



3015 (02-09-04)

ANNUAL REPORT

OF

Name: SHOREWOOD HILLS WATER UTILITY

Principal Office: 310 SHOREWOOD BOULEVARD
MADISON, WI 53705-2115

For the Year Ended: DECEMBER 31, 2001

**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: SHOREWOOD HILLS WATER UTILITY

Utility Address: 310 SHOREWOOD BOULEVARD
MADISON, WI 53705-2115

When was utility organized? 1/1/1927

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: PERRY ASHER

Title: VILLAGE ADMINISTRATOR

Office Address:

810 SHOREWOOD BOULEVARD
MADISON, WI 53705-2115

Telephone: (608) 267 - 2680

Fax Number: (608) 266 - 5929

E-mail Address:

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

Name:

Title:

Office Address: VIRCHOW, KRAUSE & COMPANY, LLP

TEN TERRACE COURT
P.O. BOX 7398
MADISON, WI 53707-7398

Telephone: (608) 240 - 2387

Fax Number: (608) 249 - 8532

E-mail Address: vhellenbrand@virchowkrause.com

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

Name: PETER HANS

Title: VILLAGE PRESIDENT

Office Address:

810 SHOREWOOD BOULEVARD
MADISON, WI 53705-2115

Telephone: (608) 267 - 2680

Fax Number: (608) 266 - 5929

E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name:

Title:

Office Address: VIRCHOW, KRAUSE & COMPANY, LLP
TEN TERRACE COURT
P.O. BOX 7398
MADISON, WI 53707-7398

Telephone: (608) 240 - 2387

Fax Number: (608) 249 - 8532

E-mail Address: vhellenbrand@virchowkrause.com

Date of most recent audit report: 2/19/2002

Period covered by most recent audit: 2001

Names and titles of utility management including manager or superintendent:

Name: DENNIS LYBECK

Title: SUPERINTENDENT

Office Address:

810 SHOREWOOD BOULEVARD
MADISON, WI 53705-2115

Telephone: (608) 267 - 2680

Fax Number: (608) 266 - 5929

E-mail Address:

Name of utility commission/committee: VILLAGE BOARD

Names of members of utility commission/committee:

- MARGARET ANDREASEN
- PETER HANS, PRESIDENT
- BRIAN JOINER
- TIMOTHY KRITTER
- DOUG RAHN
- MARK SUNDQUIST
- JOHN TAYLOR
- MARILYN TOWNSEND

Is sewer service rendered by the utility? NO

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?NO

Date of Ordinance: [REDACTED]

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:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

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

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	232,740	227,373	1
Operating Expenses:			
Operation and Maintenance Expense (401)	140,657	150,279	2
Depreciation Expense (403)	18,505	17,912	3
Amortization Expense (404)	0	0	4
Taxes (408)	21,829	21,706	5
Total Operating Expenses	180,991	189,897	
Net Operating Income	51,749	37,476	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	51,749	37,476	
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)	140	42	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	140	42	
Total Income	51,889	37,518	
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	51,889	37,518	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	132	1,416	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	132	1,416	
Net Income	51,757	36,102	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	242,412	206,310	19
Balance Transferred from Income (433)	51,757	36,102	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)	294,169	242,412	

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	140	4
Total (Acct. 419):	140	
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	232,740	0	0	0	232,740	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	232,740	0	0	0	232,740	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	857,151	857,321	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	249,122	229,336	2
Net Utility Plant	608,029	627,985	
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)	0	0	7
Total Other Property and Investments	0	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	35,362		8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	22,881	24,195	11
Other Accounts Receivable (143)	856	8,492	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	0	14
Materials and Supplies (150)	1,690	1,690	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)	35,232	35,232	17
Total Current and Accrued Assets	96,021	69,609	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	704,050	697,594	

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)	58,988	58,988	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	294,169	242,412	23
Total Proprietary Capital	353,157	301,400	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	1,647	3,331	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	1,647	3,331	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	1,898	5,462	28
Payables to Municipality (233)	196,536	236,537	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	60	112	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	198,494	242,111	
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)	150,752	150,752	38
Total Liabilities and Other Credits	704,050	697,594	

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)	857,151	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	857,151	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	249,122	0	0	0	9
Total Accumulated Provision	249,122	0	0	0	
Net Utility Plant	608,029	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	229,336				229,336	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	18,505				18,505	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,451				1,451	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	19,956	0	0	0	19,956	13
Debits during year						14
Book cost of plant retired	170				170	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	170	0	0	0	170	19
Balance End of Year	249,122	0	0	0	249,122	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						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 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	1,690	1,690 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	1,690	1,690

**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	58,988	1
Changes during year (explain):		2
Balance end of year	<u><u>58,988</u></u>	

BONDS (ACCT. 221)

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

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
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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)	
Advances (223)					
1998 REFINANCING	12/17/1998	03/18/2002	4.59%	1,647	1
Total for Account 223				1,647	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	21,829	2
Charged electric department expense		3
Charged sewer department expense	477	4
Other (explain):		
NONE		5
Total Accruals and other credits	22,306	
Taxes paid during year:		
County, state and local taxes	20,190	6
Social Security taxes	1,848	7
PSC Remainder Assessment	268	8
Other (explain):		
NONE		9
Total payments and other debits	22,306	
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 Municipality (223)					
NONE	0			0	2
1998 REFINANCING	112	132	184	60	3
Subtotal	112	132	184	60	
Other long-Term Debt (224)					
NONE	0			0	4
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	112	132	184	60	

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	150,752	0	0	0	0	150,752	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	150,752	0	0	0	0	150,752	
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):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	22,881	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	22,881	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
MISCELLANEOUS	856	11
Total (Acct. 143):	856	
Receivables from Municipality (145):		
NONE		12
Total (Acct. 145):	0	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
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)	
Payables to Municipality (233):		
PRIOR YEAR ADVANCE FOR CASH DEFICIT FOR OPERATING COSTS	196,536	16
Total (Acct. 233):	196,536	
Other Deferred Credits (253):		
NONE		17
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	857,236	0	0	0	857,236	1
Materials and Supplies	1,690	0	0	0	1,690	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	239,229	0	0	0	239,229	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	150,752	0	0	0	150,752	6
Other (specify):					0	7
Average Net Rate Base	468,945	0	0	0	468,945	
Net Operating Income	51,749	0	0	0	51,749	8
Net Operating Income as a percent of Average Net Rate Base	11.04%	N/A	N/A	N/A	11.04%	

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	58,988	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	268,290	3
Other (Specify):		4
Total Average Proprietary Capital	327,278	
Net Income		
Net Income	51,757	5
Percent Return on Proprietary Capital	15.81%	

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

Identification and Ownership - Contacts (Page iv)

January 10, 2003

Mr. Perry Asher, Village Administrator
Village of Shorewood Hills Water Utility
810 Shorewood Boulevard
Shorewood Hills, WI 53705-2115

2001 Analytical Review DWCCA-5450-PJL

Dear Mr. Asher:

The Public Service Commission (Commission) staff has completed its analytical review of your 2001 annual report. The primary purpose of our analytical review is to detect possible reporting or accounting related errors and also to identify significant fluctuations from prior year's data that are not sufficiently explained in the annual report. We have no questions; only the following comment:

During our review, we noted that in Account 233, Payables to Municipality on page F-18, you reported \$196,536 described as prior year costs. Please note that in the future, Account 233 should only contain amounts that are subject to current settlement. Amounts that will not be repaid should be written off to Account 434, Miscellaneous Credits to Surplus, after approval by the municipal body. Amounts that will be repaid, but over a longer period of time, should be reclassified to Account 223, Advances from Municipality.

In addition, you may receive additional inquiries from our office regarding your annual report during a rate case, construction authorization, or other Commission reviews.

Thank you for your efforts in preparing your 2001 annual report. If you have any questions, please feel free to contact me at (608) 267-9198 or by e-mail at peter.leege@psc.state.wi.us.

Sincerely,

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

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FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

ACCOUNTANTS' COMPILATION REPORT

Shorewood Hills Water Utility
Madison, Wisconsin

We have compiled the accompanying Annual Report to the Public Service Commission of the Shorewood Hills Water Utility, an enterprise fund of the Village of Shorewood Hills, as of December 31, 2001 and for the 12 months then ended, 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 prescribed by the Wisconsin Public Service Commission, information that is the representation of management. We have not audited or reviewed the Annual Report and, accordingly, do not express an opinion or any other form of assurance on the Report.

The Annual Report is presented in accordance with the requirements of the Wisconsin Public Service Commission which differ from generally accepted accounting principles. This report is intended solely for the information and use of the Utility and the Public Service Commission of Wisconsin, and is not intended to be, and should not be, used by anyone other than the specified parties.

S

VIRCHOW, KRAUSE & COMPANY, LLP

Madison, Wisconsin
February 19, 2002

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	230,658	1
Total Sales of Water	230,658	
Other Operating Revenues		
Forfeited Discounts (470)	505	2
Other Water Revenues (474)	1,577	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	2,082	
Total Operating Revenues	232,740	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	112,431	5
General Operating Expenses (680-690)	28,226	6
Total Operation and Maintenance Expenses	140,657	
Other Operating Expenses		
Depreciation Expense (403)	18,505	7
Amortization Expense (404)		8
Taxes (408)	21,829	9
Total Other Operating Expenses	40,334	
Total Operating Expenses	180,991	
NET OPERATING INCOME	51,749	

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	613	50,387	122,594	4
Commercial	30	12,369	24,907	5
Industrial				6
Total Metered Sales to General Customers (461)	643	62,756	147,501	
Private Fire Protection Service (462)	1		4,488	7
Public Fire Protection Service (463)	1		71,289	8
Other Sales to Public Authorities (464)	6	3,834	7,380	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	651	66,590	230,658	

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)	71,289	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)	71,289	
Forfeited Discounts (470):		
Customer late payment charges	505	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	505	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,577	7
Other (specify): NONE		8
Total Other Water Revenues (474)	1,577	
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)	15,129	1
Purchased Water (610)	80,319	2
Fuel or Power Purchased for Pumping (620)	5,205	3
Chemicals (630)		4
Supplies and Expenses (640)	10,678	5
Repairs of Water Plant (650)	1,100	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	112,431	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	14,981	8
Office Supplies and Expenses (681)	117	9
Outside Services Employed (682)	7,128	10
Insurance Expense (684)		11
Employees Pensions and Benefits (686)	0	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	6,000	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	28,226	
Total Operation and Maintenance Expenses	140,657	

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		20,190	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		477	2
Net property tax equivalent		19,713	
Social Security		1,848	3
PSC Remainder Assessment		268	4
Other (specify): NONE			5
Total tax expense		<u>21,829</u>	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Dane				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.211100				3
County tax rate	mills		3.724600				4
Local tax rate	mills		4.776400				5
School tax rate	mills		12.950700				6
Voc. school tax rate	mills		1.487800				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		23.150600				10
Less: state credit	mills		1.951500				11
Net tax rate	mills		21.199100				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		4.776400				14
Combined School Tax Rate	mills		14.438500				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		19.214900				17
Total Tax Rate	mills		23.150600				18
Ratio of Local and School Tax to Total	dec.		0.829996				19
Total tax net of state credit	mills		21.199100				20
Net Local and School Tax Rate	mills		17.595163				21
Utility Plant, Jan. 1	\$	857,321	857,321				22
Materials & Supplies	\$	1,690	1,690				23
Subtotal	\$	859,011	859,011				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	859,011	859,011				26
Assessment Ratio	dec.		0.938700				27
Assessed Value	\$	806,354	806,354				28
Net Local & School Rate	mills		17.595163				29
Tax Equiv. Computed for Current Year	\$	14,188	14,188				30
Tax Equivalent per 1994 PSC Report	\$	20,190					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	20,190					34

WATER UTILITY PLANT IN SERVICE

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	149,313		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	96,152		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	14,018		20
Total Pumping Plant	259,483	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)	11,512		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			149,313 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			96,152 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			14,018 20
Total Pumping Plant	0	0	259,483
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)			11,512 24
Structures and Improvements (341)			0 25

WATER UTILITY PLANT IN SERVICE

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	0		26
Transmission and Distribution Mains (343)	358,829		27
Fire Mains (344)	0		28
Services (345)	53,990		29
Meters (346)	57,768		30
Hydrants (348)	96,962		31
Other Transmission and Distribution Plant (349)	734		32
Total Transmission and Distribution Plant	579,795	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	693		35
Computer Equipment (372.1)	4,480		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	12,870		38
Other Tangible Property (390)	0		39
Total General Plant	18,043	0	
Total utility plant in service directly assignable	857,321	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	857,321	0	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)			358,829 27
Fire Mains (344)			0 28
Services (345)			53,990 29
Meters (346)	170		57,598 30
Hydrants (348)			96,962 31
Other Transmission and Distribution Plant (349)			734 32
Total Transmission and Distribution Plant	170	0	579,625
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			693 35
Computer Equipment (372.1)			4,480 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			12,870 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	18,043
Total utility plant in service directly assignable	170	0	857,151
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	170	0	857,151

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

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

Sources of Water Supply					
Month	Purchased Water Gallons (000's)	Surface Water Gallons (000's)	Ground Water Gallons (000's)	Total Gallons All Methods (000's)	
(a)	(b)	(c)	(d)	(e)	
January				0	1
February				0	2
March	38,614			38,614	3
April				0	4
May				0	5
June				0	6
July				0	7
August				0	8
September	39,767			39,767	9
October				0	10
November				0	11
December				0	12
Total annual pumpage	78,381	0	0	78,381	
Less: Water sold				66,590	13
Volume pumped but not sold				11,791	14
Volume sold as a percent of volume pumped				85%	15
Volume used for water production, water quality and system maintenance				400	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales				966	18
Total volume not sold but accounted for				1,366	19
Volume pumped but unaccounted for				10,425	20
Percent of water lost				13%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)					23
Date of maximum:					24
Cause of maximum:					25
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)					26
Date of minimum:					27
Total KWH used for pumping for the year				62,970	28
If water is purchased: Vendor Name: City of Madison Water Utility					29
Point of Delivery: Four locations					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)
-------------------------	--	----------------------------------	--	---	--

NONE

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	1
Identification	4 CORNERS	TALLY HO BOOSTER #1	TALLY HO BOOSTER #2	1
Location	3302 BLACKHAWK	3561 TALLY HO	3561 TALLY HO	2
Purpose	B	B	B	3
Destination	D	D	D	4
Pump Manufacturer	FAIRBANKS	CRANE DEMING	CRANE DEMING	5
Year Installed	1971	1991	1991	6
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	600	400	400	8
Pump Motor or Standby Engine Mfr	FAIRBANKS MORSE	US MOTORS	US MOTORS	9 10
Year Installed	1974	1991	1991	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	25	20	20	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	14
Identification	TALLY HO BOOSTER #3			14
Location	3561 TALLY HO			15
Purpose	B			16
Destination	D			17
Pump Manufacturer	CRANE DEMING			18
Year Installed	1991			19
Type	CENTRIFUGAL			20
Actual Capacity (gpm)	1,000			21
Pump Motor or Standby Engine Mfr	US MOTORS			22 23
Year Installed	1991			24
Type	ELECTRIC			25
Horsepower	25			26

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
----------------------------------	-----------------------------	-----------------------------	-----------------------------

NONE

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	2.000	420	0	0	0	420	1
M	D	6.000	39,068	0	0	0	39,068	2
M	D	8.000	9,580	0	0	0	9,580	3
M	D	10.000	954	0	0	0	954	4
M	D	12.000	560	0	0	0	560	5
Total Within Municipality			50,582	0	0	0	50,582	
Total Utility			50,582	0	0	0	50,582	

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	466	0	0	0	466	1	1
M	1.000	114	0	0	0	114		2
M	1.500	16	0	0	0	16		3
M	2.000	6	0	0	0	6		4
M	3.000	1	0	0	0	1		5
M	4.000	2	0	0	0	2		6
Total Utility		605	0	0	0	605	1	

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	483	0	3	0	480	100	1
0.750	198	0	5	0	193	20	2
1.000	60	0	1	0	59	5	3
1.500	5	0	0	0	5	1	4
2.000	8	0	0	0	8	0	5
3.000	1	0	0	0	1	0	6
Total:	755	0	9	0	746	126	

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	398	6	0	1	0	75	480	1
0.750	151	4	0	2	0	36	193	2
1.000	39	18	0	0	0	2	59	3
1.500	3	0	0	0	0	2	5	4
2.000	0	4	0	1	0	3	8	5
3.000	0	0	0	1	0	0	1	6
Total:	591	32	0	5	0	118	746	

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	72				72	2
Total Fire Hydrants	72	0	0	0	72	
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:	72
Number of distribution system valves end of year:	94
Number of distribution valves operated during year:	47

WATER OPERATING SECTION FOOTNOTES

Water Operating Revenues - Sales of Water (Page W-02)

Number of customers decreased due to the implementation of a new system in 2000 and in inclusion of deduct meters in 2000.

Water Operation & Maintenance Expenses (Page W-05)

Account 610 - In 2000, the waer utility experienced a 9 month leak that resulted in an extreme water loss and increased purchased water.

Account 640 - Increase due to an increase in main breaks in 2001.
