



3015 (02-09-04)

ANNUAL REPORT

OF

Name: LAND O LAKES SANITARY DISTRICT NO. 1

Principal Office: 4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

For the Year Ended: DECEMBER 31, 2002

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

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

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: LAND O' LAKES SANITARY DISTRICT NO. 1

Utility Address: 4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

When was utility organized? 4/3/1968

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MRS. PHYLLIS GOTTMANN

Title: SECRETARY

Office Address:

4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

Telephone: (715) 547 - 3429

Fax Number: (715) 547 - 3429

E-mail Address:

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

Name: THOMAS TELLIER

Title: ACCOUNTANT

Office Address:

4331 HWY. B
P.O. BOX 246
LAND O' LAKES, WI 54540

Telephone: (715) 547 - 3429

Fax Number: (715) 547 - 3429

E-mail Address:

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

Name: MR. LES BROWN

Title: CHAIRMAN, LAND O' LAKES SANITARY DISTRICT #1

Office Address:

P.O. BOX 246
LAND O' LAKES, WI 54540

Telephone: (715) 547 - 3429

Fax Number: (715) 547 - 3429

E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name: LEE LIERMANN

Title: AUDITOR

Office Address: WIPFLI, ULLRICH, BERTELSON LLP

415 WALL STREET

P.O. BOX 1268

EAGLE RIVER, WI 54521

Telephone: (715) 479 - 6474

Fax Number: (715) 479 - 7915

E-mail Address:

Date of most recent audit report:

Period covered by most recent audit:

Names and titles of utility management including manager or superintendent:

Name: MR THOMAS RIPP

Title: SUPERVISOR/OPERATOR

Office Address:

6388 CHIPPEWA DRIVE

P.O. BOX 246

LAND O' LAKES, WI 54540

Telephone: (715) 547 - 3775

Fax Number:

E-mail Address:

Name of utility commission/committee: Land O' Lakes Sanitary Board

Names of members of utility commission/committee:

MR LES BROWN, CHAIRMAN

MRS PHYLLIS GOTTMANN, SECRETARY

MR THOMAS RIPP, OPERATOR

MR ALFRED VORASS, TREASURER

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?NO

Date of Ordinance:

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

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

IDENTIFICATION AND OWNERSHIP

Firm Name: LAKELAND SANITARY DISTRICT #1

8780 MORGAN ROAD

P.O. BOX 289

MINOCQUA, WI 54548

Contact Person: MR REUBEN AHLBORN

Title: PRESIDENT

Telephone: (715) 356 - 4454

Fax Number: (715) 358 - 8830

E-mail Address:

Contract/Agreement beginning-ending dates: 11/1/1998 11/1/2003

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

Lakeland will provide sludge storage during months we are not able to spread on our fields. This will be approximately from November 1 to April 30 of each year.

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	48,162	50,527	1
Operating Expenses:			
Operation and Maintenance Expense (401)	51,322	46,345	2
Depreciation Expense (403)	5,588	5,178	3
Amortization Expense (404)	0	0	4
Taxes (408)	1,777	1,649	5
Total Operating Expenses	58,687	53,172	
Net Operating Income	(10,525)	(2,645)	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(10,525)	(2,645)	
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)	194	205	9
Miscellaneous Nonoperating Income (421)	(13,180)	10,531	10
Total Other Income	(12,986)	10,736	
Total Income	(23,511)	8,091	
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	(23,511)	8,091	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	36,333	8,696	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	36,333	8,696	
Net Income	(59,844)	(605)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(3,902)	(3,297)	19
Balance Transferred from Income (433)	(59,844)	(605)	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	(63,746)	(3,902)	

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		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST - CHECKING ACCOUNT	194	4
Total (Acct. 419):	194	
Miscellaneous Nonoperating Income (421):		
SEWER OPERATION	(13,180)	5
Total (Acct. 421):	(13,180)	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		8
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
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				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	48,162	0	0	0	48,162	1
Less: interdepartmental sales	0	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	48,162	0	0	0	48,162	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	328,617	259,706	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	116,863	111,275	2
Net Utility Plant	211,754	148,431	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	2,427,912	2,080,000	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	237,722	187,564	4
Net Nonutility Property	2,190,190	1,892,436	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	139	9,360	7
Total Other Property and Investments	2,190,329	1,901,796	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	9,760	28,454	8
Temporary Cash Investments (132)	0	0	9
Notes Receivable (141)	4,349	4,349	10
Customer Accounts Receivable (142)	4,844	4,960	11
Other Accounts Receivable (143)	22,069	19,520	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	283	14
Materials and Supplies (150)	1,075	1,075	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)	0	0	17
Total Current and Accrued Assets	42,097	58,641	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	41,093	20
Total Deferred Debits	0	41,093	
Total Assets and Other Debits	2,444,180	2,149,961	

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)	1,000	1,000	21
Appropriated Earned Surplus (215)	0	0	22
Unappropriated Earned Surplus (216)	(63,746)	(3,902)	23
Total Proprietary Capital	(62,746)	(2,902)	
LONG-TERM DEBT			
Bonds (221)	682,630	689,000	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	65,696	64,787	26
Total Long-Term Debt	748,326	753,787	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	127,210	226,330	28
Payables to Municipality (233)	15,991	15,991	29
Customer Deposits (235)		0	30
Taxes Accrued (236)	2,192	2,066	31
Interest Accrued (237)	7,697	5,324	32
Other Current and Accrued Liabilities (238)		0	33
Total Current and Accrued Liabilities	153,090	249,711	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)		0	35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)		0	37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	1,605,510	1,149,365	38
Total Liabilities and Other Credits	2,444,180	2,149,961	

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)	328,617	0	0	0	1
Utility Plant Purchased or Sold (391)	0				2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	328,617	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	116,863	0	0	0	9
Total Accumulated Provision	116,863	0	0	0	
Net Utility Plant	211,754	0	0	0	

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

Depreciation Accruals (Credits) during the year:

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	111,275				111,275	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	5,588				5,588	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	5,588	0	0	0	5,588	13
Debits during year						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	0	0	0	0	0	19
Balance End of Year	116,863	0	0	0	116,863	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.00%					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	2,080,000	347,912		2,427,912	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	2,080,000	347,912	0	2,427,912	
Less accum. prov. depr. & amort. (122)	187,564	50,158		237,722	3
Net Nonutility Property	1,892,436	297,754	0	2,190,190	

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

Particulars (a)	Amount (b)
Balance first of year	0 1
Additions:	
Provision for uncollectibles during year	0 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					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	425	425 2
Sewer utility	650	650 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	1,075	1,075

**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				1
Total			<u>0</u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</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	1,000	1
Changes during year (explain):		
NONE		2
Balance end of year	1,000	

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)	
RURAL DEVELOPMENT- WWTF	10/11/2001	10/01/2041	4.50%	682,630	1
Total Bonds (Account 221):				682,630	

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)	
Other Long-Term Debt (224)					
HEADWATER STATE BANK LOC	04/01/1999	04/01/2009	5.00%	65,696	1
Total for Account 224				65,696	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	2,066	1
Accruals:		
Charged water department expense	6,512	2
Charged electric department expense		3
Charged sewer department expense	9,766	4
Other (explain):		
NONE		5
Total Accruals and other credits	16,278	
Taxes paid during year:		
County, state and local taxes	1,896	6
Social Security taxes	7,668	7
PSC Remainder Assessment		8
Other (explain):		
Federal Withholding Taxes	6,588	9
Total payments and other debits	16,152	
Balance end of year	2,192	

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)					
RURAL DEVELOPMENT	5,167	33,447	30,917	7,697	1
Subtotal	5,167	33,447	30,917	7,697	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
HEADWATER STATE BANK LOC	157	2,886	3,043	0	3
Subtotal	157	2,886	3,043	0	
Notes Payable (231)					
None	0			0	4
Subtotal	0	0	0	0	
Total	5,324	36,333	33,960	7,697	

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	117,717	0	0	1,031,648	0	1,149,365	1
Add credits during year:							
For Services						0	2
For Mains						0	3
Other (specify):							
RURAL DEVELOPMENT GRANT - SEWER				456,145		456,145	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	117,717	0	0	1,487,793	0	1,605,510	
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):		
DEBT RESERVE	139	3
Total (Acct. 125):	139	
Notes Receivable (141):		
MILKIE JUDGEMENT	4,349	4
Total (Acct. 141):	4,349	
Customer Accounts Receivable (142):		
Water	4,844	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	4,844	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	22,069	9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	22,069	
Receivables from Municipality (145):		
NONE		12
Total (Acct. 145):	0	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	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)	
Payables to Municipality (233):		
LOAN FROM TOWN OF LAND O' LAKES	15,991	16
Total (Acct. 233):	15,991	
Other Deferred Credits (253):		
NONE		17
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	294,161	0	0	0	294,161	1
Materials and Supplies	425	0	0	0	425	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	114,069	0	0	0	114,069	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	117,717	0	0	0	117,717	6
Other (specify):						
NONE					0	7
Average Net Rate Base	62,800	0	0	0	62,800	
Net Operating Income	(10,525)	0	0	0	(10,525)	8
Net Operating Income as a percent of Average Net Rate Base						
	-16.76%	N/A	N/A	N/A	-16.76%	

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	1,000	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(33,824)	3
Other (Specify):		4
Total Average Proprietary Capital	(32,824)	
Net Income		
Net Income	(59,844)	5
Percent Return on Proprietary Capital	N/A	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

NONE

3. Extensions of service.

NONE

4. Estimated changes in revenues due to rate changes.

NONE

5. Obligations incurred or assumed, excluding commercial paper.

NONE

6. Formal proceedings with the Public Service Commission.

NONE

7. Any additional matters.

NONE

FINANCIAL SECTION FOOTNOTES

Interest Accrued (Acct. 237) (Page F-16)

The utility obligation to RURAL DEVELOPMENT pertains to the Sewer Operation.
The edit check would not allow a correction to the prior year.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Contacts (Page iv)

Emailed 10/1/03:

Mr. Tellier, here is the information you requested regarding allocating depreciation and return on meters to the sewer department. Sanitary Districts do not pay taxes, so there is none to allocate.

The calculation for depreciation is done as follows: Take the average plant balance in a/c 346, Meters (first of year plus end of year divided by 2). Times that by the depreciation rate for meters .035 (3.5%). Allocate 50% of the result to sewer department (see Page F-7 of the annual report)

The rate of return is reported in Account 474. It is calculated by subtracting the (all averages) meter depreciation balance* from the meter plant balance (a/c 346) and multiplying the result (the net meter balance) by the authorized rate of return (11% from the last rate order).

*The meter depreciation balance is calculated by dividing the average meter balance (a/c 346) by the average plant balance (total on Page W-8). That result would be the % the meter balance is of total plant, and is multiplied times the average depreciation balance from Page F-7) to result in the meter depreciation balance. My calculation is \$6,844. So, subtracting \$6,844 from the meter balance of \$18,026 would result in a net investment in meters of \$11,181 - times 11% would result in a rate of return of \$1,230. The sewer department would allocate 50% of that (\$615) to account 474.

From Section 4, Page 11 of the Water Utility Reference Manual:
(copies from Word)

As far as Items 2 and 3 regarding the water supply main \$ and contributions, if you book them in 2003, be sure and use the adjustment or "other" columns and identify they as 2002 adjustments. Thanks

Regards, Elaine

Fax received 9/25/03 from Thomas Tellier

1. Will allocate. Requested information on procedure
- 2 and 3. cost of mains and \$ amount of grant will be requested from contractors.
4. OUTside services - additional part time staffing for water project grant; implementation of utility billing program and management reports; insurance expense - additional coverage for Worker's Comp; new truck, new office & workshop facilities; Supplies - additional utility costs for new facility, seminars and software support; Pensions - related to increased salaries and wages.

August 20, 2003

Mrs. Phyllis Gottmann, Secretary
Land O' Lakes Sanitary District
P.O. Box 246
Land O' Lakes, WI 54540-0246

Re: 2002 Analytical Review DWCCA-3040-ELE

FINANCIAL SECTION FOOTNOTES

Dear Mrs. Gottmann:

The Public Service Commission (Commission) staff has completed its analytical review of your utility's 2002 annual report. The primary purpose of the analytical review is to detect possible reporting or accounting related errors and also to identify significant fluctuations from prior years' data that are not sufficiently explained in the annual report. The analytical review did identify the following issues:

1. Page i indicates that sewer service is provided by the utility. However, water meter costs are not allocated to Account 110, Depreciation; Account 408, Taxes; or Account 474, Return on meters. Please confirm that water meters are not used to measure sewer volume for the purposes of charging for sewer service, or otherwise provide an explanation for this matter.
2. The mains schedule on page W-15, column E, reports the addition of 2,000 feet of 8" supply mains. However, no cost is added to Account 316 Supply Mains, on page W-8. It is noted that only one service lateral is added during 2002 on page W-16, column D. Therefore, is the cost of the mains added during 2002 included in the \$58,000 added to Account 345, Services, on page W-8, row 29, column C? If so, please confirm that the cost of the 2,000 feet of mains added during 2002 will be reclassified from Account 345 to Account 316 during 2003, or otherwise explain this matter.
3. The footnotes to the Water Mains and Water Services schedules seem to indicate that the cost of the water service and water mains to the wastewater treatment plant were included in the Rural Development grant. If the utility contributed the service and mains it is correct to have 0 dollars reported in Account 271 on Page F-17. However, if the service and mains were paid for by the grant, those contributions should be reported in the water services and water mains column on Page F-17. Presently, the entire grant is reported as a sewer contribution on Page F-17. Please explain why there were no water contributions.
4. On Page W-5, General Operating Expenses increased over \$2,000 and 30 percent from the previous year. Please furnish an explanation.

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 SECTION FOOTNOTES

~~Eraine Engeke~~

Financial Specialist

Division of Water, Compliance, and Consumer Affairs

ELE:pr:w:\compl\Analytical Reviews\2002 analytical review letters\3040 Land
O Lakes.doc

AUDIT REMAINS IN PROCESS

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	35,046	1
Total Sales of Water	35,046	
Other Operating Revenues		
Forfeited Discounts (470)	0	2
Other Water Revenues (474)	13,116	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	13,116	
Total Operating Revenues	48,162	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	33,095	5
General Operating Expenses (680-690)	18,227	6
Total Operation and Maintenance Expenses	51,322	
Other Operating Expenses		
Depreciation Expense (403)	5,588	7
Amortization Expense (404)		8
Taxes (408)	1,777	9
Total Other Operating Expenses	7,365	
Total Operating Expenses	58,687	
NET OPERATING INCOME	(10,525)	

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	100	3,586	9,202	4
Commercial	58	8,653	12,046	5
Industrial				6
Total Metered Sales to General Customers (461)	158	12,239	21,248	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		12,570	8
Other Sales to Public Authorities (464)	9	449	1,228	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	168	12,688	35,046	

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	NONE		1
Total		<u>0</u>	<u>0</u>

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)	12,570	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)	12,570	
Forfeited Discounts (470):		
Customer late payment charges		5
Other (specify): NONE		6
Total Forfeited Discounts (470)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		7
Other (specify): TAX LEVY - \$11,352, ANTENNA RENTAL - \$1,680, MISCELLANEOUS - \$84	13,116	8
Total Other Water Revenues (474)	13,116	
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)	21,882	1
Purchased Water (610)	0	2
Fuel or Power Purchased for Pumping (620)	1,987	3
Chemicals (630)	1,673	4
Supplies and Expenses (640)	3,834	5
Repairs of Water Plant (650)	2,782	6
Transportation Expenses (660)	937	7
Total Plant Operation and Maintenance Expenses	33,095	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)		8
Office Supplies and Expenses (681)	3,575	9
Outside Services Employed (682)	7,425	10
Insurance Expense (684)	4,090	11
Employees Pensions and Benefits (686)	2,964	12
Regulatory Commission Expenses (688)	69	13
Miscellaneous General Expenses (689)	104	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	18,227	
 Total Operation and Maintenance Expenses	51,322	

TAXES (ACCT. 408 - WATER)

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

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent			1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
Net property tax equivalent		0	
Social Security	PERCENTAGE OF HOURS WORKED IN DEPTS.	1,718	3
PSC Remainder Assessment		59	4
Other (specify): NONE			5
Total tax expense		1,777	

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)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	14,010		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	14,010	0	
PUMPING PLANT			
Land and Land Rights (320)	500		12
Structures and Improvements (321)	16,854		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	8,750		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	8,352		20
Total Pumping Plant	34,456	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	1,308		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	1,308	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			14,010 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	14,010
PUMPING PLANT			
Land and Land Rights (320)			500 12
Structures and Improvements (321)			16,854 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			8,750 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			8,352 20
Total Pumping Plant	0	0	34,456
WATER TREATMENT PLANT			
Land and Land Rights (330)			1,308 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	1,308
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$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)	41,951		26
Transmission and Distribution Mains (343)	83,940		27
Fire Mains (344)	0		28
Services (345)	40,469	58,000	29
Meters (346)	17,821	411	30
Hydrants (348)	19,908	10,500	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	204,089	68,911	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	968		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	4,875		38
Other Tangible Property (390)	0		39
Total General Plant	5,843	0	
Total utility plant in service directly assignable	259,706	68,911	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	259,706	68,911	

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)			41,951 26
Transmission and Distribution Mains (343)			83,940 27
Fire Mains (344)			0 28
Services (345)			98,469 29
Meters (346)			18,232 30
Hydrants (348)			30,408 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	273,000
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			968 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			4,875 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	5,843
Total utility plant in service directly assignable	0	0	328,617
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	328,617

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.

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			1,221	1,221	1
February			1,061	1,061	2
March			1,182	1,182	3
April			1,122	1,122	4
May			1,403	1,403	5
June			1,621	1,621	6
July			2,024	2,024	7
August			1,754	1,754	8
September			1,511	1,511	9
October			1,275	1,275	10
November			1,194	1,194	11
December			1,494	1,494	12
Total annual pumpage	0	0	16,862	16,862	
Less: Water sold				12,688	13
Volume pumped but not sold				4,174	14
Volume sold as a percent of volume pumped				75%	15
Volume used for water production, water quality and system maintenance				150	16
Volume related to equipment/system malfunction				118	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				268	19
Volume pumped but unaccounted for				3,906	20
Percent of water lost				23%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				118	23
Date of maximum: 1/31/2002					24
Cause of maximum:					25
Broken Service Line					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				27	26
Date of minimum: 1/15/2002					27
Total KWH used for pumping for the year				19,008	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)	
200' E OF NE CRN PUMP HOUSE R #1		91	12	50,000	Yes	1

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	PUMP	WELL		1
Location	#1 WELL	WELLHOUSE		2
Purpose	P	S		3
Destination	D	D		4
Pump Manufacturer	BERKLEY PUMP	BERKLEY PUMP		5
Year Installed	1968	1968		6
Type	CENTRIFUGAL	CENTRIFUGAL		7
Actual Capacity (gpm)	350	350		8
Pump Motor or Standby Engine Mfr	US ELECTRIC	FORD		10
Year Installed	1968	1975		11
Type	ELECTRIC	PROPANE		12
Horsepower	25	0		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	#1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1968		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	100		6
Total capacity in gallons (actual)	40,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	Y		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
A	D	6.000	5,747	0	0	0	5,747	1
A	T	8.000	150	0	0	0	150	2
P	S	8.000	0	2,000			2,000	3
Total Within Municipality			5,897	2,000	0	0	7,897	
A	D	8.000	12,137	0	0	0	12,137	4
Total Outside of Municipality			12,137	0	0	0	12,137	
Total Utility			18,034	2,000	0	0	20,034	

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	0.725	122	0	0	0	122	8	1
M	1.000	11	0	0	0	11	2	2
P	1.000		1			1		3
M	1.500	3	0	0	0	3		4
M	2.000	3	0	0	0	3		5
M	3.000	1	0	0	0	1		6
Total Utility		140	1	0	0	141	10	

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)	
0.725	159		0	0	159	1	1
1.000	11	6	0	0	17	6	2
1.500	3	0	0	0	3	0	3
2.000	3	1	0	0	4	1	4
3.000	1	1	0	0	2	1	5
Total:	177	8	0	0	185	9	

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)	
0.725	99	42	0	4	0	14	159	1
1.000	1	11	0	4	0	1	17	2
1.500	0	3	0	0	0	0	3	3
2.000	0	2	0	1	0	1	4	4
3.000	0	1	0	1	0	0	2	5
Total:	100	59	0	10	0	16	185	

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	35	3			38	2
Total Fire Hydrants	35	3	0	0	38	
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:	35
Number of distribution system valves end of year:	19
Number of distribution valves operated during year:	19

WATER OPERATING SECTION FOOTNOTES

Water Mains (Page W-15)

Financing of additional mains was included in Rural Development grant for Wastewater Treatment Facility

Water Services (Page W-16)

Water service provided to new Wastewater Treatment Facility. Financing from Rural Development grant for Wastewater Treatment project
