



3015 (02-09-04)

ANNUAL REPORT

OF

Name: STONE LAKE SANITARY DISTRICT

Principal Office: P.O. BOX 193
STONE LAKE, WI 54876

For the Year Ended: DECEMBER 31, 2002

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

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

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

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: STONE LAKE SANITARY DISTRICT

Utility Address: P.O. BOX 193
STONE LAKE, WI 54876

When was utility organized? 7/11/1975

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: STEPHANIE SHEFFIELD

Title: TREASURER

Office Address:

P.O. BOX 193
STONE LAKE, WI 54876

Telephone: (715) 865 - 5502

Fax Number:

E-mail Address:

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

Name: DANIEL L. THOLE, CPA

Title: PARTNER

Office Address: TRACEY & THOLE, S.C.

502 SECOND STREET
HUDSON, WI 54016

Telephone: (715) 386 - 2391

Fax Number: (715) 386 - 0535

E-mail Address: tandtcpa@chibardun.net

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

Name: MR. RONALD RUPRECHT

Title: PRESIDENT

Office Address:

P.O. BOX 193
STONE LAKE, WI 54876

Telephone: (715) 863 - 2750

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: DANIEL L. THOLE, CPA

Title: PARTNER

Office Address: TRACEY & THOLE, S.C.
502 SECOND STREET
HUDSON, WI 54016

Telephone: (715) 386 - 2391

Fax Number: (715) 386 - 0535

E-mail Address: tandtcpa@schibardun.net

Date of most recent audit report: 3/5/2003

Period covered by most recent audit: 2002

Names and titles of utility management including manager or superintendent:

Name: ERLENE WHALEN

Title: SECRETARY

Office Address:
5782 STUBBINS ROAD
STONE LAKE, WI 54876

Telephone: () -

Fax Number:

E-mail Address:

Name: MR MIKE ROSSIO

Title: SUPERINTENDENT

Office Address:
16776W MAIN STREET
STONE LAKE, WI 54876

Telephone: (715) 865 - 4306

Fax Number:

E-mail Address:

Name: STEPHANIE SHEFFIELD

Title: TREASURER

Office Address:
P.O. BOX 193
STONE LAKE, WI 54876

Telephone: (715) 865 - 5502

Fax Number:

E-mail Address:

Name of utility commission/committee: Stone Lake Sanitary Commission

Names of members of utility commission/committee:
MR HAROLD HELWIG, COMMISSION MEMBER
MR RONALD RUPRECHT, PRESIDENT

IDENTIFICATION AND OWNERSHIP

Is sewer service rendered by the utility?

If "yes," has the municipality by ordinance consolidated the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? YES

Date of Ordinance: 7/11/1975

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:

None.

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	32,230	30,264	1
Operating Expenses:			
Operation and Maintenance Expense (401)	18,750	14,815	2
Depreciation Expense (403)	12,041	12,025	3
Amortization Expense (404)	0	0	4
Taxes (408)	555	509	5
Total Operating Expenses	31,346	27,349	
Net Operating Income	884	2,915	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	884	2,915	
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)	1,129	2,584	9
Miscellaneous Nonoperating Income (421)	0	252	10
Total Other Income	1,129	2,836	
Total Income	2,013	5,751	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	1,576	0	12
Total Miscellaneous Income Deductions	1,576	0	
Income Before Interest Charges	437	5,751	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	6,505	7,591	13
Amortization of Debt Discount and Expense (428)	711	766	14
Amortization of Premium on Debt--Cr. (429)		0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)		0	18
Total Interest Charges	7,216	8,357	
Net Income	(6,779)	(2,606)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(275,501)	(272,895)	19
Balance Transferred from Income (433)	(6,779)	(2,606)	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)	(282,280)	(275,501)	

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):		
BOND REDEMPTION FUND AND OPERATING CASH ACCOUNTS	1,129	4
Total (Acct. 419):	1,129	
Miscellaneous Nonoperating Income (421):		
NONE		5
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
OPERATING LOSS OF SEWER DEPARTMENT	1,576	7
Total (Acct. 426):	1,576	
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):						
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	32,230	0	0	0	32,230	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	32,230	0	0	0	32,230	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	533,382	532,014	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	259,026	246,880	2
Net Utility Plant	274,356	285,134	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	560,543	559,343	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	278,349	265,582	4
Net Nonutility Property	282,194	293,761	
Investment in Municipality (123)	0	0	5
Other Investments (124)	16,294	15,503	6
Special Funds (125)	0	0	7
Total Other Property and Investments	298,488	309,264	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	22,551	24,423	8
Temporary Cash Investments (132)	9,910		9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	4,966	5,263	11
Other Accounts Receivable (143)	9,299	9,175	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	423	1,461	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	1,754	1,415	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	48,903	41,737	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	1,726	2,437	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	1,726	2,437	
Total Assets and Other Debits	623,473	638,572	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	0	0	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	(282,280)	(275,501)	23
Total Proprietary Capital	(282,280)	(275,501)	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	110,902	123,019	26
Total Long-Term Debt	110,902	123,019	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	1,332	621	28
Payables to Municipality (233)	242	874	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	434	389	32
Other Current and Accrued Liabilities (238)	1,316	1,043	33
Total Current and Accrued Liabilities	3,324	2,927	
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)	791,527	788,127	38
Total Liabilities and Other Credits	623,473	638,572	

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)	531,838	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)	1,544				5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	533,382	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	259,026	0	0	0	9
Total Accumulated Provision	259,026	0	0	0	
Net Utility Plant	274,356	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	246,880				246,880	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	12,041				12,041	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	105				105	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	12,146	0	0	0	12,146	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	259,026	0	0	0	259,026	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.28%					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	559,343	1,200		560,543	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	559,343	1,200	0	560,543	
Less accum. prov. depr. & amort. (122)	265,582	12,767		278,349	3
Net Nonutility Property	293,761	(11,567)	0	282,194	

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

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

MATERIALS AND SUPPLIES

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

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

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

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

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
PROMISSORY NOTES DATED 12-27-95	711	428	1,726	1
Total			<u><u>1,726</u></u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u><u>0</u></u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)
Balance first of year	0 1
Changes during year (explain):	
NONE	2
Balance end of year	<u>0</u>

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	------------------------------	------------------------------------	------------------------------	---------------------------------------------

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)					
PROMISSORY NOTE	12/27/1995	12/27/2005	6.50%	110,902	1
Total for Account 224				110,902	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	555	2
Charged electric department expense		3
Charged sewer department expense	482	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>1,037</u>	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	1,009	7
PSC Remainder Assessment	28	8
Other (explain):		
NONE		9
Total payments and other debits	<u>1,037</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)					
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)					
PROMISSORY NOTES DATED 12-27-95	389	6,505	6,460	434	3
Subtotal	389	6,505	6,460	434	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	389	6,505	6,460	434	

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	410,787	0	0	377,340	0	788,127	1
Add credits during year:							
For Services	1,000			2,400		3,400	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	411,787	0	0	379,740	0	791,527	
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):		
WATER RESERVE FUND	16,294	2
Total (Acct. 124):	16,294	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	4,966	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	4,966	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	8,699	9
Merchandising, jobbing and contract work	600	10
Other (specify):		
NONE		11
Total (Acct. 143):	9,299	
Receivables from Municipality (145):		
2002 TAX ROLL ITEMS	423	12
Total (Acct. 145):	423	
Prepayments (165):		
PREPAID INSURANCE	1,754	13
Total (Acct. 165):	1,754	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
<hr/>		
Payables to Municipality (233):		
DUE TOWNSHIP	242	16
Total (Acct. 233):	242	
<hr/>		
Other Deferred Credits (253):		
NONE		17
Total (Acct. 253):		0
<hr/>		

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	531,154	0	0	0	531,154	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	252,953	0	0	0	252,953	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	411,287	0	0	0	411,287	6
Other (specify):						
NONE					0	7
Average Net Rate Base	(133,086)	0	0	0	(133,086)	
Net Operating Income	884	0	0	0	884	8
Net Operating Income as a percent of Average Net Rate Base	N/A	N/A	N/A	N/A	N/A	N/A

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
 2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	0	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(278,890)	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	(278,890)	
Net Income		
Net Income	(6,779)	5
 Percent Return on Proprietary Capital	 N/A	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

None.

2. Leaseholder changes.

None.

3. Extensions of service.

None.

4. Estimated changes in revenues due to rate changes.

Simplified rate increase effective 10/1/2002. Estimated annual effect of \$880.

5. Obligations incurred or assumed, excluding commercial paper.

None.

6. Formal proceedings with the Public Service Commission.

Simplified rate increae application per Docket 5730-WQ-102.

7. Any additional matters.

None.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership - Contacts (Page iv)

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WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	31,615	1
Total Sales of Water	31,615	
Other Operating Revenues		
Forfeited Discounts (470)	157	2
Other Water Revenues (474)	458	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	615	
Total Operating Revenues	32,230	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	13,180	5
General Operating Expenses (680-690)	5,570	6
Total Operation and Maintenance Expenses	18,750	
Other Operating Expenses		
Depreciation Expense (403)	12,041	7
Amortization Expense (404)		8
Taxes (408)	555	9
Total Other Operating Expenses	12,596	
Total Operating Expenses	31,346	
NET OPERATING INCOME	884	

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	88	3,072	13,105	4
Commercial	31	1,889	6,130	5
Industrial				6
Total Metered Sales to General Customers (461)	119	4,961	19,235	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	2		10,887	8
Other Sales to Public Authorities (464)	7	480	1,493	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	128	5,441	31,615	

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)	10,887	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)	10,887	
Forfeited Discounts (470):		
Customer late payment charges	157	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	157	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	205	7
Other (specify):		
BULK WATER SALES TO RAILROAD AND BLACKTOOPING COMPANY	253	8
Total Other Water Revenues (474)	458	
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)	5,527	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	1,641	3
Chemicals (630)		4
Supplies and Expenses (640)	3,567	5
Repairs of Water Plant (650)	1,999	6
Transportation Expenses (660)	446	7
Total Plant Operation and Maintenance Expenses	13,180	
 GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	1,931	8
Office Supplies and Expenses (681)	1,108	9
Outside Services Employed (682)	1,300	10
Insurance Expense (684)	1,203	11
Employees Pensions and Benefits (686)		12
Regulatory Commission Expenses (688)	28	13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	5,570	
 Total Operation and Maintenance Expenses	 18,750	

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		527 3
PSC Remainder Assessment		28 4
Other (specify): NONE		5
Total tax expense		<u>555</u>

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	150		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	150	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	1,483		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)	42,597		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	44,080	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	19,210		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	25,592		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	1,467		20
Total Pumping Plant	46,269	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			150 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	150
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			1,483 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)			42,597 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	44,080
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			19,210 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			25,592 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			1,467 20
Total Pumping Plant	0	0	46,269
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	82,552		26
Transmission and Distribution Mains (343)	283,390		27
Fire Mains (344)	0		28
Services (345)	35,164	1,368	29
Meters (346)	9,168		30
Hydrants (348)	27,093		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	437,367	1,368	
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)	2,000		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	604		38
Other Tangible Property (390)	0		39
Total General Plant	2,604	0	
Total utility plant in service directly assignable	530,470	1,368	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	530,470	1,368	

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)			82,552 26
Transmission and Distribution Mains (343)			283,390 27
Fire Mains (344)			0 28
Services (345)			36,532 29
Meters (346)			9,168 30
Hydrants (348)			27,093 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	438,735
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)			2,000 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			604 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	2,604
Total utility plant in service directly assignable	0	0	531,838
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	531,838

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			451	451	1
February			405	405	2
March			437	437	3
April			429	429	4
May			524	524	5
June			631	631	6
July			733	733	7
August			535	535	8
September			454	454	9
October			508	508	10
November			443	443	11
December			467	467	12
Total annual pumpage	0	0	6,017	6,017	
Less: Water sold				5,441	13
Volume pumped but not sold				576	14
Volume sold as a percent of volume pumped				90%	15
Volume used for water production, water quality and system maintenance				95	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales				50	18
Total volume not sold but accounted for				145	19
Volume pumped but unaccounted for				431	20
Percent of water lost				7%	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.)				41	23
Date of maximum: 7/19/2002					24
Cause of maximum:					25
System flushing.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				7	26
Date of minimum: 2/6/2002					27
Total KWH used for pumping for the year				25,829	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)	
WELL	#1	270	8	172,800	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			1
Location	STONE LAKE			2
Purpose	P			3
Destination	D			4
Pump Manufacturer	JACUZZI			5
Year Installed	1976			6
Type	VERTICAL TURBINE			7
Actual Capacity (gpm)	120			8
Pump Motor or Standby Engine Mfr	JACUZZI			10
Year Installed	1976			11
Type	ELECTRIC			12
Horsepower	10			13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				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	#1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1976		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	130		6
Total capacity in gallons (actual)	30,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)			9
Points of application (wellhouse, central facilities, booster station, other)			10
Filters, type (gravity, pressure, other, none)			11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			12
Is a corrosion control chemical used (yes, no)?			13
Is water fluoridated (yes, no)?			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25

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)	
P	D	6.000	16,196	0	0	0	16,196	1
P	D	8.000	2,913	0	0	0	2,913	2
Total Within Municipality			19,109	0	0	0	19,109	
Total Utility			19,109	0	0	0	19,109	

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	117	0	0	0	117		1
M	1.000	6	2	0	0	8		2
M	1.500	1	0	0	0	1		3
P	2.000	2	0	0	0	2		4
Total Utility		126	2	0	0	128	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	122	0	0	0	122	12	1
1.000	2	0	0	0	2	0	2
1.500	1	0	0	0	1	0	3
2.000	1	0	0	0	1	0	4
Total:	126	0	0	0	126	12	

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	88	29	0	5	0	0	122	1
1.000	0	1	0	1	0	0	2	2
1.500	0	0	0	1	0	0	1	3
2.000	0	1	0	0	0	0	1	4
Total:	88	31	0	7	0	0	126	

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	34				34	2
Total Fire Hydrants	34	0	0	0	34	
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:	34
Number of distribution system valves end of year:	204
Number of distribution valves operated during year:	204

WATER OPERATING SECTION FOOTNOTES

Water Services (Page W-16)

New services cost assessed to property owners in accord with Schedule Cz-1.
