	2
Net property tax equivalent		77,240	
Social Security		4,849	3
PSC Remainder Assessment		1,191	4
Other (specify): NONE			5
Total tax expense		<u>83,280</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 § 66.0811(2). 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			Racine				1
SUMMARY OF TAX RATES							
State tax rate	mills		0.218930				2
County tax rate	mills		6.187110				3
Local tax rate	mills		8.343130				4
School tax rate	mills		11.332020				5
Voc. school tax rate	mills		1.755610				6
Other tax rate - Local	mills		0.000000				7
Other tax rate - Non-Local	mills		0.000000				8
Total tax rate	mills		27.836800				9
Less: state credit	mills		1.808300				10
Net tax rate	mills		26.028500				11
PROPERTY TAX EQUIVALENT CALCULATION							
Local Tax Rate	mills		8.343130				12
Combined School Tax Rate	mills		13.087630				13
Other Tax Rate - Local	mills		0.000000				14
Total Local & School Tax	mills		21.430760				15
Total Tax Rate	mills		27.836800				16
Ratio of Local and School Tax to Total	dec.		0.769872				17
Total tax net of state credit	mills		26.028500				18
Net Local and School Tax Rate	mills		20.038601				19
Utility Plant, Jan. 1	\$	4,281,409	4,281,409				20
Materials & Supplies	\$	0	0				21
Subtotal	\$	4,281,409	4,281,409				22
Less: Plant Outside Limits	\$	0	0				23
Taxable Assets	\$	4,281,409	4,281,409				24
Assessment Ratio	dec.		0.913497				25
Assessed Value	\$	3,911,054	3,911,054				26
Net Local & School Rate	mills		20.038601				27
Tax Equiv. Computed for Current Year	\$	78,372	78,372				28
Tax Equivalent per 1994 PSC Report	\$	45,286					29
Any lower tax equivalent as authorized by municipality (see note 6)	\$						30
Tax equiv. for current year (see note 6)	\$	78,372					31

WATER UTILITY PLANT IN SERVICE

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	100		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)	189,880	47,027	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	189,980	47,027	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	24,583		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	38,130		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	62,713	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0	1,913	23
Total Water Treatment Plant	0	1,913	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	110		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)			100	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)			236,907	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	237,007	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			24,583	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			38,130	17
Diesel Pumping Equipment (326)		8,250	8,250	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	8,250	70,963	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			1,913	23
Total Water Treatment Plant	0	0	1,913	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			110	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	529,903		26
Transmission and Distribution Mains (343)	2,617,651	454,512	27
Fire Mains (344)	0		28
Services (345)	322,255	32,175	29
Meters (346)	123,675	12,325	30
Hydrants (348)	342,771	54,528	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	3,936,365	553,540	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0	2,751	35
Computer Equipment (372.1)	0	3,226	36
Transportation Equipment (373)	0		37
Other General Equipment (379)	92,351	3,371	38
Other Tangible Property (390)	0		39
Total General Plant	92,351	9,348	
Total utility plant in service directly assignable	4,281,409	611,828	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	4,281,409	611,828	

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)			529,903 26
Transmission and Distribution Mains (343)			3,072,163 27
Fire Mains (344)			0 28
Services (345)			354,430 29
Meters (346)	3,784		132,216 30
Hydrants (348)	7,023		390,276 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	10,807	0	4,479,098
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)		4,494	7,245 35
Computer Equipment (372.1)		13,900	17,126 36
Transportation Equipment (373)			0 37
Other General Equipment (379)		(26,644)	69,078 38
Other Tangible Property (390)			0 39
Total General Plant	0	(8,250)	93,449
Total utility plant in service directly assignable	10,807	0	4,882,430
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	10,807	0	4,882,430

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			11,329	11,329	1
February			10,680	10,680	2
March			11,081	11,081	3
April			11,392	11,392	4
May			12,082	12,082	5
June			12,453	12,453	6
July			14,558	14,558	7
August			14,661	14,661	8
September			12,825	12,825	9
October			12,318	12,318	10
November			8,668	8,668	11
December			10,833	10,833	12
Total for year	0	0	142,880	142,880	
Less: Measured or estimated water used in main flushing and water treatment during year					13
Less: Other utility use				4,500	14
Other utility use explanation:					15
Flushing, breaks and drained elevated					
Water pumped into distribution system				138,380	16
Less: Water sold				116,981	17
Losses and unaccounted for				21,399	18
Percent unaccounted for to the nearest whole percent (%)				15%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
Maximum gallons pumped by all methods in any one day during reporting year				698	21
Date of maximum: 8/16/2000					22
Cause of maximum:					23
Flushing new main					
Minimum gallons pumped by all methods in any one day during reporting year				245	24
Date of minimum: 10/5/2000					25
Total KWH used for pumping for the year				359,210	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)	
WELL #2 WINSON DR.	DEEP	1,520	12	75,000	Yes	1
WELL #3 801 ELA AVE.	SHALLOW	136	8	70,000	Yes	2
WELL #1 123 N. RIVER	SHALLOW	106	10	200,000	Yes	3

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	WELL #1	WELL #2	WELL #3	1
Location	WATERFORD, WI	WATERFORD, WI	WATERFORD, WI	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	LAYNE	LAYNE	MUNICIPAL WELL & PUMP	5
Year Installed	1986	1993	1999	6
Type	VERTICAL TURBINE	SUBMERSIBLE	VERTICAL TURBINE	7
Actual Capacity (gpm)	350	500	190	8
Pump Motor or Standby Engine Mfr	LAYNE	LAYNE	MUNICIPAL	10
Year Installed	1986	1993	1999	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	35	75	15	13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	NUMBER #1	NUMBER #2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET	3
Year constructed	1965	1995	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	120	147	6
Total capacity in gallons	200,000	400,000	7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)			9
Points of application (wellhouse, central facilities, booster station, other)			10
Filters, type (gravity, pressure, other, none)			11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			12
Is a corrosion control chemical used (yes, no)?			13
Is water fluoridated (yes, no)?			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25

WATER MAINS

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

								Number of Feet	
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)		
M	D	4.000	5,287	0	0	0	5,287	1	
M	D	6.000	22,585	0	0	0	22,585	2	
P	D	6.000	178	1,020	0	0	1,198	3	
M	D	8.000	24,521	0	0	0	24,521	4	
P	D	8.000	27,712	7,441	0	0	35,153	5	
M	D	10.000	4,887	0	0	0	4,887	6	
M	D	12.000	2,708	0	0	0	2,708	7	
P	D	12.000	9,225	921	0	0	10,146	8	
M	D	16.000	17,731	1,480	0	0	19,211	9	
Total Within Municipality			114,834	10,862	0	0	125,696		
Total Utility			114,834	10,862	0	0	125,696		

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	609	0	0	0	609		1
M	1.000	457	39	0	24	520	61	2
M	1.250	56	0	0	0	56		3
M	1.500	16	13	0	12	41	28	4
M	2.000	44	0	0	3	47	11	5
P	4.000	5	0	0	1	6	3	6
M	8.000	1	0	0	0	1		7
Total Utility		1,188	52	0	40	1,280	103	

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	1,132	37	33	0	1,136	37	1
0.750	294	84	11	0	367	28	2
1.000	25	0	0	0	25	0	3
1.500	21	2	0	0	23	3	4
2.000	12	0	0	0	12	0	5
3.000	5	1	0	1	7	1	6
4.000	1	0	0	0	1	0	7
Total:	1,490	124	44	1	1,571	69	

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	971	143	7	2	0	13	1,136	1
0.750	327	26	4	2	0	8	367	2
1.000	0	18	2	3	0	2	25	3
1.500	0	22	0	0	0	1	23	4
2.000	0	7	1	4	0	0	12	5
3.000	0	1	1	4	0	1	7	6
4.000	0	0	0	1	0	0	1	7
Total:	1,298	217	15	16	0	25	1,571	

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	255	23	3		275	2
Total Fire Hydrants	255	23	3	0	275	
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:	180
Number of distribution system valves end of year:	326
Number of distribution valves operated during year:	105

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

Per review response:

A/C 600: Employees received a 3% salary increase and new payroll system allows for exact allocation of labor expense between water and sewer.

A/C 640: Less supplies were used in 2000.

A/C 680: Administrative salaries increased 5% and new payroll system allows for exact allocation of labor expense between water and sewer.

A/C 681: Less supplies were used in 2000.

A/C 684: The utility's insurance premiums increased in 2000 due to rising health insurance costs.

A/C 686: Pension expense is 11% of total salaries. Pension expense increased by the same % as salaries.

A/C 689: Increase is due to an increase in water education.

Water Utility Plant in Service (Page W-08)

314-

The additions of \$47,027 are the planning and design costs of wells 4 and 5 that are paid by the Village of Waterford Tax Incremental Financing District #2. Wells 4 and 5 were not in use at the end of 2000.

326,372,379,372.1-

The adjustments totaling \$26,644 among other general equipment, diesel pumping equipment, office equipment, and computer equipment is a result of prior costs being placed in the correct category.

Water Mains (Page W-15)

The increase in water mains is a result of two new projects- Waterford Landing on the Fox subdivision and 2 new schools being built in Waterford. The water main additions for both projects were contributed by the developers.

Water Services (Page W-16)

Adjustments-

The adjustments are to correct the water services beginning balances.

Financing-

All water services added in 2000 are new additions due to Waterford Landing on the Fox subdivision. The services were contributed to the water utility by the developer.

Meters (Page W-17)

Adjustments-

The adjustment of one is to correct the beginning balance.

SEWER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sewage Operating Revenues		
Sewage Operating Revenues (621-626)	428,114	1
Total Sewage Operating Revenues	428,114	
Other Operating Revenues		
Forfeited Discounts (631)	2,185	2
Servicing of Customers Laterals (632)	0	3
Sale of Fertilizer (633)	0	4
Rent from Sewerage Properties (634)	0	5
Miscellaneous Operating Revenues (635)	0	6
Amortization of Construction Grants (636)	0	7
Total Other Operating Revenues	2,185	
Total Operating Revenues	430,299	
Operation and Maintenance Expenses		
Operation Expenses (820-829)	294,645	8
Maintenance Expenses (831-834)	13,883	9
Customer Accounting & Collection Expenses (840-843)	20,126	10
Administrative and General Expenses (850-857)	45,411	11
Total Operation and Maintenance Expenses	374,065	
Other Operating Expenses		
Depreciation Expense (403)	43,066	12
Amortization Expense (404)		13
Taxes (408)	4,791	14
Total Other Operating Expenses	47,857	
Total Operating Expenses	421,922	
NET OPERATING INCOME	8,377	

SEWAGE OPERATING REVENUES

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for flat rate service.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. In the gallons column, report metered water or sewage used as the basis in determining customer bills.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons Billed (c)	Amounts (d)
Operating Revenues			
Sewage Operating Revenues			
Flat Rate Service to General Customers (621)			
Residential Revenues			1
Commercial Revenues			2
Industrial Revenues			3
Revenues from Public Authorities			4
Total Flat Rate Service to General Customers (621)	0	0	0
Measured Service to General Customers (622)			
Residential Revenues	1,270	73,592	5
Commercial Revenues	215	30,005	6
Industrial Revenues	15	7,712	7
Revenues from Public Authorities	15	5,672	8
Total Measured Service to General Customers (622)	1,515	116,981	428,114
Service to Public Authorities (623)			9
Service to Other Systems (624)			10
Other Sewerage Service (625)			11
Interdepartmental Service (626)			12
Total Sewage Operating Revenues	1,515	116,981	428,114

HIGH STRENGTH CONTRIBUTORS

1. High strength contributor is one with waste stronger than 250 mg/l for B.O.D. or 250 mg/l for suspended solids or 10 mg/l for phosphorus.
2. If domestic strength limits for BOD, SS and Phos. used for rate purposes are different from the levels indicated, please note the limits used in the spaces available.
3. The units "mg/l" are now used in place of the equivalent "ppm."
4. List type, volume, strength.

Type (a)	Volume Annual Gallons (000's) (b)	BOD (mg/l) (c)	SS (mg/l) (d)	Phos (mg/l) (e)
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NONE

OTHER OPERATING REVENUES (SEWER)

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 \$2,000 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)	
Customers Forfeited Discounts (631):		
Customer late payment charges	2,185	1
Other (specify):		
NONE		2
Total Customers Forfeited Discounts (631)	2,185	
Servicing of Customers Laterals (632):		
NONE		3
Total Servicing of Customers Laterals (632)	0	
Sale of Fertilizer (633):		
NONE		4
Total Sale of Fertilizer (633)	0	
Rent from Sewerage Property (634):		
NONE		5
Total Rent from Sewerage Property (634)	0	
Miscellaneous Operating Revenues (635):		
NONE		6
Total Miscellaneous Operating Revenues (635)	0	
Amortization of Construction Grants (636):		
NONE		7
Total Amortization of Construction Grants (636)	0	

SEWER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
OPERATION EXPENSES		
Supervision and Labor (820)	27,369	1
Power and Fuel for Pumping (821)	5,503	2
Power and Fuel for Aeration Equipment (822)	0	3
Chlorine (823)	0	4
Phosphorous Removal Chemicals (824)		5
Sludge Conditioning Chemicals (825)		6
Other Chemicals for Sewage Treatment (826)		7
Other Operating Supplies and Expenses (827)	260,635	8
Transportation Expenses (828)	1,138	9
Rents (829)		10
Total Operation Expenses	294,645	
MAINTENANCE EXPENSES		
Maintenance of Sewage Collection System (831)	3,409	11
Maintenance of Collection System Pumping Equipment (832)	10,474	12
Maintenance of Treatment and Disposal Plant Equipment (833)		13
Maintenance of General Plant Structures and Equipment (834)		14
Total Maintenance Expenses	13,883	
CUSTOMER ACCOUNTING & COLLECTION EXPENSES		
Billing, Collecting and Accounting (840)	17,067	15
Flat Rate Inspections (841)		16
Meter Reading (842)	3,059	17
Uncollectible Accounts (843)		18
Total Customer Accounting & Collection Expenses	20,126	
ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (850)	1,593	19
Office Supplies and Expenses (851)	4,454	20
Outside Services Employed (852)	10,421	21
Insurance Expense (853)	3,246	22
Employees Pensions and Benefits (854)	14,571	23

SEWER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
ADMINISTRATIVE AND GENERAL EXPENSES		
Regulatory Commission Expenses (855)		24
Miscellaneous General Expenses (856)	3,626	25
Rents (857)	7,500	26
Total Administrative and General Expenses	45,411	
 Total Operation and Maintenance Expenses	374,065	

TAXES (ACCT. 408 - SEWER)

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

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Social Security		3,486	1
Local and School Tax Equivalent on Meters Charged by Water Department		1,132	2
PSC Remainder Assessment		173	3
Other (specify): NONE			4
Total tax expense		<u>4,791</u>	

SEWER 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, 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	
COLLECTION SYSTEM			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Service Connections, Traps, and Accessories (312)	199,803	32,175	6
Collecting Mains and Accessories (313)	2,148,547	134,875	7
Interceptor Mains and Accessories (314)	0		8
Force Mains (315)	103,991		9
Other Collecting System Equipment (316)	0		10
Total Collection System	2,452,341	167,050	
COLLECTION SYSTEM PUMPING INSTALLATIONS			
Land and Land Rights (320)	0		11
Structures and Improvements (321)	205,957		12
Receiving Wells (322)	0		13
Electric Pumping Equipment (323)	124,089		14
Other Power Pumping Equipment (324)	0		15
Miscellaneous Pumping Equipment (325)	0		16
Total Collection System Pumping Installations	330,046	0	
TREATMENT AND DISPOSAL PLANT			
Land and Land Rights (330)	0		17
Structures and Improvements (331)	0		18
Preliminary Treatment Equipment (332)	0		19
Primary Treatment Equipment (333)	0		20
Secondary Treatment Equipment (334)	0		21
Advanced Treatment Equipment (335)	0		22
Chlorination Equipment (336)	0		23
Sludge Treatment and Disposal Equipment (337)	0		24
Plant Site Piping (338)	0		25
Flow Metering and Monitoring Equipment (339)	0		26
Outfall Sewer Pipes (340)	0		27

SEWER 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	
COLLECTION SYSTEM				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Service Connections, Traps, and Accessories (312)			231,978	6
Collecting Mains and Accessories (313)			2,283,422	7
Interceptor Mains and Accessories (314)			0	8
Force Mains (315)			103,991	9
Other Collecting System Equipment (316)			0	10
Total Collection System	0	0	2,619,391	
COLLECTION SYSTEM PUMPING INSTALLATIONS				
Land and Land Rights (320)			0	11
Structures and Improvements (321)			205,957	12
Receiving Wells (322)			0	13
Electric Pumping Equipment (323)			124,089	14
Other Power Pumping Equipment (324)			0	15
Miscellaneous Pumping Equipment (325)		8,250	8,250	16
Total Collection System Pumping Installations	0	8,250	338,296	
TREATMENT AND DISPOSAL PLANT				
Land and Land Rights (330)			0	17
Structures and Improvements (331)			0	18
Preliminary Treatment Equipment (332)			0	19
Primary Treatment Equipment (333)			0	20
Secondary Treatment Equipment (334)			0	21
Advanced Treatment Equipment (335)			0	22
Chlorination Equipment (336)			0	23
Sludge Treatment and Disposal Equipment (337)			0	24
Plant Site Piping (338)			0	25
Flow Metering and Monitoring Equipment (339)			0	26
Outfall Sewer Pipes (340)			0	27

SEWER 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, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TREATMENT AND DISPOSAL PLANT			
Other Treatment and Disposal Plant Equipment (341)	0		28
Total Treatment and Disposal Plant	0	0	
GENERAL PLANT			
Land and Land Rights (370)	0		29
Structures and Improvements (371)	0		30
Office Furniture and Equipment (372)	0	143	31
Computer Equipment (372.1)	0	3,226	32
Transportation Equipment (373)	0		33
Other General Equipment (379)	66,199	145,711	34
Other Tangible Property (390)	0		35
Total General Plant	66,199	149,080	
Total utility plant in service directly assignable	2,848,586	316,130	
Common Utility Plant Allocated to Sewer Department	0		36
Total utility plant in service	2,848,586	316,130	

SEWER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TREATMENT AND DISPOSAL PLANT			
Other Treatment and Disposal Plant Equipment (341)			0 28
Total Treatment and Disposal Plant	0	0	0
GENERAL PLANT			
Land and Land Rights (370)			0 29
Structures and Improvements (371)			0 30
Office Furniture and Equipment (372)		4,210	4,353 31
Computer Equipment (372.1)		3,363	6,589 32
Transportation Equipment (373)			0 33
Other General Equipment (379)	7,200	(15,823)	188,887 34
Other Tangible Property (390)			0 35
Total General Plant	7,200	(8,250)	199,829
Total utility plant in service directly assignable	7,200	0	3,157,516
Common Utility Plant Allocated to Sewer Department			0 36
Total utility plant in service	7,200	0	3,157,516

SEWER 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 disconnected 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 diameter; pipe materials do not need to be specified.

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)	
Sewer	4.000	311	39	0	24	374	30	1
Sewer	6.000	948	13	0	14	975	14	2
Total Utility		1,259	52	0	38	1,349	44	

SEWER MAINS

1. Report mains separately by diameter. Pipe materials do not need to be specified.
2. Explain all reported adjustments as a schedule footnote.
3. For main additions reported in column (c), 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						
Diameter in Inches (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	
4.000	968	0	0	0	968	1
8.000	65,396	4,039	0	0	69,435	2
10.000	9,602	0	0	0	9,602	3
12.000	4,670	0	0	0	4,670	4
14.000	200	0	0	0	200	5
15.000	1,715	0	0	0	1,715	6
18.000	300	0	0	0	300	7
20.000	1,160	0	0	0	1,160	8
Total Utility	84,011	4,039	0	0	88,050	

SEWER OPERATING SECTION FOOTNOTES

Sewer Utility Plant in Service (Page S-07)

379,372,325, 372.1 Adjustments-

To reclass prior year costs to proper PSC Code.

379 Additions of \$145,711-

The increase is due to a Jetter Vac that was purchased by the sewer utility.

313 and 312 addiitons-

The additions from 2 new projects- Waterford Landing on the Fox and 2 new schools. All mains and services were contributed by the developer.

Sewer Services (Page S-09)

All sewer services added in 2000 were brand new due to the 2 new projects- Waterford Landing on the Fox and the 2 new Waterford Schools. The sewer services were contributed by the developer.

All sewer service adjustments were to correct beginning balances.

Sewer Mains (Page S-10)

All sewer main additions were contributed by the developers of Waterford Landing on the Fox subdivision and the Waterford School Districts.
