



3013 (02-09-04)

ANNUAL REPORT

OF

Name: CUDAHY WATER UTILITY

Principal Office: 5110 SOUTH LAKE DRIVE
P.O. BOX 380
CUDAHY, WI 53110

For the Year Ended: DECEMBER 31, 2001

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

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

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: CUDAHY WATER UTILITY

Utility Address: 5110 SOUTH LAKE DRIVE

P.O. BOX 380

CUDAHY, WI 53110

When was utility organized? 6/12/1947

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MR FRANK MILLER

Title: SUPERINTENDENT

Office Address:

5110 SOUTH LAKE DRIVE

P.O. BOX 380

CUDAHY, WI 53110-0380

Telephone: (414) 769 - 2234

Fax Number: (414) 769 - 2257

E-mail Address: millerf@ci.cudahy.wi.us

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

Name: RENEE MESSING, CPA

Title: PARTNER

Office Address: VIRCHOW KRAUSE & COMPANY LLP

115 S. 84TH STREET SUITE 400

MILWAUKEE, WI 53214

Telephone: (414) 777 - 5383

Fax Number: (414) 777 - 5555

E-mail Address: rmessing@virchowkrause.com

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

Name: HENRY KOBER

Title: CHAIRMAN

Office Address:

3776 KLIEFORTH AVE

CUDAHY, WI 53110

Telephone: (414) 483 - 7865

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: RENEE MESSING, CPA

Title: PARTNER

Office Address: VIRCHOW KRAUSE & COMPANY LLP
115 S. 84TH STREET SUITE 400
MILWAUKEE, WI 53214

Telephone: (414) 777 - 5383

Fax Number: (414) 777 - 5555

E-mail Address: rmessing@virchowkrause.com

Date of most recent audit report: 3/16/2001

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

Names and titles of utility management including manager or superintendent:

Name: MR FRANK MILLER

Title: SUPERINTENDENT

Office Address:
5110 SOUTH LAKE DRIVE
CUDAHY, WI 53110-0380

Telephone: (414) 769 - 2234

Fax Number: (414) 769 - 2257

E-mail Address: millerf@ci.cudahy.wi.us

Name: MR MICHAEL CLARK

Title: GENERAL MANAGER

Office Address:
5050 S LAKE DRIVE
CUDAHY, WI 53110-0380

Telephone: (414) 769 - 2253

Fax Number: (414) 769 - 2257

E-mail Address: clarkm@ci.cudahy.wi.us

Name of utility commission/committee: CITY OF CUDAHY WATER UTILITY COMMISSION

Names of members of utility commission/committee:

- MR RONALD ALEKSY
- MR JOHN HEIDENREICH
- MR HENRY KOBER, CHAIRMAN
- MR RAYMOND MARSH
- MR GARY NOAH

Is sewer service rendered by the utility? NO

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?NO

Date of Ordinance:

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

IDENTIFICATION AND OWNERSHIP

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)	1,954,753	1,711,219	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	1,150,561	1,081,324	2
Depreciation Expense (403)	341,537	272,954	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	300,068	292,607	5
Total Operating Expenses	1,792,166	1,646,885	
Net Operating Income	162,587	64,334	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	162,587	64,334	
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)	62,627	79,779	10
Miscellaneous Nonoperating Income (421)	0	0	11
Total Other Income	62,627	79,779	
Total Income	225,214	144,113	
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	225,214	144,113	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	84,196	3,328	14
Amortization of Debt Discount and Expense (428)	2,253		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	86,449	3,328	
Net Income	138,765	140,785	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	5,174,310	5,033,525	20
Balance Transferred from Income (433)	138,765	140,785	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)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	5,313,075	5,174,310	

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):		
INVESTMENT INCOME	62,627	5
Total (Acct. 419):	62,627	
Miscellaneous Nonoperating Income (421):		
NONE		6
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		7
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		8
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		9
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		10
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		11
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		12
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):					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	1,954,753	0	0	0	1,954,753	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	1,954,753	0	0	0	1,954,753	

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	402,994		402,994	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses	44,709		44,709	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts	3,332		3,332	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	451,035	0	451,035	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (101-107)	13,388,170	12,725,945	1
Less: Accumulated Provision for Depreciation and Amortization (111-116)	4,804,854	4,482,233	2
Net Utility Plant	8,583,316	8,243,712	
Utility Plant Acquisition Adjustments (117-118)			3
Other Utility Plant Adjustments (119)			4
Total Net Utility Plant	8,583,316	8,243,712	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	5
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	6
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	7
Other Investments (124)	0	0	8
Special Funds (125-128)	0	0	9
Total Other Property and Investments	0	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	1,193,370	491,539	10
Special Deposits (132-134)	0	0	11
Working Funds (135)			12
Temporary Cash Investments (136)	1,503,472	2,470,871	13
Notes Receivable (141)	0	0	14
Customer Accounts Receivable (142)	28,863	23,133	15
Other Accounts Receivable (143)	0	1,128	16
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	17
Receivables from Municipality (145)	34,910	29,250	18
Materials and Supplies (151-163)	17,262	15,036	19
Prepayments (165)	0	0	20
Interest and Dividends Receivable (171)			21
Accrued Utility Revenues (173)	401,545	369,758	22
Miscellaneous Current and Accrued Assets (174)			23
Total Current and Accrued Assets	3,179,422	3,400,715	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	45,051	47,304	24
Other Deferred Debits (182-186)	0	0	25
Total Deferred Debits	45,051	47,304	
Total Assets and Other Debits	11,807,789	11,691,731	

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)	1,807,852	1,800,727	26
Appropriated Earned Surplus (215)			27
Unappropriated Earned Surplus (216)	5,313,075	5,174,310	28
Total Proprietary Capital	7,120,927	6,975,037	
LONG-TERM DEBT			
Bonds (221-222)	1,735,950	1,792,750	29
Advances from Municipality (223)	0	0	30
Other Long-Term Debt (224)	0	0	31
Total Long-Term Debt	1,735,950	1,792,750	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	32
Accounts Payable (232)	72,371	57,359	33
Payables to Municipality (233)	0	0	34
Customer Deposits (235)			35
Taxes Accrued (236)	272,853	266,568	36
Interest Accrued (237)	7,454	6,399	37
Matured Long-Term Debt (239)			38
Matured Interest (240)			39
Tax Collections Payable (241)			40
Miscellaneous Current and Accrued Liabilities (242)	84,020	83,629	41
Total Current and Accrued Liabilities	436,698	413,955	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	42
Customer Advances for Construction (252)			43
Other Deferred Credits (253)	0	0	44
Total Deferred Credits	0	0	
OPERATING RESERVES			
Property Insurance Reserve (261)			45
Injuries and Damages Reserve (262)			46
Pensions and Benefits Reserve (263)			47
Miscellaneous Operating Reserves (265)			48
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	2,514,214	2,509,989	49
Total Liabilities and Other Credits	11,807,789	11,691,731	

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)	13,377,134	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)	11,036				7
Total Utility Plant	13,388,170	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (111)	4,804,854	0	0	0	8
Accumulated Provision for Depreciation of Utility Plant Leased to Others (112)					9
Accumulated Provision for Depreciation of Property Held for Future Use (113)					10
Accumulated Provision for Amortization of Utility Plant in Service (114)					11
Accumulated Provision for Amortization of Utility Plant Leased to Others (115)					12
Accumulated Provision for Amortization of Property Held for Future Use (116)					13
Total Accumulated Provision	4,804,854	0	0	0	
Net Utility Plant	8,583,316	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 111)

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	4,482,233				4,482,233	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	341,537				341,537	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	15,205				15,205	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage	0				0	10
Other credits (specify):						11
					0	12
Total credits	356,742	0	0	0	356,742	13
Debits during year						14
Book cost of plant retired	34,121				34,121	15
Cost of removal	0				0	16
Other debits (specify):						17
					0	18
Total debits	34,121	0	0	0	34,121	19
Balance End of Year	4,804,854	0	0	0	4,804,854	20
						21
						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 (151)					0	0 1
Fuel stock expenses (152)					0	0 2
Plant mat. & oper. sup. (154)					0	0 3
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility (154)	17,262	15,036 2
Sewer utility (154)		0 3
Heating utility (154)		0 4
Gas utility (154)		0 5
Merchandise (155)		0 6
Other materials & supplies (156)		0 7
Stores expense (163)		0 8
Total Materials and Supplies	17,262	15,036

**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)				
2000 REVENUE BONDS	2,253	428	45,051	1
Total			<u><u>45,051</u></u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u><u>0</u></u>	

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	1,800,727	1
Changes during year (explain):		
IRRIGATION SYSTEM CONTRIBUTED BY TID 1	7,125	2
Balance end of year	<u><u>1,807,852</u></u>	

BONDS (ACCTS. 221 AND 222)

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)	
2000 REVENUE BONDS	12/01/2000	05/01/2021	4.75%	1,735,950	1
Total Bonds (Account 221):				1,735,950	
Total Reacquired Bonds (Account 222)				0	2

Net amount of bonds outstanding December 31: 1,735,950

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
--	----------------------------------	--	----------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	266,568	1
Accruals:		
Charged water department expense	300,068	2
Charged electric department expense		3
Charged sewer department expense	5,718	4
Other (explain):		
NONE		5
Total Accruals and other credits	305,786	
Taxes paid during year:		
County, state and local taxes	266,568	6
Social Security taxes	30,922	7
PSC Remainder Assessment	2,011	8
Other (explain):		
NONE		9
Total payments and other debits	299,501	
Balance end of year	272,853	

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)					
2000 REVENUE BONDS	6,399	84,196	83,141	7,454	1
Subtotal	6,399	84,196	83,141	7,454	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other Long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	6,399	84,196	83,141	7,454	

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	2,509,989	0	0	0	0	2,509,989	1
Add credits during year:							
For Services	4,225					4,225	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	2,514,214	0	0	0	0	2,514,214	
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	
Sinking Funds (125):		
NONE		3
Total (Acct. 125):	0	
Depreciation Fund (126):		
NONE		4
Total (Acct. 126):	0	
Other Special Funds (128):		
NONE		5
Total (Acct. 128):	0	
Interest Special Deposits (132):		
NONE		6
Total (Acct. 132):	0	
Other Special Deposits (134):		
NONE		7
Total (Acct. 134):	0	
Notes Receivable (141):		
NONE		8
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	28,863	9
Electric		10
Sewer (Regulated)		11
Other (specify):		
NONE		12
Total (Acct. 142):	28,863	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		13
Merchandising, jobbing and contract work		14
Other (specify):		
NONE		15
Total (Acct. 143):	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)
Receivables from Municipality (145):		
DELINQUENT BILLS PLACED ON TAXROLL	34,910	16
Total (Acct. 145):	34,910	
Prepayments (165):		
NONE		17
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		18
Total (Acct. 182):	0	
Preliminary Survey and Investigation Charges (183):		
NONE		19
Total (Acct. 183):	0	
Clearing Accounts (184):		
NONE		20
Total (Acct. 184):	0	
Temporary Facilities (185):		
NONE		21
Total (Acct. 185):	0	
Miscellaneous Deferred Debits (186):		
NONE		22
Total (Acct. 186):	0	
Payables to Municipality (233):		
NONE		23
Total (Acct. 233):	0	
Other Deferred Credits (253):		
NONE		24
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	13,051,539	0	0	0	13,051,539	1
Materials and Supplies	16,149	0	0	0	16,149	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	4,643,543	0	0	0	4,643,543	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	2,512,101	0	0	0	2,512,101	6
Other (specify):					0	7
Average Net Rate Base	5,912,044	0	0	0	5,912,044	
Net Operating Income	162,587	0	0	0	162,587	8
Net Operating Income as a percent of Average Net Rate Base	2.75%	N/A	N/A	N/A	2.75%	

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	1,804,289	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	5,243,692	3
Other (Specify):		4
Total Average Proprietary Capital	7,047,981	
Net Income		
Net Income	138,765	5
Percent Return on Proprietary Capital	1.97%	

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 - Contacts (Page iv)

response received 12/26/02:

Ms. Engelke:

I hope the following will answer your questions.

1. No Large meters were tested - The utility installed a new AMR system in 2002 and knew that all large meters were going to be replaced with new meters, so a decision was made to allocate the labor in a different area for 2001.

2. Tax Rate on W-7 line 9 - this is a tax from Milwaukee Metro Sewerage District.

3. Page W-19, 2 inch residential meters - these are meters located in a condominium development, each meter supplies 8 units, the city lists the condominiums as residential units.

If you need any clarification on any of these items or if there is still a problem please let me know.

Frank Miller
Superintendent
Cudahy Water Utility
5110 S. Lake Drive
Cudahy WI 53110
(414) 769-2234

The views, opinions, and judgments expressed in this message are solely those of the author. The message contents have not been reviewed or approved by the City of Cudahy.

12/13/02 email:
Dear Mr. Miller:

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

1. Meters six-inches or larger are to be tested annually. It appears on Page W-19 that several of your meters six-inches and larger were not tested in 2001. Please furnish an explanation.

2. On Page W-7, Head Note 5 requests that other tax rate be explained. You report an other non-local tax rate. Please furnish an explanation.

3. On Page W-19, six 2-inch residential meters are reported. A warning on that page requests that residential meters 2-inch and larger should be explained in the schedule footnotes. No explanation was provided. Please furnish an explanation and follow this procedure in the future.

FINANCIAL SECTION FOOTNOTES

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

We appreciate your cooperation in providing the above information. If you have any questions, please feel free to contact me at (608) 266-3768. Please respond within 30 days of this letter. We prefer that you respond by e-mail if it is convenient for you to do so. My e-mail address is elaine.engelke@psc.state.wi.us. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

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

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	1,889,196	1
Total Sales of Water	1,889,196	
Other Operating Revenues		
Forfeited Discounts (470)	9,096	2
Miscellaneous Service Revenues (471)	1,641	3
Rents from Water Property (472)	41,849	4
Interdepartmental Rents (473)	0	5
Other Water Revenues (474)	12,971	6
Amortization of Construction Grants (475)	0	7
Total Other Operating Revenues	65,557	
Total Operating Revenues	1,954,753	
Operation and Maintenance Expenses		
Source of Supply Expense (600-617)	3,000	8
Pumping Expenses (620-633)	270,698	9
Water Treatment Expenses (640-652)	392,245	10
Transmission and Distribution Expenses (660-678)	219,179	11
Customer Accounts Expenses (901-905)	28,091	12
Sales Expenses (910)	0	13
Administrative and General Expenses (920-932)	237,348	14
Total Operation and Maintenance Expenses	1,150,561	
Other Operating Expenses		
Depreciation Expense (403)	341,537	15
Amortization Expense (404-407)		16
Taxes (408)	300,068	17
Total Other Operating Expenses	641,605	
Total Operating Expenses	1,792,166	
NET OPERATING INCOME	162,587	

WATER OPERATING REVENUES - SALES OF WATER

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

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
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	4,905	360,793	698,360	4
Commercial	484	202,864	289,810	5
Industrial	47	917,055	578,675	6
Total Metered Sales to General Customers (461)	5,436	1,480,712	1,566,845	
Private Fire Protection Service (462)	40		17,152	7
Public Fire Protection Service (463)	1		265,917	8
Other Sales to Public Authorities (464)	25	25,687	39,282	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	5,502	1,506,399	1,889,196	

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 or Fd-1)	265,917	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)	265,917	
Forfeited Discounts (470):		
Customer late payment charges	9,096	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	9,096	
Miscellaneous Service Revenues (471):		
MISCELLANEOUS SERVICE INVOICES	1,641	7
Total Miscellaneous Service Revenues (471)	1,641	
Rents from Water Property (472):		
CELLULAR RENTAL AGREEMENTS	41,849	8
Total Rents from Water Property (472)	41,849	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	12,971	10
Other (specify): NONE		11
Total Other Water Revenues (474)	12,971	
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 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
SOURCE OF SUPPLY EXPENSES		
Operation Supervision and Engineering (600)		1
Operation Labor and Expenses (601)		2
Purchased Water (602)	3,000	3
Miscellaneous Expenses (603)		4
Rents (604)		5
Maintenance Supervision and Engineering (610)		6
Maintenance of Structures and Improvements (611)		7
Maintenance of Collecting and Impounding Reservoirs (612)		8
Maintenance of Lake, River and Other Intakes (613)		9
Maintenance of Wells and Springs (614)		10
Maintenance of Infiltration Galleries and Tunnels (615)		11
Maintenance of Supply Mains (616)		12
Maintenance of Miscellaneous Water Source Plant (617)		13
Total Source of Supply Expenses	3,000	
 PUMPING EXPENSES		
Operation Supervision and Engineering (620)	16,953	14
Fuel for Power Production (621)		15
Power Production Labor and Expenses (622)		16
Fuel or Power Purchased for Pumping (623)	141,307	17
Pumping Labor and Expenses (624)	18,249	18
Expenses Transferred--Credit (625)		19
Miscellaneous Expenses (626)		20
Rents (627)		21
Maintenance Supervision and Engineering (630)		22
Maintenance of Structures and Improvements (631)	54,174	23
Maintenance of Power Production Equipment (632)	9,574	24
Maintenance of Pumping Equipment (633)	30,441	25
Total Pumping Expenses	270,698	
 WATER TREATMENT EXPENSES		
Operation Supervision and Engineering (640)	29,669	26
Chemicals (641)	69,009	27

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
WATER TREATMENT EXPENSES		
Operation Labor and Expenses (642)	149,579	28
Miscellaneous Expenses (643)	20,467	29
Rents (644)		30
Maintenance Supervision and Engineering (650)		31
Maintenance of Structures and Improvements (651)	49,354	32
Maintenance of Water Treatment Equipment (652)	74,167	33
Total Water Treatment Expenses	392,245	
TRANSMISSION AND DISTRIBUTION EXPENSES		
Operation Supervision and Engineering (660)	8,796	34
Storage Facilities Expenses (661)		35
Transmission and Distribution Lines Expenses (662)		36
Meter Expenses (663)	14,829	37
Customer Installations Expenses (664)	9,717	38
Miscellaneous Expenses (665)	5,040	39
Rents (666)		40
Maintenance Supervision and Engineering (670)	2,400	41
Maintenance of Structures and Improvements (671)		42
Maintenance of Distribution Reservoirs and Standpipes (672)		43
Maintenance of Transmission and Distribution Mains (673)	104,887	44
Maintenance of Fire Mains (674)		45
Maintenance of Services (675)	31,633	46
Maintenance of Meters (676)	8,626	47
Maintenance of Hydrants (677)	33,251	48
Maintenance of Miscellaneous Plant (678)		49
Total Transmission and Distribution Expenses	219,179	
CUSTOMER ACCOUNTS EXPENSES		
Supervision (901)	6,523	50
Meter Reading Labor (902)	10,260	51
Customer Records and Collection Expenses (903)	11,308	52
Uncollectible Accounts (904)		53

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
CUSTOMER ACCOUNTS EXPENSES		
Miscellaneous Customer Accounts Expenses (905)		54
Total Customer Accounts Expenses	28,091	
 SALES EXPENSES		
Sales Expenses (910)		55
Total Sales Expenses	0	
 ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (920)		56
Office Supplies and Expenses (921)	4,851	57
Administrative Expenses Transferred--Credit (922)		58
Outside Services Employed (923)	38,148	59
Property Insurance (924)	7,154	60
Injuries and Damages (925)	27,840	61
Employee Pensions and Benefits (926)	143,207	62
Regulatory Commission Expenses (928)		63
Duplicate Charges--Credit (929)		64
Miscellaneous General Expenses (930)	16,148	65
Rents (931)		66
Maintenance of General Plant (932)		67
Total Administrative and General Expenses	237,348	
 Total Operation and Maintenance Expenses	 1,150,561	

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		272,853	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		5,718	2
Net property tax equivalent		267,135	
Social Security		30,922	3
PSC Remainder Assessment		2,011	4
Other (specify): NONE			5
Total tax expense		<u>300,068</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			Milwaukee				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.216565				3
County tax rate	mills		5.827165				4
Local tax rate	mills		9.101458				5
School tax rate	mills		13.341047				6
Voc. school tax rate	mills		2.194240				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		1.840223				9
Total tax rate	mills		32.520698				10
Less: state credit	mills		1.912080				11
Net tax rate	mills		30.608618				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		9.101458				14
Combined School Tax Rate	mills		15.535287				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		24.636745				17
Total Tax Rate	mills		32.520698				18
Ratio of Local and School Tax to Total	dec.		0.757571				19
Total tax net of state credit	mills		30.608618				20
Net Local and School Tax Rate	mills		23.188208				21
Utility Plant, Jan. 1	\$	12,725,942	12,725,942				22
Materials & Supplies	\$	15,036	15,036				23
Subtotal	\$	12,740,978	12,740,978				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	12,740,978	12,740,978				26
Assessment Ratio	dec.		0.923548				27
Assessed Value	\$	11,766,905	11,766,905				28
Net Local & School Rate	mills		23.188208				29
Tax Equiv. Computed for Current Year	\$	272,853	272,853				30
Tax Equivalent per 1994 PSC Report	\$	263,442					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	272,853					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 \$100,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 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)	969,757		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	86,310		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	1,056,067	0	
PUMPING PLANT			
Land and Land Rights (320)	4,961		12
Structures and Improvements (321)	556,377	6,000	13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	785,841		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	200,641	6,157	20
Total Pumping Plant	1,547,820	12,157	
WATER TREATMENT PLANT			
Land and Land Rights (330)	15,731		21
Structures and Improvements (331)	1,725,950	8,317	22
Water Treatment Equipment (332)	1,107,982	26,796	23
Total Water Treatment Plant	2,849,663	35,113	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	6,000		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)			969,757	7
Wells and Springs (314)			0	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			86,310	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	1,056,067	
PUMPING PLANT				
Land and Land Rights (320)			4,961	12
Structures and Improvements (321)			562,377	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)	5,039		780,802	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			206,798	20
Total Pumping Plant	5,039	0	1,554,938	
WATER TREATMENT PLANT				
Land and Land Rights (330)			15,731	21
Structures and Improvements (331)	250		1,734,017	22
Water Treatment Equipment (332)	8,720		1,126,058	23
Total Water Treatment Plant	8,970	0	2,875,806	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			6,000	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 \$100,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 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)	281,836		26
Transmission and Distribution Mains (343)	4,538,860	470,330	27
Fire Mains (344)	0		28
Services (345)	835,992	11,525	29
Meters (346)	534,006	48,282	30
Hydrants (348)	490,387	55,174	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	6,687,081	585,311	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	21,154	3,719	35
Computer Equipment (391.1)	82,637	14,073	36
Transportation Equipment (392)	75,761		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	74,705	9,225	39
Laboratory Equipment (395)	31,246		40
Power Operated Equipment (396)	40,040		41
Communication Equipment (397)	5,027	10,380	42
SCADA Equipment (397.1)	254,744	15,332	43
Miscellaneous Equipment (398)	0		44
Other Tangible Property (399)	0		45
Total General Plant	585,314	52,729	
Total utility plant in service directly assignable	12,725,945	685,310	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	12,725,945	685,310	

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)			281,836 26
Transmission and Distribution Mains (343)	989		5,008,201 27
Fire Mains (344)			0 28
Services (345)			847,517 29
Meters (346)	10,386		571,902 30
Hydrants (348)	645		544,916 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	12,020	0	7,260,372
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)	128		24,745 35
Computer Equipment (391.1)	2,321		94,389 36
Transportation Equipment (392)			75,761 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)	2,743		81,187 39
Laboratory Equipment (395)			31,246 40
Power Operated Equipment (396)			40,040 41
Communication Equipment (397)			15,407 42
SCADA Equipment (397.1)	2,900		267,176 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	8,092	0	629,951
Total utility plant in service directly assignable	34,121	0	13,377,134
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	34,121	0	13,377,134

ACCUMULATED PROVISION FOR DEPRECIATION - WATER

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
 2. If more than one depreciation rate is used, report the average rate in column (c).

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	
SOURCE OF SUPPLY PLANT				
Structures and Improvements (311)	0			1
Collecting and Impounding Reservoirs (312)	0			2
Lake, River and Other Intakes (313)	380,946	1.70%	16,485	3
Wells and Springs (314)	0			4
Infiltration Galleries and Tunnels (315)	0			5
Supply Mains (316)	39,242	1.80%	1,553	6
Other Water Source Plant (317)	0			7
Total Source of Supply Plant	420,188		18,038	
PUMPING PLANT				
Structures and Improvements (321)	246,506	3.20%	17,900	8
Boiler Plant Equipment (322)	0			9
Other Power Production Equipment (323)	0			10
Steam Pumping Equipment (324)	0			11
Electric Pumping Equipment (325)	174,572	4.40%	34,466	12
Diesel Pumping Equipment (326)	0			13
Hydraulic Pumping Equipment (327)	0			14
Other Pumping Equipment (328)	27,598	4.40%	8,964	15
Total Pumping Plant	448,676		61,330	
WATER TREATMENT PLANT				
Structures and Improvements (331)	973,782	3.20%	55,359	16
Water Treatment Equipment (332)	837,126	3.30%	36,861	17
Total Water Treatment Plant	1,810,908		92,220	
TRANSMISSION AND DISTRIBUTION PLANT				
Structures and Improvements (341)	0			18
Distribution Reservoirs and Standpipes (342)	223,204	1.90%	5,355	19
Transmission and Distribution Mains (343)	757,412	1.30%	62,055	20
Fire Mains (344)	0			21
Services (345)	236,180	2.90%	24,410	22
Meters (346)	172,335	5.50%	30,413	23
Hydrants (348)	119,995	2.20%	11,389	24
Other Transmission and Distribution Plant (349)	0			25
Total Transmission and Distribution Plant	1,509,126		133,622	

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
311					0	1
312					0	2
313					397,431	3
314					0	4
315					0	5
316					40,795	6
317					0	7
	0	0	0	0	438,226	
321					264,406	8
322					0	9
323					0	10
324					0	11
325	5,039				203,999	12
326					0	13
327					0	14
328					36,562	15
	5,039	0	0	0	504,967	
331	250				1,028,891	16
332	8,720				865,267	17
	8,970	0	0	0	1,894,158	
341					0	18
342					228,559	19
343	989				818,478	20
344					0	21
345					260,590	22
346	10,386				192,362	23
348	645				130,739	24
349					0	25
	12,020	0	0	0	1,630,728	

ACCUMULATED PROVISION FOR DEPRECIATION - WATER

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
 2. If more than one depreciation rate is used, report the average rate in column (c).

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	
GENERAL PLANT				
Structures and Improvements (390)	0			26
Office Furniture and Equipment (391)	9,981	5.80%	1,331	27
Computer Equipment (391.1)	81,148	26.70%	5,247	28
Transportation Equipment (392)	35,183	13.30%	10,077	29
Stores Equipment (393)	0			30
Tools, Shop and Garage Equipment (394)	36,233	5.80%	4,521	31
Laboratory Equipment (395)	14,509	5.80%	1,813	32
Power Operated Equipment (396)	14,148	7.50%	3,003	33
Communication Equipment (397)	5,027	15.00%	1,532	34
SCADA Equipment (397.1)	97,106	9.20%	24,008	35
Miscellaneous Equipment (398)	0			36
Other Tangible Property (399)	0			37
Total General Plant	293,335		51,532	
Total accum. prov. directly assignable	4,482,233		356,742	
 Common Utility Plant Allocated to Water Department	 0			 38
 Total accum. prov. for depreciation	 4,482,233		 356,742	

ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
390					0	26
391	128				11,184	27
391.1	2,321				84,074	28
392					45,260	29
393					0	30
394	2,743				38,011	31
395					16,322	32
396					17,151	33
397					6,559	34
397.1	2,900				118,214	35
398					0	36
399					0	37
	8,092	0	0	0	336,775	
	34,121	0	0	0	4,804,854	
					0	38
	34,121	0	0	0	4,804,854	

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

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

Sources of Water Supply					
Month	Purchased Water Gallons (000's)	Surface Water Gallons (000's)	Ground Water Gallons (000's)	Total Gallons All Methods (000's)	
(a)	(b)	(c)	(d)	(e)	
January		83,808	54,529	138,337	1
February		75,163	43,880	119,043	2
March		86,098	48,072	134,170	3
April		86,409	47,854	134,263	4
May		90,835	51,838	142,673	5
June		93,917	50,133	144,050	6
July		106,131	46,322	152,453	7
August		105,981	60,041	166,022	8
September		88,819	45,515	134,334	9
October		88,456	47,094	135,550	10
November		82,866	38,954	121,820	11
December		79,747	33,669	113,416	12
Total annual pumpage	0	1,068,230	567,901	1,636,131	
Less: Water sold				1,506,399	13
Volume pumped but not sold				129,732	14
Volume sold as a percent of volume pumped				92%	15
Volume used for water production, water quality and system maintenance				11,420	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				11,420	19
Volume pumped but unaccounted for				118,312	20
Percent of water lost				7%	21
If more than 15%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				7,842	23
Date of maximum: 8/8/2001					24
Cause of maximum: SEASONAL DEMAND					25
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				2,331	26
Date of minimum: 12/18/2001					27
Total KWH used for pumping for the year				3,606,960	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

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)
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NONE

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)	
LAKE MICHIGAN	1	2,800	22	24	1
LAKE MICHIGAN	2	5,600	37	42	2

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 BACKWASH	#1 HS	#1 RWP	1
Location	CLEARWELL	CLEARWELL	INTAKE WELL	2
Purpose	P	P	P	3
Destination	T	D	T	4
Pump Manufacturer	PEERLESS	PEERLESS	J-LINE	5
Year Installed	1954	1954	1995	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	4,000	823	2,200	8
Pump Motor or Standby Engine Mfr	US MOTOR	US MOTOR	US MOTOR	9 10
Year Installed	1954	1954	1999	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	75	40	200	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	#2 BACKWASH	#2 HS	#2 RWP	14
Location	CLEARWELL	CLEARWELL	INTAKE WELL	15
Purpose	P	P	P	16
Destination	T	D	T	17
Pump Manufacturer	ALLIS CHALMERS	SIMMONS	J-LINE	18
Year Installed	1963	1995	1999	19
Type	CENTRIFUGAL	VERTICAL TURBINE	VERTICAL TURBINE	20
Actual Capacity (gpm)	4,000	1,666	2,200	21
Pump Motor or Standby Engine Mfr	US MOTOR	US MOTOR	US MOTOR	22 23
Year Installed	2000	1995	1999	24
Type	ELECTRIC	ELECTRIC	ELECTRIC	25
Horsepower	75	75	200	26

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	#3 RWP	#3 HS	#3 RWP	1
Location	INTAKE WELL	CLEARWELL	INTAKE WELL	2
Purpose	S	P	P	3
Destination	T	D	T	4
Pump Manufacturer	J-LINE	PEERLESS	J-LINE	5
Year Installed	1998	1954	1998	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	2,770	2,292	2,770	8
Pump Motor or Standby Engine Mfr	CATERPILLAR	US MOTOR	US MOTOR	9 10
Year Installed	1998	1954	1998	11
Type	NATURAL GAS	ELECTRIC	ELECTRIC	12
Horsepower	450	125	300	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	#4 HS	#4 RWP	EMERGENCY HS PUMP	14
Location	CLEARWELL	INTAKE WELL	CLEARWELL	15
Purpose	P	P	S	16
Destination	D	T	D	17
Pump Manufacturer	BYRON JACKSON	J-LINE	PEERLESS	18
Year Installed	1963	1999	1954	19
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	20
Actual Capacity (gpm)	2,292	2,800	2,292	21
Pump Motor or Standby Engine Mfr	US MOTOR	US MOTOR	WAUKESHA	22 23
Year Installed	1963	1999	1988	24
Type	ELECTRIC	ELECTRIC	NATURAL GAS	25
Horsepower	125	250	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)
Identification number or name	1	2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2 3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	ET	4 5
Year constructed	1954	1954	6
Primary material (earthen, steel, concrete, other)	CONCRETE	STEEL	7 8
Elevation difference in feet (See Headnote 3.)	0	170	9 10
Total capacity in gallons (actual)	2,000,000	500,000	11
WATER TREATMENT PLANT			12
Disinfection, type of equipment (gas, liquid, powder, other)	GAS		13 14
Points of application (wellhouse, central facilities, booster station, other)	CENTRAL FACILITIES		15 16 17
Filters, type (gravity, pressure, other, none)	GRAVITY		18 19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	6.0000		20 21 22
Is a corrosion control chemical used (yes, no)?	Y		23 24
Is water fluoridated (yes, no)?	Y		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	3.000	535	0	0	0	535	1
M	D	4.000	739	0	0	0	739	2
M	D	6.000	158,368	257	400	0	158,225	3
M	D	8.000	44,446	1,419	0	0	45,865	4
M	D	10.000	35,375	0	0	0	35,375	5
M	D	12.000	9,462	3,944	0	0	13,406	6
M	T	12.000	32,342	0	0	0	32,342	7
M	T	14.000	1,488	0	0	0	1,488	8
M	T	16.000	14,635	0	0	0	14,635	9
M	T	20.000	8,914	0	0	0	8,914	10
M	T	24.000	2,622	0	0	0	2,622	11
M	T	30.000	1,441	0	0	0	1,441	12
Total Within Municipality			310,367	5,620	400	0	315,587	
Total Utility			310,367	5,620	400	0	315,587	

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)	
L	0.750	446	0	0	0	446		1
M	0.750	1,051	0	0	0	1,051		2
L	1.000	892	1	0	0	893		3
M	1.000	2,783	0	0	0	2,783		4
M	1.250	20	0	0	0	20		5
L	1.250	9	0	0	0	9		6
M	1.500	48	1	0	0	49		7
L	1.500	10	0	0	0	10		8
M	2.000	66	0	0	0	66		9
M	3.000	15	0	0	0	15		10
M	4.000	20	0	0	0	20		11
M	6.000	22	1	0	0	23		12
P	6.000	2	0	0	0	2		13
M	8.000	17	1	0	0	18		14
M	10.000	5	0	0	0	5		15
M	12.000	4	0	0	0	4		16
Total Utility		5,410	4	0	0	5,414	0	

METERS

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

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	5,159	164	195	0	5,128	359	1
0.750	196	16	10	0	202	26	2
1.000	105	6	3	0	108	9	3
1.250	21	0	0	0	21	0	4
1.500	60	0	0	0	60	0	5
2.000	58	1	0	0	59	6	6
2.500	4	0	0	0	4	4	7
3.000	16	1	0	0	17	5	8
4.000	20	0	0	0	20	0	9
6.000	19	0	0	0	19	3	10
8.000	4	0	0	0	4	2	11
10.000	1	0	0	0	1	0	12
Total:	5,663	188	208	0	5,643	414	

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	4,822	255	5	1	0	45	5,128	1
0.750	126	69	4	0	0	3	202	2
1.000	14	79	9	5	0	1	108	3
1.250	15	6	0	0	0	0	21	4
1.500	0	51	6	0	0	3	60	5
2.000	6	32	11	8	0	2	59	6
2.500	0	0	0	0	0	4	4	7
3.000	0	7	4	6	0	0	17	8
4.000	0	5	8	7	0	0	20	9
6.000	0	7	6	6	0	0	19	10
8.000	0	1	3	0	0	0	4	11
10.000	0	0	1	0	0	0	1	12
Total:	4,983	512	57	33	0	58	5,643	

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	1
Within Municipality	558	21	18		561	2
Total Fire Hydrants	558	21	18	0	561	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

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

Number of hydrants operated during year:	561
Number of distribution system valves end of year:	736
Number of distribution valves operated during year:	311

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

Account 631

Expenses for 2001 include tucking pointing of the building for \$43,310.

Account 651

Expenses were significantly higher in 2000 as a result of taste and odor controls.

Account 903

Customer accounts expenses were overstated in 2000 by approximately \$8500. This resulted from a duplicate charge which was identified during the City's audit, but subsequent to submission of the PSC annual report. This amount has been credited in the 2001 expense.

Account 923

Outside services expenses were overstated in 2000 by approximately \$17,000. This resulted from a duplicate charge which was identified during the City's audit, but subsequent to submission of the PSC annual report. This amount has been credited in the 2001 expense.

Account 926

The pension and benefits costs has increased as a result of dramatic increases in the cost of health insurance.

Account 928

Regulatory commission expenses in 2000 were related to an application to increase water rates, which went into effect in 9/2000.

Pumping and Purchased Water Statistics (Page W-12)

PURCHASED WATER GALLONS EQUALS ZERO. THERE IS A PURCHASED WATER EXPENSE (ACCOUNT 602). THIS IS A STAND-BY CONNECTION FEE FOR AN EMERGENCY CONNECTION WITH MILWAUKEE WATERWORKS.

Water Mains (Page W-17)

Watermains added to the system were financed with construction funds on hand - proceeds of debt issued in 2000. No assessments were levied in connection with the project.

Water Services (Page W-18)

Three services were added during the year and were contributed by the customers.

Hydrants and Distribution System Valves (Page W-20)

STAFFING LEVELS DID NOT ALLOW OPERATION OF 1/2 OF ALL SYSTEM VALVES.
