3018 (02-09-04)

ANNUAL REPORT

OF

Name: VANWOODS ESTATES WATER WORKS, INC.

Principal Office: 817 BLAKLEY ST.
WOODSTOCK, IL 60098-3811

For the Year Ended: DECEMBER 31, 1998

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.

SIGNATURE PAGE

I PATRICIA M STAHL of
(Person responsible for accounts)

VanWoods Estates Water Works, Inc. , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts) 03/26/1999
(Date)

SECRETARY/TREASURER
(Title)

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
Officers and Directors	v
Common Stockholders	vi
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
Salaries and Wages	F-05
Balance Sheet	F-06
Net Utility Plant	F-07
Accumulated Provision for Depreciation and Amortization of Utility Plant	F-08
Net Nonutility Property (Accts. 121 & 122)	F-09
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-10
Materials and Supplies	F-11
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-12
Capital Stock (Accts. 201 and 204)	F-13
Bonds (Acct. 221)	F-14
Notes Payable & Miscellaneous Long-Term Debt	F-15
Taxes Accrued (Acct. 236)	F-16
Interest Accrued (Acct. 237)	F-17
Contributions in Aid of Construction (Account 271)	F-18
Balance Sheet End-of-Year Account Balances	F-19
Return on Rate Base Computation	F-20
Return on Common Equity Computation	F-21
Important Changes During the Year	F-22
Financial Section Footnotes	F-23
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 (Accts. 408.1 and 409.1)	W-06
Water Utility Plant in Service	W-07
Source of Supply, Pumping and Purchased Water Statistics	W-09
Sources of Water Supply - Ground Waters	W-10
Sources of Water Supply - Surface Waters	W-11
Pumping & Power Equipment	W-12
Reservoirs, Standpipes & Water Treatment	W-13
Water Mains	W-14
Water Services	W-15
Meters	W-16
Hydrants and Distribution System Valves	W-17
Water Operating Section Footnotes	W-18

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: VANWOODS ESTATES WATER WORKS, INC.
Utility Address: 817 BLAKLEY ST.
WOODSTOCK, IL 60098-3811

When was utility organized?
Report any change in name:
Effective Date:
Utility Web Site:

Officer in charge of correspondence concerning this report:

Name: MRS PATRICIA M STAHL
Title: SEC/TREAS
Office Address:
817 BLAKLEY ST
WOODSTOCK, IL 60098-3811

Telephone: (815) 338 - 4446
Fax Number: (815) 338 - 4430
E-mail Address:

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

Name: NONE
Title:
Office Address:

Telephone:
Fax Number:
E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? NO
Date of most recent audit report:
Period covered by most recent audit:

IDENTIFICATION AND OWNERSHIP

OFFICERS AND DIRECTORS

Name/Title and Business Address		Length Of Term	Term Expires	Meetings Attended	
Officer's Name/Title	MATTHEW J. STAHL	1		1	**1**
Business Address (1)	817 BLAKLEY STREET				
Business Address (2)					
Business Address (3)					
City/State/Zip	WOODSTOCK, IL 60098-3811				
Officer's Name/Title	PATRICIA M. STAHL	1		1	**2**
Business Address (1)	817 BLAKLEY STREET				
Business Address (2)					
Business Address (3)					
City/State/Zip	WOODSTOCK, IL 60098-3811				

COMMON STOCKHOLDERS

From the stockholder list nearest the end of the year report the greatest of: 1) the ten largest shareholders of voting securities or 2) all shareholders owning 5% or more of voting securities. List names, addresses and shareholdings. If any stock is held by a nominee, give known particulars as to the beneficial owner (see Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Date of stockholders' list nearest end of year:

	Common	Preferred	Total
Number of stockholders on above date:	2		2
Number of shareholders in Wisconsin:			0
Percent of outstanding stock owned by Wisconsin Stockholders:			

Stockholders:

Name: Matthew J Stahl
Address: 817 BLAKLEY ST
WOODSTOCK, IL 60098-3811

Number of Shares Held: 1,500
Beneficial Owner:

Name: Patricia M Stahl
Address: 817 BLAKLEY ST
WOODSTOCK, IL 60098-3811

Number of Shares Held: 1,500
Beneficial Owner:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	11,119	8,528	**1**
Operating Expenses:			
Operation and Maintenance Expense (401-402)	11,687	11,954	**2**
Depreciation Expense (403)	2,399	2,360	**3**
Amortization Expense (404)	0	0	**4**
Taxes Other than Income Taxes (408.1)	86	372	**5**
Income Taxes (409.1)	0	0	**6**
Investment Tax Credit, Deferred to Future Periods (412.1)	0	0	**7**
Investment Tax Credit, Restored to Operating Income (412.2)	0	0	**8**
Total Operating Expenses	**14,172**	**14,686**	
Net Operating Income	**(3,053)**	**(6,158)**	
Income from Utility Plant Leased to Others (413)	0	0	**9**
Gains (Losses) from Disposition of Utility Property (414)	0	0	**10**
Utility Operating Income	**(3,053)**	**(6,158)**	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	**11**
Income from Nonutility Operations (417)	0	0	**12**
Nonoperating Rental Income (418)	0	0	**13**
Interest and Dividend Income (419)	0	0	**14**
Allowance for Funds used during Construction (420)			**15**
Miscellaneous Nonoperating Income (421)	0	0	**16**
Gains (Losses) from Disposition of Property (422)	0	0	**17**
Total Other Income	**0**	**0**	
Total Income	**(3,053)**	**(6,158)**	
OTHER INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	**18**
Miscellaneous Income Deductions (426)	0	0	**19**
Total Other Income Deductions	**0**	**0**	
TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS			
Taxes Other than Income Taxes (408.2)			**20**
Income Taxes (409.2)			**21**
Investment Tax Credit, Nonutility Operations, Net (412.4)			**22**
Total Taxes Applicable to Other Income and Deductions	**0**	**0**	
Income Before Interest Charges and Extraordinary Items	**(3,053)**	**(6,158)**	
INTEREST CHARGES			
Interest on Long-term Debt (427)	0	0	**23**
Amortization of Debt Discount and Expense (428)			**24**
Amortization of premium on Debt-Cr. (429)			**25**
Interest on Debt to Associated Companies (430)	0	0	**26**
Other Interest Expense (431)	0	0	**27**
Total Interest Charges	**0**	**0**	
Income Before Extraordinary Items	**(3,053)**	**(6,158)**	

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
EXTRAORDINARY ITEMS			
Extraordinary Income (433)			**28**
Extraordinary Deductions (434)	0	0	**29**
Income Taxes, Extraordinary Items (409.3)			**30**
Total Extraordinary Items	**0**	**0**	
Net Income	**(3,053)**	**(6,158)**	
RETAINED EARNINGS			
Unapproriated Retained Earnings (at beginning of period)	(48,603)	(42,445)	**31**
Balance transferred from Income (435)	(3,053)	(6,158)	**32**
Appropriations of Retained Earnings (436)	0	0	**33**
Dividends Declared-Preferred Stock (437)			**34**
Dividends Declared-Common Stock (438)			**35**
Adjustments to Retained Earnings (439)	0	0	**36**
Total Retained Earnings	**(51,656)**	**(48,603)**	

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)	
Income from Utility Plant Leased to Others (413):		
NONE		1
Total (Acct. 413):	0	
Gains (Losses) from Disposition of Utility Property (414):		
NONE		2
Total (Acct. 414):	0	
Income from Nonutility Operations (417):		
NONE		3
Total (Acct. 417):	0	
Nonoperating Rental Income (418):		
NONE		4
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
NONE		5
Total (Acct. 419):	0	
Miscellaneous Nonoperating Income (421):		
NONE		6
Total (Acct. 421):	0	
Gains (Losses) from Disposition of Property (422):		
NONE		7
Total (Acct. 422):	0	
Miscellaneous Amortization (425):		
NONE		8
Total (Acct. 425):	0	
Miscellaneous Income Deductions (426):		
NONE		9
Total (Acct. 426):	0	
Extraordinary Deductions (434):		
NONE		10
Total (Acct. 434):	0	
Appropriations of Retained Earnings (436):		
Detail appropriations to (from) account 215		11
Total (Acct. 436)--Debit:	0	
Adjustments to Retained Earnings (439):		
NONE		12
Total (Acct. 439):	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 from Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	11,119	0	0	0	**11,119**	**1**
Less: interdepartmental sales	0		0	0	**0**	**2**
Less: interdepartmental rents					**0**	**3**
Less: uncollectibles directly expensed as reported in water acct. 904 -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					**0**	**4**
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					**0**	**5**
Revenues subject to Wisconsin Remainder Assessment	**11,119**	**0**	**0**	**0**	**11,119**	

SALARIES AND WAGES

Show total compensation paid each officer during the year, including bonuses and other allowances.
Furnish particulars as to bonuses and allowances. Show final distribution of payroll including amounts from clearing accounts.

OFFICERS' COMPENSATION

Name (a)	Official Title (b)	Total Comp (c)

NONE

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	108,473	107,593	**1**
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	56,281	53,882	**2**
Net Utility Plant	**52,192**	**53,711**	
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**	
Other Investments (124)	0	0	**5**
Special Funds (125)	0	0	**6**
Total Other Property and Investments	**0**	**0**	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	476	891	**7**
Temporary Cash Investments (132)			**8**
Notes Receivable (141)	0	0	**9**
Customer Accounts Receivable (142)	6,791	7,898	**10**
Other Accounts Receivable (143)	0	12	**11**
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	**12**
Materials and Supplies (150)	0	0	**13**
Prepayments (166)	0	0	**14**
Other Current and Accrued Assets (170)			**15**
Total Current and Accrued Assets	**7,267**	**8,801**	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	**16**
Extraordinary Property Losses (182)	0	0	**17**
Other Deferred Debits (183)	0	0	**18**
Total Deferred Debits	**0**	**0**	
Total Assets and Other Debits	**59,459**	**62,512**	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Common Capital Stock (201)	3,000	3,000	**19**
Preferred Capital Stock (204)			**20**
Other Paid-in Capital (207)			**21**
Installments Received on Capital Stock (212)			**22**
Capital Stock Expense (214)			**23**
Appropriated Retained Earnings (215)			**24**
Unapropriated Retained Earnings (216)	(51,656)	(48,603)	**25**
Reacquired Capital Stock (217)			**26**
Non-corporate Proprietorship (218)			**27**
Total Proprietary Capital	**(48,656)**	**(45,603)**	
LONG-TERM DEBT			
Bonds (221)	0	0	**28**
Advances from Associated Companies (223)	0	0	**29**
Other Long-term Debt (224)	4,000	4,000	**30**
Total Long-Term Debt	**4,000**	**4,000**	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	**31**
Accounts Payable (232)			**32**
Customer Deposits (235)			**33**
Taxes Accrued (236)	0	0	**34**
Interest Accrued (237)	0	0	**35**
Other Current and Accrued Liabilities (238)			**36**
Total Current and Accrued Liabilities	**0**	**0**	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	**37**
Customer Advances for Construction (252)			**38**
Other Deferred Credits (253)	0	0	**39**
Accumulated Deferred Investment Tax Credits (255)	0	0	**40**
Total Deferred Credits	**0**	**0**	
OPERATING RESERVES			
Property Insurance Reserve (261)			**41**
Injuries and Damages Reserve (262)			**42**
Pensions and Benefits Reserve (263)			**43**
Miscellaneous Operating Reserves (265)			**44**
Total Operating Reserves	**0**	**0**	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	104,115	104,115	**45**
Total Liabilities and Other Credits	**59,459**	**62,512**	

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)	108,473	0	0	0	**1**
Other Tangible Property (390)					**2**
Utility Plant Purchased or Sold (391)					**3**
Utility Plant in Process of Reclassification (392)					**4**
Utility Plant Leased to Others (393)					**5**
Property Held for Future Use (394)					**6**
Construction Work in Progress (395)					**7**
Utility Plant Acquisition Adjustments (396)					**8**
Other Utility Plant Adjustments (397)					**9**
Total Utility Plant	108,473	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	56,281	0	0	0	**10**
Total Accumulated Provision	56,281	0	0	0	
Net Utility Plant	52,192	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	53,882				**53,882**	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	2,399				**2,399**	4
						5
						6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					**0**	10
Other credits (specify):						11
					0	12
Total credits	**2,399**	**0**	**0**	**0**	**2,399**	13
Debits during year						14
Book cost of plant retired	0				**0**	15
Cost of removal					**0**	16
Other debits (specify):						17
					0	18
Total debits	**0**	**0**	**0**	**0**	**0**	19
Balance End of Year	**56,281**	**0**	**0**	**0**	**56,281**	20
						21
						22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of $5,000 or more included in account 121.
2. Other items may be grouped by classes of property.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
NONE	0			**0**	**1**
Total Nonutility Property (121)	**0**	**0**	**0**	**0**	
Less accum. prov. depr. & amort. (122)	0			**0**	**2**
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	**0**	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	**0**	
Balance end of year	**0**	

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					**0**	0	**1**
Other					**0**	0	**2**
Total Electric Utility					**0**	**0**	

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

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year: Amount (b)	Written Off During Year: Account Charged or Credited (c)	Balance End of Year (d)	
Unamortized debt discount & expense (181)				
NONE				1
Total			0	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL STOCK (ACCTS. 201 AND 204)

Particulars (a)	Common Stock (201) (b)	Preferred Stock (204) (c)	
Par or stated value per share			1
Total par value provided in articles of incorporation			2
Total par value issued	3,000.00		3
Dividends declared per share for year			4

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.

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)					
M. Stahl	12/31/1995	12/31/2005	0.00%	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	86	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	**86**	
Taxes paid during year:		
County, state and local taxes	77	6
Social Security taxes		7
PSC Remainder Assessment	9	8
Other (explain):		
NONE		9
Total payments and other debits	**86**	
Balance end of year	**0**	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			**0**	**1**
Subtotal	**0**	**0**	**0**	**0**	
Advances from Associated Companies (223)					
NONE	0			**0**	**2**
Subtotal	**0**	**0**	**0**	**0**	
Other Long-term Debt (224)					
NONE	0			**0**	**3**
Subtotal	**0**	**0**	**0**	**0**	
Notes Payable (231)					
NONE	0			**0**	**4**
Subtotal	**0**	**0**	**0**	**0**	
Total	**0**	**0**	**0**	**0**	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric Distribution (c)	Electric Other (d)	Sewer (e)	Gas (f)	Total (g)	
Balance First of Year	104,115	0	0	0	0	**104,115**	**1**
Add credits during year:							
For Services						**0**	**2**
For Mains						**0**	**3**
Other (specify):							
NONE						**0**	**4**
Deduct charges (specify):							
NONE						**0**	**5**
Balance End of Year	**104,115**	**0**	**0**	**0**	**0**	**104,115**	
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)	
Other Investments (124):		
NONE		1
Total (Acct. 124):	**0**	
Special Funds (125):		
NONE		2
Total (Acct. 125):	**0**	
Notes Receivable (141):		
NONE		3
Total (Acct. 141):	**0**	
Customer Accounts Receivable (142):		
Water	6,791	4
Other (specify):		
NONE		5
Total (Acct. 142):	**6,791**	
Other Accounts Receivable (143):		
Merchandising, jobbing and contract work		6
Other (specify):		
NONE		7
Total (Acct. 143):	**0**	
Prepayments (166):		
NONE		8
Total (Acct. 166):	**0**	
Extraordinary Property Losses (182):		
NONE		9
Total (Acct. 182):	**0**	
Other Deferred Debits (183):		
NONE		10
Total (Acct. 183):	**0**	
Other Deferred Credits (253):		
NONE		11
Total (Acct. 253):	**0**	
Accumulated Deferred Investment Tax Credits (255):		
NONE		12
Total (Acct. 255):	**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	108,033	0	0	0	**108,033**	**1**
Materials and Supplies	0	0	0	0	**0**	**2**
Other (specify):						
NONE					**0**	**3**
Less Average:						
Reserve for Depreciation	55,081	0	0	0	**55,081**	**4**
Customer Advances for Construction					**0**	**5**
Contributions in Aid of Construction	104,115	0	0	0	**104,115**	**6**
Other (specify):						
NONE					**0**	**7**
Average Net Rate Base	**(51,163)**	**0**	**0**	**0**	**(51,163)**	
Net Operating Income	(3,053)	0	0	0	**(3,053)**	**8**
Net Operating Income as a percent of Average Net Rate Base	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	

RETURN ON COMMON EQUITY COMPUTATION

1. Sort data on a corporate basis, not a consolidated basis.
2. The data used in calculating average common equity is based on monthly averages, if available.
3. If monthly averages are not available, use average of beginning and end of year.

Description (a)	Common Equity (b)	Common Equity Plus ITC (c)	
Average Common Equity			
Common Stock Outstanding	3,000		1
Premium on Capital Stock			2
Capital Stock Expense			3
Retained Earnings	(48,602)		4
Deferred Investment Tax Credit			5
Other (Specify):			
NONE			6
Average Common Stock Equity	(45,602)	0	
Net Income			
Add:			
Net Income			7
Other (Specify):			
NONE			8
Less:			
Preferred Dividends			9
Other (Specify):			
NONE			10
Adjusted Net Income	0	0	
Percent Return on Equity	**0.00%**	**0.00%**	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions, mergers, consolidation, or reorganization with other companies.

2. Details of new or significant changes in leasehold arrangements.

3. Estimated changes in revenues due to rate changes.

4. Obligations incurred or assumed, excluding commercial paper.

5. Changes in articles of incorporation or amendments to charter.

6. Docketed proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Contacts (Page iv)

Hawkins, Ash, Baptie & Co, LLP entered the 1998 information into the WEGARS software. All information to perform this data entry was provided by Van Woods Estates Waterworks Co. Inc.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	11,119	1
Total Sales of Water	**11,119**	
Other Operating Revenues		
Forfeited Discounts (470)	0	2
Other Water Revenues (474)	0	3
Total Other Operating Revenues	**0**	
Total Operating Revenues	**11,119**	
Operation and Maintenenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	4,086	4
General Expenses (680-690)	7,601	5
Total Operation and Maintenenance Expenses	**11,687**	
Other Operating Expenses		
Depreciation Expense (403)	2,399	6
Amortization Expense (404)		7
Taxes Other Than Income Taxes (408.1)	86	8
Income taxes (409.1)	0	9
Investment Tax Credits, Deferred (412.1)		10
Investment Tax Credits, Restored (412.2)		11
Total Other Operating Expenses	**2,485**	
Total Operating Expenses	**14,172**	
NET OPERATING INCOME	**(3,053)**	

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	6	326	1,040	**1**
Commercial				**2**
Industrial				**3**
Total Unmetered Sales to General Customers (460)	**6**	**326**	**1,040**	
Metered Sales to General Customers (461)				
Residential	53	3,111	10,079	**4**
Commercial				**5**
Industrial				**6**
Total Metered Sales to General Customers (461)	**53**	**3,111**	**10,079**	
Private Fire Protection Service (462)				**7**
Public Fire Protection Service (463)				**8**
Other Sales to Public Authorities (464)				**9**
Sales to Irrigation Customers (465)				**10**
Sales for Resale (466)		0	0	**11**
Interdepartmental Sales (467)				**12**
Total Sales of Water	**59**	**3,437**	**11,119**	

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)	
Forfeited Discounts (470):		
Customer late payment charges		1
Other (specify):		
NONE		2
Total Forfeited Discounts (470)	**0**	
Other Water Revenues (474):		
NONE		3
Total Other Water Revenues (474)	**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)	2,036	3
Chemicals (630)		4
Supplies and Expenses (640)		5
Repairs of Water Plant (650)	2,050	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	**4,086**	
GENERAL EXPENSES		
Administrative and General Salaries (680)		8
Office Supplies and Expenses (681)	613	9
Outside Services Employed (682)	6,988	10
Insurance Expense (684)		11
Employee Pensions and Benefits (686)		12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Expenses	**7,601**	
Total Operation and Maintenance Expenses	**11,687**	

TAXES (ACCTS. 408.1 AND 409.1)

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

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Taxes other than income taxes (Acct 408.1)			
Property Tax		77	1
Social Security			2
Wisconsin Gross Receipts Tax			3
PSC Remainder Assessment		9	4
Other (specify): NONE			5
Total taxes other than income taxes		**86**	
Income Taxes (Acct 409.1)			
NONE			6
Total income taxes		**0**	
Total tax expense		**86**	

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.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Total Intangible Plant	**0**	**0**	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		3
Structures and Improvements (311)	9,298		4
Collecting and Impounding Reservoirs (312)	0		5
Lake, River and Other Intakes (313)	0		6
Wells and Springs (314)	36,859		7
Infiltration Galleries and Tunnels (315)	0		8
Supply Mains (316)	28,532		9
Total Source of Supply Plant	**74,689**	**0**	
PUMPING PLANT			
Land and Land rights (320)	0		10
Structures and Improvements (321)	0		11
Boiler Plant Equipment (322)	0		12
Other Power Production Equipment (323)	0		13
Steam Pumping Equipment (324)	0		14
Electric Pumping Equipment (325)	13,562		15
Diesel Pumping Equipment (326)	0		16
Hydraulic Pumping Equipment (327)	0		17
Other Pumping Equipment (328)	0		18
Total Pumping Plant	**13,562**	**0**	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		19
Structures and Improvements (331)	0		20
Water Treatment Equipment (332)	0	519	21
Total Water Treatment Plant	**0**	**519**	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		22
Structures and Improvements (341)	0		23
Distribution Reservoirs and Standpipes (342)	6,272		24
Transmission and Distribution Mains (343)	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
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	3
Structures and Improvements (311)			9,298	4
Collecting and Impounding Reservoirs (312)			0	5
Lake, River and Other Intakes (313)			0	6
Wells and Springs (314)			36,859	7
Infiltration Galleries and Tunnels (315)			0	8
Supply Mains (316)			28,532	9
Total Source of Supply Plant	0	0	74,689	
PUMPING PLANT				
Land and Land rights (320)			0	10
Structures and Improvements (321)			0	11
Boiler Plant Equipment (322)			0	12
Other Power Production Equipment (323)			0	13
Steam Pumping Equipment (324)			0	14
Electric Pumping Equipment (325)			13,562	15
Diesel Pumping Equipment (326)			0	16
Hydraulic Pumping Equipment (327)			0	17
Other Pumping Equipment (328)			0	18
Total Pumping Plant	0	0	13,562	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	19
Structures and Improvements (331)			0	20
Water Treatment Equipment (332)			519	21
Total Water Treatment Plant	0	0	519	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			0	22
Structures and Improvements (341)			0	23
Distribution Reservoirs and Standpipes (342)			6,272	24
Transmission and Distribution Mains (343)			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.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Fire Mains (344)	0		**26**
Services (345)	8,635		**27**
Meters (346)	4,265	361	**28**
Hydrants (348)	170		**29**
Other Transmission and Distribution Plant (349)	0		**30**
Total Transmission and Distribution Plant	**19,342**	**361**	
GENERAL PLANT			
Land and Land Rights (370)	0		**31**
Structures and Improvements (371)	0		**32**
Office Furniture and Equipment (372)	0		**33**
Computer Equipment (372.1)			**34**
Transportation Equipment (379)	0		**35**
Total General Plant	**0**	**0**	
Total utility plant in service	**107,593**	**880**	

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				
Fire Mains (344)			**0**	**26**
Services (345)			**8,635**	**27**
Meters (346)			**4,626**	**28**
Hydrants (348)			**170**	**29**
Other Transmission and Distribution Plant (349)			**0**	**30**
Total Transmission and Distribution Plant	**0**	**0**	**19,703**	
GENERAL PLANT				
Land and Land Rights (370)			**0**	**31**
Structures and Improvements (371)			**0**	**32**
Office Furniture and Equipment (372)			**0**	**33**
Computer Equipment (372.1)			**0**	**34**
Transportation Equipment (379)			**0**	**35**
Total General Plant	**0**	**0**	**0**	
Total utility plant in service	**0**	**0**	**108,473**	

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply: Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)	Total Gallons All Methods (000's) (e)	
January			290	**290**	1
February			282	**282**	2
March			288	**288**	3
April			306	**306**	4
May			309	**309**	5
June			305	**305**	6
July			329	**329**	7
August			300	**300**	8
September			280	**280**	9
October			280	**280**	10
November			280	**280**	11
December			233	**233**	12
Total for year	**0**	**0**	**3,482**	**3,482**	

Less: Measured or estimated water used in main flushing and water treatment during year		13
Less: Other utility use	46	14
Other utility use explanation: NO explanation given by VanWoods in the pencil copy of the 1998 report.		15
Water pumped into distribution system	**3,436**	16
Less: Water sold	3,437	17
Losses and unaccounted for	**(1)**	18
Percent unaccounted for to the nearest whole percent (%)	**-0%**	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:		20
Maximum gallons pumped by all methods in any one day during reporting year	13,000	21
Date of maximum: 7/3/1998		22
Cause of maximum: summer use		23
Minimum gallons pumped by all methods in any one day during reporting year	8,000	24
Date of minimum: 12/4/1998		25
Total KWH used for pumping for the year	18,716	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	2	295	6	1	Yes	**1**
WELL	3	1,164	6	1	Yes	**2**

SOURCES OF WATER SUPPLY - SURFACE WATERS

	Intakes				
Location (a)	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)	
NONE					1

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	#2	#3		1
Location	WELL HOUSE	WELLHOUSE		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	STARITE	STARITE		5
Year Installed	1971	1982		6
Type	SUBMERSIBLE	SUBMERSIBLE		7
Actual Capacity (gpm)	55	250		8
Pump Motor or				9
Standby Engine Mfr	STARITE	STARITE		10
Year Installed	1971	1982		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	8	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				22
Standby Engine Mfr				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	INSIDE PUMPHOUSE			1
RESERVOIRS, STANDPIPES				2
OR ELEVATED TANKS				3
Type: R (reservoir), S (standpipe)				4
or ET (elevated tank)	R			5
Year constructed	1955			6
Primary material (earthen, steel,				7
concrete, other)	STEEL			8
Elevation difference in feet				9
(See Headnote 3.)	0			10
Total capacity in gallons	3,000			11
WATER TREATMENT PLANT				12
Disinfection, type of equipment				13
(gas, liquid, powder, other)	LIQUID			14
Points of application				15
(wellhouse, central facilities,				16
booster station, other)	WELLHOUSE			17
Filters, type (gravity, pressure,				18
other, none)	NONE			19
Rated capacity of filter plant				20
(m.g.d.) (note: 1,200,000 gal/day				21
= 1.2 m.g.d.)	0.0000			22
Is a corrosion control chemical				23
used (yes, no)?	N			24
Is water fluoridated (yes, no)?	N			25

WATER MAINS

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

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	3.000	4,950	0	0	0	**4,950**	**1**
M	D	6.000	1,125	0	0	0	**1,125**	**2**
Total Utility			**6,075**	**0**	**0**	**0**	**6,075**	

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	1.000	59	0	0	0	59		**1**
Total Utility		**59**	**0**	**0**	**0**	**59**	**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).

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)	
0.750	53	6	0	0	**59**	0	**1**
Total:	**53**	**6**	**0**	**0**	**59**	**0**	

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)	
0.750	59	0	0	0	0	0	**59**	**1**
Total:	**59**	**0**	**0**	**0**	**0**	**0**	**59**	

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.

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

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: 3

Number of distribution system valves end of year: 3

Number of distribution valves operated during year: 3

WATER OPERATING SECTION FOOTNOTES

Meters (Page W-16)

No meters tested per Pat Stahl