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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: AVOCA MUNICIPAL WATER UTILITY

Utility Address: P.O. BOX 188
AVOCA, WI 53506

When was utility organized? 1/1/1908

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MS DORIS KIENITZ
Title: CLERK-TREASURER

Office Address:
P.O. BOX 188
AVOCA, WI 53506

Telephone: (608) 532 - 6831

Fax Number: (605) 532 - 6831

E-mail Address:

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

Name: MR JAY BENNETT CPA
Title: SENIOR IN CHARGE AUDITOR

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

Telephone: (608) 987 - 2206

Fax Number: (608) 987 - 3391

E-mail Address: jbcmp@mhtc.net

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

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

Name: MR JAY BENNETT CPA
Title: SENIOR IN CHARGE AUDITOR

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

Telephone: (608) 987 - 2206

Fax Number: (608) 987 - 3391

E-mail Address: jbcmp@mhtc.net

Date of most recent audit report: 2/24/1998

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

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: MR JOSEPH FOREMAN

Title: UTILITY SUPERINTENDENT

Office Address:

P.O. BOX 188
AVOCA, WI 53506

Telephone: (608) 532 - 6831

Fax Number: (608) 532 - 6831

E-mail Address:

Name of utility commission/committee: Village Board

Names of members of utility commission/committee:

Is sewer service rendered by the utility? NO

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

Date of Ordinance:

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

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

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	64,797	64,815	1
Operating Expenses:			
Operation and Maintenance Expense (401)	34,803	30,788	2
Depreciation Expense (403)	21,448	16,386	3
Amortization Expense (404)	0	0	4
Taxes (408)	23,762	15,045	5
Total Operating Expenses	80,013	62,219	
Net Operating Income	(15,216)	2,596	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(15,216)	2,596	
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)	7,357	8,779	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	7,357	8,779	
Total Income	(7,859)	11,375	
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	(7,859)	11,375	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	11,381	4,884	13
Amortization of Debt Discount and Expense (428)	3,198	2,364	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	14,579	7,248	
Net Income	(22,438)	4,127	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	34,557	30,430	19
Balance Transferred from Income (433)	(22,438)	4,127	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)	12,119	34,557	

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 Income	7,357	4
Total (Acct. 419):	7,357	
Miscellaneous Nonoperating Income (421):		
NONE		5
Total (Acct. 421):	0	
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	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	64,797	0	0	0	64,797	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:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	64,797	0	0	0	64,797	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,109,829	1,092,264	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	184,913	163,315	2
Net Utility Plant	924,916	928,949	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	202,451	216,082	6
Special Funds (125)	0	0	7
Total Other Property and Investments	202,451	216,082	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	965	0	8
Temporary Cash Investments (132)	138,889	286,114	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	4,705	12,883	11
Other Accounts Receivable (143)	1,728	31,892	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	45,991	39,659	14
Materials and Supplies (150)	2,676	1,826	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	194,954	372,374	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	4,801	7,999	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	2,509	5,018	20
Total Deferred Debits	7,310	13,017	
Total Assets and Other Debits	1,329,631	1,530,422	

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)	471,660	438,366	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	12,119	34,557	23
Total Proprietary Capital	483,779	472,923	
LONG-TERM DEBT			
Bonds (221)	0		24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	239,951	240,491	26
Total Long-Term Debt	239,951	240,491	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	6,327	233,987	28
Payables to Municipality (233)	9,922	1,999	29
Customer Deposits (235)			30
Taxes Accrued (236)	22,763	14,225	31
Interest Accrued (237)	6,661	4,207	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	45,673	254,418	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	560,228	562,590	38
Total Liabilities and Other Credits	1,329,631	1,530,422	

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)	1,098,259	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)	11,570				6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	1,109,829	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	184,913	0	0	0	9
Total Accumulated Provision	184,913	0	0	0	
Net Utility Plant	924,916	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	163,315				163,315	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	21,448				21,448	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	353				353	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	21,801	0	0	0	21,801	13
Debits during year						14
Book cost of plant retired	203				203	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	203	0	0	0	203	19
Balance End of Year	184,913	0	0	0	184,913	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	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

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

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

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	2,676	1,826
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	2,676	1,826

**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)				
\$325,000 BAN Debt Discount	2,594	428	4,540	1
\$85,000 BAN Debt Discount	604	428	261	2
Total			4,801	
Unamortized premium on debt (251)				
NONE				3
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	438,366	1
Changes during year (explain):		
Amount reclassified from CIA	33,294	2
Balance end of year	471,660	

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)
-------------------------------------	------------------------------	------------------------------------	------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
Banc One (\$85,000 Anticipation Notes)	09/15/1997	05/01/1999	4.60%	85,000	1
Royal Bank	04/23/1997	04/23/2002	10.00%	2,194	2
Banc One (\$325,000 Anticipation Notes)	08/01/1997	05/01/2000	5.00%	152,757	3
Total for Account 224				239,951	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	14,225	1
Accruals:		
Charged water department expense	23,762	2
Charged electric department expense		3
Charged sewer department expense	147	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>23,909</u>	
Taxes paid during year:		
County, state and local taxes	14,225	6
Social Security taxes	1,058	7
PSC Remainder Assessment	88	8
Other (explain):		
NONE		9
Total payments and other debits	<u>15,371</u>	
Balance end of year	<u><u>22,763</u></u>	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
Royal Bank	39	105	144	0	3
Richland County Bank	0			0	4
Banc One \$85,000 BAN	1,240	4,250		5,490	5
Banc One \$325,000 BAN	2,928	7,026	8,783	1,171	6
Subtotal	4,207	11,381	8,927	6,661	
Notes Payable (231)					
NONE	0			0	7
Subtotal	0	0	0	0	
Total	4,207	11,381	8,927	6,661	

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	562,590	0	0	0	0	562,590	1
Add credits during year:							
For Services	2,101					2,101	2
For Mains	28,831					28,831	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
Amount Reclassified as Capital Paid IN	33,294					33,294	5
Balance End of Year	560,228	0	0	0	0	560,228	
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):		
Special Assessments Receivable	202,451	2
Total (Acct. 124):	202,451	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	4,705	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	4,705	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
Electricity, Hook Up Fees, Etc	1,728	11
Total (Acct. 143):	1,728	
Receivables from Municipality (145):		
Due from General	11,411	12
Due From Sewer	1,286	13
Due from TIF	33,294	14
Total (Acct. 145):	45,991	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
Well Rehabilitation	2,509	17
Total (Acct. 183):	2,509	
Payables to Municipality (233):		
Due to General	9,922	18
Total (Acct. 233):	9,922	
Other Deferred Credits (253):		
NONE		19
Total (Acct. 253):		0

RETURN ON RATE BASE COMPUTATION

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

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	1,095,261	0	0	0	1,095,261	1
Materials and Supplies	2,251	0	0	0	2,251	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	174,114	0	0	0	174,114	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	561,409	0	0	0	561,409	6
Other (specify):					0	7
Average Net Rate Base	361,989	0	0	0	361,989	
Net Operating Income	(15,216)	0	0	0	(15,216)	8
Net Operating Income as a percent of Average Net Rate Base	-4.20%	N/A	N/A	N/A	-4.20%	

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	455,013	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	23,338	3
Other (Specify):		4
Total Average Proprietary Capital	478,351	
Net Income		
Net Income	(22,438)	5
Percent Return on Proprietary Capital	-4.69%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

Utility has been approved for a rate increase in 1999.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Income Statement (Page F-01)

See Accountant's Compilation Report

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

Additional special assessments added in 1998 for 1997 additions was 28,831

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

COMPILATION REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

Village Board
Village of Avoca
Avoca, Wisconsin 53506-0188

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

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

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

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

JOHNSON BLOCK AND COMPANY, INC.

June 30, 1999

Ms. Doris Kienitz, Clerk Treasurer
Avoca Municipal Water Utility
P.O. Box 188
Avoca, WI 53506-0188

1998 Analytical Review DWCCA-280-PJL

Dear Ms. Kienitz:

The Public Service Commission (PSC) is in the process of completing an analytical review of your utility's 1998 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we

FINANCIAL SECTION FOOTNOTES

request the following information:

During our review, we noted that 266 services are reported in use on the Water Services schedule. However, meters end of year less meters in stock reported on the Meters and Meter Classification schedules totals to only 201 meters in use. In addition, 197 customers on average are reported for the year on page W-2. It appears there are a significant number of unmetered services. Please furnish an explanation.

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 267-9198. Please respond within 30 days of this letter. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

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

PJL:tlk:w:\compl\analytical review letters\june 30 1999 rev letters L 1.doc

cc: Mr. Joseph Foreman, Utility Superintendent

Reply received which included changes which decreased difference between services in use and meters in use.

Review closed.

PJL

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	63,041	1
Total Sales of Water	63,041	
Other Operating Revenues		
Forfeited Discounts (470)	1,036	2
Other Water Revenues (474)	720	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	1,756	
Total Operating Revenues	64,797	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	16,819	5
General Operating Expenses (680-690)	17,984	6
Total Operation and Maintenance Expenses	34,803	
Other Operating Expenses		
Depreciation Expense (403)	21,448	7
Amortization Expense (404)		8
Taxes (408)	23,762	9
Total Other Operating Expenses	45,210	
Total Operating Expenses	80,013	
NET OPERATING INCOME	(15,216)	

WATER OPERATING REVENUES - SALES OF WATER

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

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	181	8,402	23,239	4
Commercial	16	1,327	6,212	5
Industrial				6
Total Metered Sales to General Customers (461)	197	9,729	29,451	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		32,938	8
Other Sales to Public Authorities (464)	5	213	652	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	203	9,942	63,041	

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)	32,938	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)	32,938	
Forfeited Discounts (470):		
Customer late payment charges	1,036	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	1,036	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	415	7
Other (specify):		
Miscellaneous	305	8
Total Other Water Revenues (474)	720	
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)	6,154	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	2,381	3
Chemicals (630)	1,119	4
Supplies and Expenses (640)	3,489	5
Repairs of Water Plant (650)	3,255	6
Transportation Expenses (660)	421	7
Total Plant Operation and Maintenance Expenses	16,819	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	7,127	8
Office Supplies and Expenses (681)	3,865	9
Outside Services Employed (682)	2,407	10
Insurance Expense (684)	1,387	11
Employees Pensions and Benefits (686)	1,818	12
Regulatory Commission Expenses (688)	270	13
Miscellaneous General Expenses (689)	275	14
Uncollectible Accounts (690)	835	15
Total General Operating Expenses	17,984	
 Total Operation and Maintenance Expenses	34,803	

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		22,763	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		147	2
Net property tax equivalent		22,616	
Social Security		1,058	3
PSC Remainder Assessment		88	4
Other (specify): NONE			5
Total tax expense		<u>23,762</u>	

PROPERTY TAX EQUIVALENT (WATER)

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

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Iowa				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.248800				3
County tax rate	mills		7.403230				4
Local tax rate	mills		9.894190				5
School tax rate	mills		15.891650				6
Voc. school tax rate	mills		2.131140				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		35.569010				10
Less: state credit	mills		2.618490				11
Net tax rate	mills		32.950520				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		9.894190				14
Combined School Tax Rate	mills		18.022790				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		27.916980				17
Total Tax Rate	mills		35.569010				18
Ratio of Local and School Tax to Total	dec.		0.784868				19
Total tax net of state credit	mills		32.950520				20
Net Local and School Tax Rate	mills		25.861811				21
Utility Plant, Jan. 1	\$	1,092,264	1,092,264				22
Materials & Supplies	\$	1,826	1,826				23
Subtotal	\$	1,094,090	1,094,090				24
Less: Plant Outside Limits	\$	0					25
Taxable Assets	\$	1,094,090	1,094,090				26
Assessment Ratio	dec.		0.804500				27
Assessed Value	\$	880,195	880,195				28
Net Local & School Rate	mills		25.861811				29
Tax Equiv. Computed for Current Year	\$	22,763	22,763				30
Tax Equivalent per 1994 PSC Report	\$	14,225					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	22,763					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$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)	50		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	69,896		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	69,946	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	31,441		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	26,855		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	58,296	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	1,170		23
Total Water Treatment Plant	1,170	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	5,183		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)			50 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			69,896 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	69,946
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			31,441 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			26,855 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	58,296
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			1,170 23
Total Water Treatment Plant	0	0	1,170
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			5,183 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)	172,345		26
Transmission and Distribution Mains (343)	499,535	1,146	27
Fire Mains (344)	0		28
Services (345)	169,156	2,419	29
Meters (346)	13,646	1,156	30
Hydrants (348)	94,515	259	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	954,380	4,980	
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)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	8,472	1,218	38
Other Tangible Property (390)	0		39
Total General Plant	8,472	1,218	
Total utility plant in service directly assignable	1,092,264	6,198	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,092,264	6,198	

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)			172,345 26
Transmission and Distribution Mains (343)			500,681 27
Fire Mains (344)			0 28
Services (345)			171,575 29
Meters (346)	203		14,599 30
Hydrants (348)			94,774 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	203	0	959,157
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)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			9,690 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	9,690
Total utility plant in service directly assignable	203	0	1,098,259
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	203	0	1,098,259

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			3,756	3,756	1
February			3,536	3,536	2
March			3,923	3,923	3
April			3,773	3,773	4
May			3,075	3,075	5
June			2,807	2,807	6
July			3,317	3,317	7
August			3,336	3,336	8
September			3,112	3,112	9
October			3,835	3,835	10
November			4,414	4,414	11
December			2,991	2,991	12
Total for year	0	0	41,875	41,875	
Less: Measured or estimated water used in main flushing and water treatment during year				342	13
Less: Other utility use				200	14
Other utility use explanation:					15
Street department, Fire department					
Water pumped into distribution system				41,333	16
Less: Water sold				9,942	17
Losses and unaccounted for				31,391	18
Percent unaccounted for to the nearest whole percent (%)				76%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
Utility has experienced large losses for a number of years they are working on this problem. They have hired a water leak detection company and are planning on replacing 300' of main in 1999.					
Maximum gallons pumped by all methods in any one day during reporting year				179	21
Date of maximum: 11/8/1998					22
Cause of maximum:					23
Broken Water Main					
Minimum gallons pumped by all methods in any one day during reporting year				67	24
Date of minimum: 12/23/1998					25
Total KWH used for pumping for the year				68,073	26
If water is purchased: Vendor Name:					27
Point of Delivery:					28

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
WELL 5TH & MARKET	1	110	10	360,000	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	1	2	1
Location	WELL # 1	WELL # 2	2
Purpose	S	P	3
Destination	D	D	4
Pump Manufacturer	DOERING	PEERLESS	5
Year Installed	1910	1983	6
Type	SUBMERSIBLE	SUBMERSIBLE	7
Actual Capacity (gpm)	58	300	8
Pump Motor or Standby Engine Mfr	G.E.	U.S. MOTOR	9
Year Installed	1946	1983	10
Type	ELECTRIC	ELECTRIC	11
Horsepower	3	30	12

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

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	2	WELL # 1-INACTIVE	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	R	3
Year constructed	1985	1910	4
Primary material (earthen, steel, concrete, other)	OTHER	OTHER	5
Elevation difference in feet (See Headnote 3.)	150	92	6
Total capacity in gallons	150,000	37,800	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.)	0.5000		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		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)	
M	D	4.000	5,317	0	0	0	5,317	1
M	D	6.000	11,769	0	0	0	11,769	2
M	D	8.000	16,319	0	0	0	16,319	3
M	D	10.000	2,300	0	0	0	2,300	4
Total Within Municipality			35,705	0	0	0	35,705	
Total Utility			35,705	0	0	0	35,705	

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	0.625	5	0	0	0	5		1
M	0.750	134	0	0	0	134		2
M	1.000	142	4	0	0	146	77	3
M	1.500	1	0	0	0	1		4
M	4.000	1	0	0	0	1		5
Total Utility		283	4	0	0	287	77	

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).

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	198	26	3	0	221	21	1
1.500	3	0	0	0	3	0	2
2.000	1	0	0	0	1	0	3
Total:	202	26	3	0	225	21	

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	188	16	0	2	0	15	221	1
1.500	0	3	0	0	0	0	3	2
2.000	1	0	0	0	0	0	1	3
Total:	189	19	0	2	0	15	225	

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	59				59	2
Total Fire Hydrants	59	0	0	0	59	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

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

Number of hydrants operated during year:	57
Number of distribution system valves end of year:	60
Number of distribution valves operated during year:	22

WATER OPERATING SECTION FOOTNOTES

Water Operating Revenues & Expenses (Page W-01)

See Accountant's Compilation Report

Water Utility Plant in Service (Page W-08)

The increases for mains, hydrants and services wer due to the allocation of a late engineering bill from 1997.

Water Services (Page W-16)

Service additions were financed through operating revenues and operating cash.

Meters (Page W-17)

Utility will try to test the required number of meters in the future.

Hydrants and Distribution System Valves (Page W-18)

Utility will try to operate the required amount in the future.
