



3015 (02-09-04)

ANNUAL REPORT

OF

Name: STITZER SANITARY DISTRICT

Principal Office: P.O. BOX 121
STITZER, WI 53825

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.

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
FINANCIAL SECTION	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110)	F-07
Net Nonutility Property (Accts. 121 & 122)	F-08
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-09
Materials and Supplies	F-10
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-11
Capital Paid in by Municipality (Acct. 200)	F-12
Bonds (Acct. 221)	F-13
Notes Payable & Miscellaneous Long-Term Debt	F-14
Taxes Accrued (Acct. 236)	F-15
Interest Accrued (Acct. 237)	F-16
Contributions in Aid of Construction (Account 271)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Return on Proprietary Capital Computation	F-20
Important Changes During the Year	F-21
Financial Section Footnotes	F-22
WATER OPERATING SECTION	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Water Utility Plant in Service	W-08
Source of Supply, Pumping and Purchased Water Statistics	W-10
Sources of Water Supply - Ground Waters	W-11
Sources of Water Supply - Surface Waters	W-12
Pumping & Power Equipment	W-13
Reservoirs, Standpipes & Water Treatment	W-14
Water Mains	W-15
Water Services	W-16
Meters	W-17
Hydrants and Distribution System Valves	W-18
Water Operating Section Footnotes	W-19

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: STITZER SANITARY DISTRICT

Utility Address: P.O. BOX 121
STITZER, WI 53825

When was utility organized? 1/1/1948

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: ANDRE KELLER
Title: INDEPENDENT CONTRACTOR

Office Address:
P.O. BOX 121
STITZER, WI 53825

Telephone: (608) 822 - 3832

Fax Number:

E-mail Address:

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

Name: MR. CHAD C FREYMILLER
Title: STAFF ACCOUNTANT

Office Address: JOHNSON BLOCK AND COMPANY, INC.
229 HIGH STREET
MINERAL POINT, WI 53565

Telephone: (608) 987 - 2206

Fax Number: (608) 987 - 3391

E-mail Address: chadf@johnsonblock.com

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

Name: GARY HAMMOND
Title: PRESIDENT

Office Address:
P.O. BOX 121
STITZER, WI 53825

Telephone: (608) 943 - 6660

Fax Number:

E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name: MR. CHAD C FREYMILLER

Title: STAFF ACCOUNTANT

Office Address: JOHNSON BLOCK AND COMPANY, INC.
229 HIGH STREET
MINERAL POINT, WI 53565

Telephone: (608) 987 - 2206

Fax Number: (608) 987 - 3391

E-mail Address: chadf@johnsonblock.com

Date of most recent audit report: 11/20/2001

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

Names and titles of utility management including manager or superintendent:

Name: BERNARD KELLER

Title: COMMISSIONER

Office Address:
3978 GRANDVIEW
STITZER, WI 53825

Telephone: (608) 943 - 6201

Fax Number:

E-mail Address:

Name: GARY HAMMOND

Title: PRESIDENT

Office Address:
4088 SIMON STREET
STITZER, WI 53825

Telephone: (608) 943 - 6660

Fax Number:

E-mail Address:

Name: MAX EDGE

Title: SECRETARY

Office Address:
P.O. BOX 121
STITZER, WI 53825

Telephone: (608) 943 - 6585

Fax Number:

E-mail Address:

Name of utility commission/committee: UTILIY COMMISSION

Names of members of utility commission/committee:

MAX EDGE
GARY HAMMOND

IDENTIFICATION AND OWNERSHIP

Is sewer service 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:

Contact Person: LESTER VONDRA

Title: OWNER

Telephone: (608) 723 - 2934

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates: 1/1/2002 12/31/2002

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

LESTER VONDRA IS OUR CERTIFIED OPERATOR. HE ALSO DOES THE LAB WORK FOR OUR UTILITY.

Firm Name: KELLER TAX & BUSINESS SERVICES

1180 12TH ST.

FENNIMORE, WI 53809

Contact Person: MR ANDRE T KELLER

Title: OWNER

Telephone: (608) 822 - 3832

Fax Number:

E-mail Address: kattax@mhtc.net

Contract/Agreement beginning-ending dates: 3/14/2001 12/31/2002

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

Keller Tax & Business Services provides bookkeeping services to the Sanitary District.

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	30,209	28,909	1
Operating Expenses:			
Operation and Maintenance Expense (401)	16,782	14,796	2
Depreciation Expense (403)	8,962	8,942	3
Amortization Expense (404)	0	0	4
Taxes (408)	13	139	5
Total Operating Expenses	25,757	23,877	
Net Operating Income	4,452	5,032	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	4,452	5,032	
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)	388	588	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	388	588	
Total Income	4,840	5,620	
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	4,840	5,620	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	7,382	7,473	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	7,382	7,473	
Net Income	(2,542)	(1,853)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(35,611)	(33,758)	19
Balance Transferred from Income (433)	(2,542)	(1,853)	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)	(38,153)	(35,611)	

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	388	4
Total (Acct. 419):	388	
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	30,209	0	0	0	30,209	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	30,209	0	0	0	30,209	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	410,883	408,312	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	130,589	122,346	2
Net Utility Plant	280,294	285,966	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	15,860	15,779	7
Total Other Property and Investments	15,860	15,779	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	26,117	29,317	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	6,698	6,311	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	16,746	13,052	14
Materials and Supplies (150)	5,693	5,693	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	55,254	54,373	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	3,910	20
Total Deferred Debits	0	3,910	
Total Assets and Other Debits	351,408	360,028	

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)	22,421	22,421	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	(38,153)	(35,611)	23
Total Proprietary Capital	(15,732)	(13,190)	
LONG-TERM DEBT			
Bonds (221)	109,000	111,000	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	4,000	8,000	26
Total Long-Term Debt	113,000	119,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)		47	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	648	679	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	648	726	
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)	253,492	253,492	38
Total Liabilities and Other Credits	351,408	360,028	

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)	410,883	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	410,883	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	130,589	0	0	0	9
Total Accumulated Provision	130,589	0	0	0	
Net Utility Plant	280,294	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	122,346				122,346	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	8,962				8,962	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	196				196	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	9,158	0	0	0	9,158	13
Debits during year						14
Book cost of plant retired	915				915	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	915	0	0	0	915	19
Balance End of Year	130,589	0	0	0	130,589	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.25%					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	5,693	5,693
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	5,693	5,693

**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	22,421	1
Changes during year (explain):		2
Balance end of year	22,421	

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)	
FHA Mortgage Revenue Bonds	07/09/1986	06/01/2023	6.38%	109,000	1
Total Bonds (Account 221):				109,000	

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)					
F&M Bank	11/25/1998	11/25/2003	5.00%	4,000	1
Total for Account 224				4,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	13	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>13</u>	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes		7
PSC Remainder Assessment	13	8
Other (explain):		
NONE		9
Total payments and other debits	<u>13</u>	
Balance end of year	<u><u>0</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)					
1986 FHA Mortgage Revenue Bonds	640	6,991	7,003	628	1
Subtotal	640	6,991	7,003	628	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
F&M Bank	39	391	410	20	3
Subtotal	39	391	410	20	
Notes Payable (231)					
None	0			0	4
Subtotal	0	0	0	0	
Total	679	7,382	7,413	648	

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	253,492	0	0	0	0	253,492	1
Add credits during year:							
For Services						0	2
For Mains						0	3
Other (specify):						0	4
Deduct charges (specify):						0	5
Balance End of Year	253,492	0	0	0	0	253,492	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
DEPRECIATION FUND	6,000	3
REDEMPTION ACCOUNT	7,185	4
REPLACEMENT FUND	2,675	5
Total (Acct. 125):	15,860	
Notes Receivable (141):		
NONE		6
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	6,698	7
Electric		8
Sewer (Regulated)		9
Other (specify):		
NONE		10
Total (Acct. 142):	6,698	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		11
Merchandising, jobbing and contract work		12
Other (specify):		
NONE		13
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DUE FROM MUNICIPALITY - TAX ROLL	12,647	14
DUE FROM SEWER - SHARED METER EXPENSE	559	15
DUE FROM SEWER - OPERATING EXPENSES	3,540	16
Total (Acct. 145):	16,746	
Prepayments (165):		
NONE		17
Total (Acct. 165):	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)
Extraordinary Property Losses (182):	
NONE	18
Total (Acct. 182):	0
Other Deferred Debits (183):	
NONE	19
Total (Acct. 183):	0
Payables to Municipality (233):	
NONE	20
Total (Acct. 233):	0
Other Deferred Credits (253):	
NONE	21
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	409,597	0	0	0	409,597	1
Materials and Supplies	5,693	0	0	0	5,693	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	126,467	0	0	0	126,467	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	253,492	0	0	0	253,492	6
Other (specify):					0	7
Average Net Rate Base	35,331	0	0	0	35,331	
Net Operating Income	4,452	0	0	0	4,452	8
Net Operating Income as a percent of Average Net Rate Base	12.60%	N/A	N/A	N/A	12.60%	

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	22,421	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(36,882)	3
Other (Specify):		4
Total Average Proprietary Capital	(14,461)	
Net Income		
Net Income	(2,542)	5
Percent Return on Proprietary Capital	N/A	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

COMPILATION REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

March 31, 2003

Utility Commission
Stitzer Sanitary District
Stitzer, Wisconsin 53825-0118

We have compiled the accompanying prescribed Municipal Utility Annual Report of Stitzer Sanitary District as of December 31, 2002, 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 accounting principles generally accepted in the United States of America.

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

JOHNSON BLOCK AND COMPANY, INC.

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)	29,015	1
Total Sales of Water	29,015	
Other Operating Revenues		
Forfeited Discounts (470)	827	2
Other Water Revenues (474)	367	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	1,194	
Total Operating Revenues	30,209	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	7,151	5
General Operating Expenses (680-690)	9,631	6
Total Operation and Maintenance Expenses	16,782	
Other Operating Expenses		
Depreciation Expense (403)	8,962	7
Amortization Expense (404)		8
Taxes (408)	13	9
Total Other Operating Expenses	8,975	
Total Operating Expenses	25,757	
NET OPERATING INCOME	4,452	

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	80	3,356	14,199	4
Commercial	10	709	2,273	5
Industrial				6
Total Metered Sales to General Customers (461)	90	4,065	16,472	
Private Fire Protection Service (462)				
Public Fire Protection Service (463)	1		12,098	8
Other Sales to Public Authorities (464)	2	20	445	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	93	4,085	29,015	

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)	12,098	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	12,098	
Forfeited Discounts (470):		
Customer late payment charges	827	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	827	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	217	7
Other (specify):		
MISCELLANEOUS	150	8
Total Other Water Revenues (474)	367	
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)		1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	1,552	3
Chemicals (630)		4
Supplies and Expenses (640)	32	5
Repairs of Water Plant (650)	5,567	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	7,151	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	340	8
Office Supplies and Expenses (681)	151	9
Outside Services Employed (682)	9,065	10
Insurance Expense (684)	75	11
Employees Pensions and Benefits (686)		12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	9,631	
Total Operation and Maintenance Expenses	16,782	

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		13 4
Other (specify): NONE		5
Total tax expense		13

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)	2,553		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)	59,355		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	61,908	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	40,366	500	13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	31,909		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	72,275	500	
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)	195		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)			2,553 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)			59,355 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	61,908
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			40,866 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			31,909 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	72,775
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)			195 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)	119,197		26
Transmission and Distribution Mains (343)	106,750		27
Fire Mains (344)	0		28
Services (345)	17,587	434	29
Meters (346)	9,359	986	30
Hydrants (348)	9,765	1,566	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	262,853	2,986	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	2,483		35
Computer Equipment (372.1)	964		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	7,829		38
Other Tangible Property (390)	0		39
Total General Plant	11,276	0	
Total utility plant in service directly assignable	408,312	3,486	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	408,312	3,486	

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)			119,197 26
Transmission and Distribution Mains (343)			106,750 27
Fire Mains (344)			0 28
Services (345)	195		17,826 29
Meters (346)	146		10,199 30
Hydrants (348)	574		10,757 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	915	0	264,924
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			2,483 35
Computer Equipment (372.1)			964 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			7,829 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	11,276
Total utility plant in service directly assignable	915	0	410,883
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	915	0	410,883

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

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

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			396	396	1
February			394	394	2
March			442	442	3
April			495	495	4
May			554	554	5
June			550	550	6
July			544	544	7
August			429	429	8
September			435	435	9
October			432	432	10
November			437	437	11
December			412	412	12
Total annual pumpage	0	0	5,520	5,520	
Less: Water sold				4,085	13
Volume pumped but not sold				1,435	14
Volume sold as a percent of volume pumped				74%	15
Volume used for water production, water quality and system maintenance				120	16
Volume related to equipment/system malfunction				45	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				165	19
Volume pumped but unaccounted for				1,270	20
Percent of water lost				23%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				54	23
Date of maximum: 4/19/2002					24
Cause of maximum:					25
Flushing mains					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				0	26
Date of minimum: 9/27/2002					27
Total KWH used for pumping for the year				18,200	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
PUMP BUILDING 11455 KLUCKHOF 2		590	12	576,000	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	WELL #2			1
Location	STITZER			2
Purpose	P			3
Destination	D			4
Pump Manufacturer	LAYNE NW			5
Year Installed	1986			6
Type	VERTICAL TURBINE			7
Actual Capacity (gpm)	250			8
Pump Motor or Standby Engine Mfr	US ELECTRIC			9 10
Year Installed	1986			11
Type	ELECTRIC			12
Horsepower	40			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 23
Year Installed				24
Type				25
Horsepower				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	UNIVERSAL		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1986		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	135		6
Total capacity in gallons (actual)	50,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.0000		12
Is a corrosion control chemical used (yes, no)?	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	2.000	2,150	0	0	0	2,150	1
P	D	2.000	47	0	0	0	47	2
A	D	6.000	3,820	0	0	0	3,820	3
P	D	6.000	5,690	0	0	0	5,690	4
Total Within Municipality			11,707	0	0	0	11,707	
Total Utility			11,707	0	0	0	11,707	

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	88	1	1	0	88		1
M	2.000	2	0	0	0	2		2
Total Utility		90	1	1	0	90	0	

METERS

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

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	126	6	2	0	130	15	1
2.000	2	0	0	0	2	0	2
Total:	128	6	2	0	132	15	

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	108	0	0	0	0	22	130	1
2.000	0	2	0	0	0	0	2	2
Total:	108	2	0	0	0	22	132	

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	17	1	1		17	2
Total Fire Hydrants	17	1	1	0	17	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

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

Number of hydrants operated during year: 17
 Number of distribution system valves end of year: 22
 Number of distribution valves operated during year: 22

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

The Sanitary District incurred and paid audit fees for 2001 and 2002, resulting in the change in A/C 682 between years.

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

The Sanitary District no longer has any employees. Independent contractors have been contracted for bookkeeping and lab services.

Water Services (Page W-16)

Service addition was financed with operating revenues of the Sanitary District.
