



3015 (02-09-04)

ANNUAL REPORT

OF

Name: LIBERTY GROVE SANITARY DISTRICT NO. 1

Principal Office: P.O. BOX 655
SISTER BAY, WI 54234-0655

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: LIBERTY GROVE SANITARY DISTRICT NO. 1

Utility Address: P.O. BOX 655
SISTER BAY, WI 54234-0655

When was utility organized? 12/31/1979

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MR DAVID R. SMITH

Title: PRESIDENT

Office Address:

10956 HILLCREST ROAD
P.O. BOX 174
SISTER BAY, WI 54234

Telephone: (920) 854 - 2443

Fax Number: (920) 854 - 9474

E-mail Address: smith@dcwis.com

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

Name: CAROL CHRISTNOVICH

Title: MANAGER

Office Address: HAWKINS, ASH, BAPTIE & COMPANY, LLP

99 MILWAUKEE
P.O. BOX 1508
LA CROSSE, WI 54602

Telephone: (608) 784 - 7737 EXT 219

Fax Number: (608) 785 - 2140

E-mail Address: cchristnovich@habco.com

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

Name: DAVID SMITH

Title: PRESIDENT

Office Address:

P.O. BOX 174
SISTER BAY, WI 54234

Telephone: (920) 854 - 2443

Fax Number: (920) 854 - 9474

E-mail Address: smith@dcwis.com

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

IDENTIFICATION AND OWNERSHIP

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

Name:

Title:

Office Address:

Telephone:

Fax Number:

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 DAVID R. SMITH

Title: PRESIDENT

Office Address:

P.O. BOX 174
SISTER BAY, WI 54234

Telephone: (920) 854 - 2443

Fax Number: (920) 854 - 9474

E-mail Address:

Name: MR FRED N ANDERSON

Title: TREASURER

Office Address:

XXX
SISTER BAY, WI 54234

Telephone:

Fax Number:

E-mail Address:

Name: MR RICHARD J SCHELLER

Title: SECRETARY

Office Address:

XXX
SISTER BAY, WI 54234

Telephone:

Fax Number:

E-mail Address:

Name of utility commission/committee: Liberty Grove Sanitary District Board

Names of members of utility commission/committee:

MR FRED N ANDERSON, TREASURER

MR RICHARD J SCHELLER, SECRETARY

IDENTIFICATION AND OWNERSHIP

Are sewer services rendered by the utility?

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)? YES

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

Firm Name: VILLAGE OF SISTER BAY
P.O. BOX 769
SISTER BAY, WI 54234-0769

Contact Person: MR RONALD CANE
Title: VILLAGE ADMINISTRATOR
Telephone: (920) 854 - 4118
Fax Number: (920) 854 - 9637

E-mail Address:

Contract/Agreement beginning-ending dates: 4/11/1979 4/11/2019

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

The Village services and maintains the District's Water and Sewer System in regards to meter reading, billing, collecting, maintaining and general upkeep of the systems. The charges for these services are billed quarterly.

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	45,325	44,578	1
Operating Expenses:			
Operation and Maintenance Expense (401)	22,795	33,310	2
Depreciation Expense (403)	14,628	13,658	3
Amortization Expense (404)	0	0	4
Taxes (408)	43	52	5
Total Operating Expenses	37,466	47,020	
Net Operating Income	7,859	(2,442)	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	7,859	(2,442)	
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)	9,788	17,382	9
Miscellaneous Nonoperating Income (421)	0	654	10
Total Other Income	9,788	18,036	
Total Income	17,647	15,594	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	5,843	0	12
Total Miscellaneous Income Deductions	5,843	0	
Income Before Interest Charges	11,804	15,594	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	5,646	5,461	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	5,646	5,461	
Net Income	6,158	10,133	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	350,888	340,755	19
Balance Transferred from Income (433)	6,158	10,133	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)	357,046	350,888	

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 RECEIVABLE	1,556	4
INTEREST RECEIVED FROM VARIOUS BANKS	8,232	5
Total (Acct. 419):	9,788	
Miscellaneous Nonoperating Income (421):		
NONE		6
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		7
Total (Acct. 425):	0	
Other Income Deductions (426):		
NON-REGULATED SEWER DEPT LOSS	5,843	8
Total (Acct. 426):	5,843	
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):						
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	45,325	0	0	0	45,325	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	45,325	0	0	0	45,325	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	914,627	809,167	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	221,713	207,474	2
Net Utility Plant	692,914	601,693	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	1,101,166	989,596	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	278,451	262,770	4
Net Nonutility Property	822,715	726,826	
Investment in Municipality (123)	0	0	5
Other Investments (124)	6,404	6,404	6
Special Funds (125)	0	0	7
Total Other Property and Investments	829,119	733,230	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	1,821	1,897	8
Temporary Cash Investments (132)	373,284	306,818	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	7,695	19,561	11
Other Accounts Receivable (143)	8,049	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	21,086	21,086	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	3,002	16
Other Current and Accrued Assets (170)	1,556	2,477	17
Total Current and Accrued Assets	413,491	354,841	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	504	414	20
Total Deferred Debits	504	414	
Total Assets and Other Debits	1,936,028	1,690,178	

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)	0	0	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	357,046	350,888	23
Total Proprietary Capital	357,046	350,888	
LONG-TERM DEBT			
Bonds (221)	103,884	103,884	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	225,000	0	26
Total Long-Term Debt	328,884	103,884	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	19,904	9,823	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)		1,324	30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	6,491	845	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	26,395	11,992	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	6,404	6,404	36
Total Deferred Credits	6,404	6,404	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	1,217,299	1,217,010	38
Total Liabilities and Other Credits	1,936,028	1,690,178	

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)	914,627	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	914,627	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	221,713	0	0	0	9
Total Accumulated Provision	221,713	0	0	0	
Net Utility Plant	692,914	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	207,474				207,474	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	14,628				14,628	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	217				217	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	14,845	0	0	0	14,845	13
Debits during year						14
Book cost of plant retired	606				606	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	606	0	0	0	606	19
Balance End of Year	221,713	0	0	0	221,713	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	1.74%					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	989,596	111,570		1,101,166	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	989,596	111,570	0	1,101,166	
Less accum. prov. depr. & amort. (122)	262,770	15,681		278,451	3
Net Nonutility Property	726,826	95,889	0	822,715	

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

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

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	0 1
Other					0	0 2
Total Electric Utility					0	0

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

**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	0 1
Changes during year (explain):	
NONE	2
Balance end of year	<u><u>0</u></u>

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
Mortgage Revenue Bonds	05/01/1990	11/01/2009	5.20%	103,884	1
Total Bonds (Account 221):				103,884	

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)					
\$225, 000 PROMISSORY NOTE	11/13/2002	02/15/2008	3.40%	225,000	1
Total for Account 224				225,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	43	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	43	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes		7
PSC Remainder Assessment	43	8
Other (explain):		
NONE		9
Total payments and other debits	43	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
Mortgage Revenue Bonds	845	4,989	0	5,834	1
Subtotal	845	4,989	0	5,834	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
\$225, 000 PROMISSORY NOTE	0	657		657	3
Subtotal	0	657	0	657	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	845	5,646	0	6,491	

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	553,288	0	0	663,722	0	1,217,010	1
Add credits during year:							
For Services	1,100					1,100	2
For Mains						0	3
Other (specify):							
HOOK-UP CHARGES				2,123		2,123	4
Deduct charges (specify):							
AMORTIZATION OF GRANTS	2,934					2,934	5
Balance End of Year	551,454	0	0	665,845	0	1,217,299	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	170,158					170,158	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):		
SPECIAL ASSESSMENT RECEIVABLE-DEFERRED	6,404	2
Total (Acct. 124):	6,404	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	7,695	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	7,695	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	8,049	9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	8,049	
Receivables from Municipality (145):		
TOWN OF LIBERTY GROVE-SPECIAL ASSESSMENTS ON TAX ROLL-NOT PAID FROM 20	21,086	12
Total (Acct. 145):	21,086	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
ENGINEERING FEES FOR A POTENTIAL DEVELOPMENT	504	15
Total (Acct. 183):	504	

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)	
<hr/>		
Payables to Municipality (233):		
NONE		16
Total (Acct. 233):	0	
<hr/>		
Other Deferred Credits (253):		
DEFERRED SPECIAL ASSESSMENT	6,404	17
Total (Acct. 253):	6,404	

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	861,176	0	0	0	861,176	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	214,593	0	0	0	214,593	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	552,371	0	0	0	552,371	6
Other (specify):						
NONE					0	7
Average Net Rate Base	94,212	0	0	0	94,212	
Net Operating Income	7,859	0	0	0	7,859	8
Net Operating Income as a percent of Average Net Rate Base	8.34%	N/A	N/A	N/A	8.34%	

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	0	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	353,967	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	353,967	
Net Income		
Net Income	6,158	5
Percent Return on Proprietary Capital	1.74%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

An extension of water and sewer was made on Beach Road during 2002. This project will be assessed against property owners in 2003.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

A promissory note in the amount of \$225,000 issued on November 13, 2002 for the Beach Road project.

6. Formal proceedings with the Public Service Commission.

A simplified rate increase was granted to the District in 2002. The new rates were effective September 18, 2002.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Income Statement Account Details (Page F-02)

To the District Board
Liberty Grove Sanitary District
Sister Bay, Wisconsin

We have compiled the balance sheets of Liberty Grove Sanitary District as of December 31, 2002 and 2001, and the related statements of income and earned surplus and supplementary information for the years then ended included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

These financial statements and supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

HAWKINS, ASH, BAPTIE & COMPANY, LLP

La Crosse, Wisconsin
January 20, 2003

Balance Sheet (Page F-05)

Accounts payable includes a \$10,000 on the Beach Road extension project.

Net Nonutility Property (Accts. 121 & 122) (Page F-08)

Sewer additions consist of sewer laterals and mains related to the Beach Road extension project. This project was financed by the District.

Bonds (Acct. 221) (Page F-13)

The District missed paying their 2002 debt payment to the Village. The amount has since been paid in 2003.

FINANCIAL SECTION FOOTNOTES

Notes Payable & Miscellaneous Long-Term Debt (Page F-14)

This debt was issued to finance the water and sewer Beach Road extension project. The District plans to assess property owners in 2003 once all final project costs have been paid.

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

The District missed paying the MRB principal and interest payment to the Village in 2002. The payment has since been made in 2003.

Contributions in Aid of Construction (Account 271) (Page F-17)

There was a new 2" water service contributed by a customer.

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

Prior year a/c 142 & 143 included \$3,244 for a commercial customer who filed bankruptcy in 2001. The collections were made on this receivable in 2002.

Identification and Ownership - Contacts (Page iv)

good filer

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	41,380	1
Total Sales of Water	41,380	
Other Operating Revenues		
Forfeited Discounts (470)	179	2
Other Water Revenues (474)	832	3
Amortization of Construction Grants (475)	2,934	4
Total Other Operating Revenues	3,945	
Total Operating Revenues	45,325	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	15,215	5
General Operating Expenses (680-690)	7,580	6
Total Operation and Maintenance Expenses	22,795	
Other Operating Expenses		
Depreciation Expense (403)	14,628	7
Amortization Expense (404)		8
Taxes (408)	43	9
Total Other Operating Expenses	14,671	
Total Operating Expenses	37,466	
NET OPERATING INCOME	7,859	

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	95	3,656	20,361	4
Commercial	25	3,686	12,993	5
Industrial				6
Total Metered Sales to General Customers (461)	120	7,342	33,354	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		8,026	8
Other Sales to Public Authorities (464)				9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	121	7,342	41,380	

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)	8,026	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)	8,026	
Forfeited Discounts (470):		
Customer late payment charges	179	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	179	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	194	7
Other (specify):		
RECONNECTION CHARGES	378	8
MISCELLANEOUS	260	9
Total Other Water Revenues (474)	832	
Amortization of Construction Grants (475):		
WATER CONSTRUCTION GRANT AMORTIZATION	2,934	10
Total Amortization of Construction Grants (475)	2,934	

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)		1
Purchased Water (610)	8,557	2
Fuel or Power Purchased for Pumping (620)	2,058	3
Chemicals (630)		4
Supplies and Expenses (640)		5
Repairs of Water Plant (650)	4,600	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	15,215	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	1,375	8
Office Supplies and Expenses (681)		9
Outside Services Employed (682)	3,754	10
Insurance Expense (684)	1,262	11
Employees Pensions and Benefits (686)		12
Regulatory Commission Expenses (688)	60	13
Miscellaneous General Expenses (689)	1,129	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	7,580	
 Total Operation and Maintenance Expenses	 22,795	

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		3
PSC Remainder Assessment		43
Other (specify): NONE		5
Total tax expense		<u>43</u>

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)	0		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	
PUMPING PLANT			
Land and Land Rights (320)	8,000		12
Structures and Improvements (321)	157,883		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	165,883	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	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)			0 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	0
PUMPING PLANT			
Land and Land Rights (320)			8,000 12
Structures and Improvements (321)			157,883 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	165,883
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0
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)	0		26
Transmission and Distribution Mains (343)	545,457	82,487	27
Fire Mains (344)	0		28
Services (345)	52,907	13,484	29
Meters (346)	8,627	136	30
Hydrants (348)	34,061	11,400	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	641,052	107,507	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	365		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	426		38
Other Tangible Property (390)	0		39
Total General Plant	791	0	
Total utility plant in service directly assignable	807,726	107,507	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	807,726	107,507	

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)			0 26
Transmission and Distribution Mains (343)			627,944 27
Fire Mains (344)			0 28
Services (345)	516		65,875 29
Meters (346)	90		8,673 30
Hydrants (348)			45,461 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	606	0	747,953
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			365 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			426 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	791
Total utility plant in service directly assignable	606	0	914,627
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	606	0	914,627

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				0	1
February				0	2
March	878			878	3
April				0	4
May				0	5
June	1,648			1,648	6
July				0	7
August				0	8
September	3,419			3,419	9
October				0	10
November				0	11
December	1,433			1,433	12
Total annual pumpage	7,378	0	0	7,378	
Less: Water sold				7,342	13
Volume pumped but not sold				36	14
Volume sold as a percent of volume pumped				100%	15
Volume used for water production, water quality and system maintenance				36	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				36	19
Volume pumped but unaccounted for				0	20
Percent of water lost				0%	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.)					23
Date of maximum:					24
Cause of maximum:					25
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)					26
Date of minimum:					27
Total KWH used for pumping for the year				0	28
If water is purchased: Vendor Name: Sister Bay Utilities					29
Point of Delivery: Sister Bay Utilities					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)
-----------------	---------------------------------	-------------------------	-----------------------------------	------------------------------------	---------------------------------

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)
NONE				

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	#1	#2	1
Location	HILLROAD	HILL ROAD	2
Purpose	B	B	3
Destination	D	D	4
Pump Manufacturer	WEINMAN	WEINMAN	5
Year Installed	1980	1980	6
Type	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	100	100	8
Pump Motor or Standby Engine Mfr	GOULD	GOULD	10
Year Installed	1980	1980	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	10	10	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)
----------------------------------	-----------------------------	-----------------------------	-----------------------------

NONE

WATER MAINS

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

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
L	D	6.000	4,674	0	0	0	4,674
L	D	8.000	14,924	803	0	0	15,727
Total Within Municipality			19,598	803	0	0	20,401
Total Utility			19,598	803	0	0	20,401

1
2

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	11	0	0	0	11		1
M	1.000	97	12	2	0	107	28	2
M	1.250	2	0	0	0	2		3
M	1.500	8	0	0	0	8		4
M	2.000	1	1	0	0	2		5
M	4.000	2	0	0	0	2		6
Total Utility		121	13	2	0	132	28	

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	74	0	1	0	73	1	1
0.750	33	0	1	0	32	2	2
1.000	6	1	0	0	7	0	3
1.250	1	0	0	0	1	0	4
1.500	3	0	0	0	3	0	5
2.000	3	0	0	0	3	0	6
Total:	120	1	2	0	119	3	

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	69	4	0	0	0	0	73	1
0.750	25	7	0	0	0	0	32	2
1.000	0	7	0	0	0	0	7	3
1.250	0	1	0	0	0	0	1	4
1.500	0	3	0	0	0	0	3	5
2.000	0	3	0	0	0	0	3	6
Total:	94	25	0	0	0	0	119	

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			0	1
Within Municipality	26	3			29	2
Total Fire Hydrants	26	3	0	0	29	
Flushing Hydrants						
	0	1			1	3
Total Flushing Hydrants	0	1	0	0	1	

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:	26
Number of distribution system valves end of year:	73
Number of distribution valves operated during year:	66

WATER OPERATING SECTION FOOTNOTES

Other Operating Revenues (Water) (Page W-04)

The District implemented a SRC in 2002 which was effective the 4th qtr. Public fire protection has been prorated accordingly.

Water Operation & Maintenance Expenses (Page W-05)

There are no amounts reported in ACCT 600 because all services are purchased through Sister Bay Utilities. Liberty Grove is billed quarterly by the Village of Sister Bay and salaries are not broken out on the bills.

In the prior year Acct 650 included costs associated with the Department of Transportation project of widening Hwy 42. The District paid approximately \$8,400 to relocate several hydrants and curbstops. Also included were costs for maintenance of the booster pump and modifications to the existing pressure reducing valve.

Acct 620 - These power costs are for booster station pumps.

Taxes (Acct. 408 - Water) (Page W-06)

See footnote to Page W-5 regarding no salaries or social security expense being recorded.

Water Utility Plant in Service (Page W-08)

The amount added to mains includes \$32,401 for a pressure reducing valve.

Pumping and Purchased Water Statistics (Page W-10)

District customers are billed quarterly. In addition, the Village of Sister Bay only bills the District quarterly. Monthly water purchases are not available.

Information on the maximum and minimum is not available.

Sources of Water Supply - Ground Waters (Page W-11)

All water is purchased from the Village of Sister Bay.

Water Mains (Page W-15)

The new mains were financed thru a District loan however the District plans to assess property owners in 2003.

Water Services (Page W-16)

The 12 new 1" services were financed by a District loan. The District plans to assess property owners in 2003.

The new 2" service was a replacement of an old 1" service and was contributed by the owner. The cost of the new 2" service was estimated based on the cost of the new 1" services.

Hydrants and Distribution System Valves (Page W-18)

The new hydrants were financed with a District loan. The District plans to assess property owners in 2003.
