



3015 (02-09-04)

ANNUAL REPORT

OF

Name: VILLAGE OF HORTONVILLE WATER & SEWER UTILITIES

Principal Office: 118 N. MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

For the Year Ended: DECEMBER 31, 2003

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 LYNNE MISCHKER of
(Person responsible for accounts)

Village of Hortonville Water & Sewer Utilities, 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) 04/30/2004
(Date)

CLERK/TREASURER
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: VILLAGE OF HORTONVILLE WATER & SEWER UTILITIES

Utility Address: 118 N. MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

When was utility organized? 9/1/1948

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: LYNNE MISCHKER
Title: CLERK/TREASURER

Office Address:
118 N. MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

Telephone: (920) 779 - 6011

Fax Number: (920) 779 - 6552

E-mail Address:

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

Name: MR JOSEPH GALAROWICZ, CPA
Title: PARTNER

Office Address: VIRCHOW, KRAUSE & COMPANY, LLP
P.O. BOX 2459
APPLETON, WI 54912-2459

Telephone: (920) 733 - 7385

Fax Number: (920) 733 - 5758

E-mail Address: JGALAROWICZ@VIRCHOWKRAUSE.COM

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

Name: MR. ROGER RETZLAFF
Title: VILLAGE PRESIDENT

Office Address:
118 N. MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

Telephone: (920) 779 - 6555

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:

Title:

Office Address: VIRCHOW, KRAUSE & COMPANY, LLP
2323 EAST CAPITOL DRIVE
P.O. BOX 2459
APPLETON, WI 54912-2459

Telephone: (920) 733 - 7385

Fax Number: (920) 733 - 5758

E-mail Address:

Date of most recent audit report: 3/25/2004

Period covered by most recent audit: FOR THE YEAR ENDED DECEMBER 31, 2003

Names and titles of utility management including manager or superintendent:

Name: MR. RON AUSTRENG

Title: DIRECTOR OF PUBLIC WORKS

Office Address:

118 N. MILL STREET
P.O. BOX 99
HORTONVILLE, WI 54944-0099

Telephone: (920) 779 - 4086

Fax Number: (920) 779 - 6552

E-mail Address:

Name of utility commission/committee: VILLAGE BOARD

Names of members of utility commission/committee:

- MR CRAIG DREIER, TRUSTEE
- MR ANDREW GITTER, TRUSTEE
- MR WALLACE LENZNER, TRUSTEE
- MR LOUIS MCKELLAR, TRUSTEE
- MR THOMAS OLK, TRUSTEE
- MR ROGER RETZLAFF, PRESIDENT
- MR W. GEORGE WOJCIK, TRUSTEE

Is sewer service rendered by the utility? YES

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? YES

Date of Ordinance: 9/1/1948

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)	724,559	664,458	1
Operating Expenses:			
Operation and Maintenance Expense (401)	372,850	319,893	2
Depreciation Expense (403)	170,946	217,079	3
Amortization Expense (404)	0	0	4
Taxes (408)	46,159	42,809	5
Total Operating Expenses	589,955	579,781	
Net Operating Income	134,604	84,677	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	134,604	84,677	
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)	52,801	67,339	9
Miscellaneous Nonoperating Income (421)	241,435	0	10
Total Other Income	294,236	67,339	
Total Income	428,840	152,016	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	56,109	0	12
Total Miscellaneous Income Deductions	56,109	0	
Income Before Interest Charges	372,731	152,016	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	115,386	158,227	13
Amortization of Debt Discount and Expense (428)	16,444	22,546	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	131,830	180,773	
Net Income	240,901	(28,757)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(926,198)	(897,441)	19
Balance Transferred from Income (433)	240,901	(28,757)	20
Miscellaneous Credits to Surplus (434)	2,920,325	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)	2,235,028	(926,198)	

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)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	724,559		724,559	1
Total (Acct. 400):	724,559	0	724,559	
Operation and Maintenance Expense (401):				
Derived	372,850		372,850	2
Total (Acct. 401):	372,850	0	372,850	
Depreciation Expense (403):				
Derived	170,946		170,946	3
Total (Acct. 403):	170,946	0	170,946	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	46,159		46,159	5
Total (Acct. 408):	46,159	0	46,159	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	134,604	0	134,604	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST ON INVESTMENTS	24,815	0	24,815	10
INTEREST ON ADVANCE	27,986	0	27,986	11
Total (Acct. 419):	52,801	0	52,801	

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)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water		123,733	123,733 12
Contributed Plant - Sewer		117,702	117,702 13
NONE	0	0	0 14
Total (Acct. 421):	0	241,435	241,435
TOTAL OTHER INCOME:	52,801	241,435	294,236
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
NONE	0	0	0 15
Total (Acct. 425):	0	0	0
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		10,887	10,887 16
Depreciation Expense on Contributed Plant - Sewer		45,222	45,222 17
NONE	0	0	0 18
Total (Acct. 426):	0	56,109	56,109
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	56,109	56,109
INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	115,386		115,386 19
Total (Acct. 427):	115,386	0	115,386
Amortization of Debt Discount and Expense (428):			
2001 REVENUE BONDS	1,849		1,849 20
2002 REVENUE BONDS	14,595		14,595 21
Total (Acct. 428):	16,444	0	16,444
Amortization of Premium on Debt--Cr. (429):			
NONE	0		0 22
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0		0 23
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0		0 24
Total (Acct. 431):	0	0	0

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)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 25
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	131,830	0	131,830
NET INCOME:	55,575	185,326	240,901
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	(926,198)	0	(926,198) 26
Total (Acct. 216):	(926,198)	0	(926,198)
Balance Transferred from Income (433):			
Derived	55,575	185,326	240,901 27
Total (Acct. 433):	55,575	185,326	240,901
Miscellaneous Credits to Surplus (434):			
NET CONTRIBUTION IN AID OF CONSTRUCTION-WATER	0	886,625	886,625 28
NET CONTRIBUTION IN AID OF CONSTRUCTION-SEWER	0	2,033,700	2,033,700 29
Total (Acct. 434):	0	2,920,325	2,920,325
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 30
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 31
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	(870,623)	3,105,651	2,235,028

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

- | |
|---|
| <p>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.</p> <p>2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).</p> |
|---|

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	346,217	0	378,342	0	724,559	1
Less: interdepartmental sales	487		0	0	487	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	1,932				1,932	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	343,798	0	378,342	0	722,140	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	10,770,510	10,500,232	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	5,687,828	3,654,818	2
Net Utility Plant	5,082,682	6,845,414	
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)	530,069	535,514	5
Other Investments (124)	0	0	6
Special Funds (125)	970,000	941,353	7
Total Other Property and Investments	1,500,069	1,476,867	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	4,678	2,390	8
Temporary Cash Investments (132)	268,307	140,305	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	151,242	141,047	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	90,527	207,758	14
Materials and Supplies (150)	5,977	5,977	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)	8,219	13,098	17
Total Current and Accrued Assets	528,950	510,575	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	69,319	85,762	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	69,319	85,762	
Total Assets and Other Debits	7,181,020	8,918,618	

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)	2,175,378	2,168,394	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	2,235,028	(926,198)	23
Total Proprietary Capital	4,410,406	1,242,196	
LONG-TERM DEBT			
Bonds (221)	2,585,000	2,695,000	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	2,585,000	2,695,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	9,213	84,208	28
Payables to Municipality (233)	50,035	8,035	29
Customer Deposits (235)	0	2,980	30
Taxes Accrued (236)	66,194	66,194	31
Interest Accrued (237)	41,958	60,321	32
Other Current and Accrued Liabilities (238)	1,714	6,073	33
Total Current and Accrued Liabilities	169,114	227,811	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	16,500	15,200	36
Total Deferred Credits	16,500	15,200	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	0	4,738,411	38
Total Liabilities and Other Credits	7,181,020	8,918,618	

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)	
First of Year:					
Total Utility Plant - First of Year	3,403,642	7,096,590	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	2,370,608	3,413,069	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	1,170,627	3,816,206	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	3,541,235	7,229,275	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	562,492	3,251,141	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	167,607	1,706,588	0	0	12
Total Accumulated Provision	730,099	4,957,729	0	0	
Net Utility Plant	2,811,136	2,271,546	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

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)	Sewer (c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	510,971	3,143,847			3,654,818	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	50,722	120,224			170,946	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,800	(1,800)			0	6
Accruals charged other						7
accounts (specify):						8
TRANSPORTATION EXPENSE	934	8,870			9,804	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	53,456	127,294	0	0	180,750	13
Debits during year						14
Book cost of plant retired	1,935	20,000			21,935	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	1,935	20,000	0	0	21,935	19
Balance end of year (110.1)	562,492	3,251,141	0	0	3,813,633	20
Composite Depreciation Rate?	Yes	Yes				21
If yes, what is the rate?	1.86%	2.45%				22

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.2):
 1. Report the amounts charged to Depreciation Expense (426).
 2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.

Particulars (a)	Water (b)	Sewer (c)	(d)	(e)	Total (f)	
Balance first of year (110.2)					0	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	10,887	45,222			56,109	4
Accruals charged other						5
accounts (specify):						6
					0	7
Salvage					0	8
Other credits (specify):						9
Est. deprec on contrib plnt 1/1/03	156,720	1,661,366			1,818,086	10
Total credits	167,607	1,706,588	0	0	1,874,195	11
Debits during year						12
Book cost of plant retired	0	0			0	13
Cost of removal					0	14
Other debits (specify):						15
					0	16
Total debits	0	0	0	0	0	17
Balance end of year (110.2)	167,607	1,706,588	0	0	1,874,195	18
Composite Depreciation Rate?	No	No				19
If yes, what is the rate?						20

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

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

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

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	5,977	5,977
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	5,977	5,977

**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)				
1993 MORTGAGE REVENUE BONDS	9,975	428	29,838	1
2001 MORTGAGE REVENUE BONDS	1,849	428	23,521	2
2002 MORTGAGE REVENUE BONDS	4,620	428	15,960	3
Total			69,319	
Unamortized premium on debt (251)				
NONE				4
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	2,168,394	1
Changes during year (explain):		
CONTRIBUTION OF SERVICES AND MAINS-WATER	3,548	2
CONTRIBUTION OF SERVICES AND MAINS-SEWER	3,436	3
Balance end of year	<u>2,175,378</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)	
Mortgage Revenue Bonds	12/31/1982	09/01/2021	5.00%	510,000	1
MORTGAGE REVENUE BOND	04/01/2001	09/01/2021	4.85%	1,460,000	2
Mortgage Revenue Refunding Bonds	07/02/2002	09/01/2010	2.50%	615,000	3
Total Bonds (Account 221):				2,585,000	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

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

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
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NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	66,194	1
Accruals:		
Charged water department expense	4,503	2
Charged electric department expense		3
Charged sewer department expense	8,560	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>13,063</u>	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	12,300	7
PSC Remainder Assessment	763	8
Other (explain):		
NONE		9
Total payments and other debits	<u>13,063</u>	
Balance end of year	<u><u>66,194</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)					
Mortgage Revenue Bonds/1982B	8,833	26,167	26,500	8,500	1
MORTGAGE REVENUE BONDS/2001	38,669	64,207	77,339	25,537	2
Mortgage Revenue Refunding Bonds/1993	0			0	3
MORTGAGE REVENUE REFUNDING BONDS/2002	12,819	25,012	29,910	7,921	4
Subtotal	60,321	115,386	133,749	41,958	
Advances from Municipality (223)					
NONE	0			0	5
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE	0			0	6
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	7
Subtotal	0	0	0	0	
Total	60,321	115,386	133,749	41,958	

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):		
ADVANCE TO TIF DISTRICT	530,069	1
Total (Acct. 123):	530,069	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
REVENUE BONDS RESERVE FUND	159,105	3
DNR SEWER REPLACEMENT FUND	500,544	4
SPECIAL REDEMPTION FUND - 1982B FUND	100,907	5
SPECIAL REDEMPTION FUND - 1993 BONDS	94,864	6
SEWER DEPRECIATION FUND	114,580	7
Total (Acct. 125):	970,000	
Notes Receivable (141):		
NONE		8
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	71,120	9
Electric		10
Sewer (Regulated)	79,662	11
Other (specify):		
OTHER ACCOUNTS RECEIVABLE	460	12
Total (Acct. 142):	151,242	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		13
Merchandising, jobbing and contract work		14
Other (specify):		
NONE		15
Total (Acct. 143):	0	
Receivables from Municipality (145):		
INTEREST RECEIVABLE FROM TIF ON ADVANCE	37,344	16
CUSTOMER ACCOUNTS RECEIVABLE ON TAX ROLLS	53,183	17
Total (Acct. 145):	90,527	
Prepayments (165):		
NONE		18
Total (Acct. 165):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Extraordinary Property Losses (182):		
NONE		19
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		20
Total (Acct. 183):	0	
Payables to Municipality (233):		
REIMBURSEMENTS DUE FROM EXPENDITURES INCURRED ON UTILITY'S BEHALF	50,035	21
Total (Acct. 233):	50,035	
Other Deferred Credits (253):		
UNEARNED RENT OF WATER TOWER FOR COMMUNICATION ANTENNAE	16,500	22
Total (Acct. 253):	16,500	

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 contributed plant in service, 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 (100.1)	2,365,452	0	3,361,384	0	5,726,836	1
Materials and Supplies	5,977	0	0	0	5,977	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	536,731	0	3,197,494	0	3,734,225	4
Customer Advances for Construction					0	5
NONE					0	6
Average Net Rate Base	1,834,698	0	163,890	0	1,998,588	
Net Operating Income	126,246	0	8,358	0	134,604	7
Net Operating Income as a percent of						
Average Net Rate Base	6.88%	N/A	5.10%	N/A	6.73%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

NONE

2. Leaseholder changes.

NONE

3. Extensions of service.

SERVICE WAS EXTENDED TO WESTWIND ESTATES AND HORTON HILLS #5.

4. Estimated changes in revenues due to rate changes.

NONE

5. Obligations incurred or assumed, excluding commercial paper.

NONE

6. Formal proceedings with the Public Service Commission.

NONE

7. Any additional matters.

NONE

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

General footnotes

Accountants' Compilation Report

Members of the Board
Village of Hortonville Water and Sewer Utilities
Hortonville, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balance sheets of the Village of Hortonville Water and Sewer Utilities, an enterprise fund of the Village of Hortonville, as of December 31, 2003 and 2002, and the related statements of income and earned surplus for the years then ended and the supplemental schedules as of and for the year ended December 31, 2003 in the accompanying prescribed form.

Our compilation was limited to presenting, in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplemental schedules referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

The financial statements and related supplemental schedules are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements and schedules are not designed for those who are not informed about such differences.

VIRCHOW, KRAUSE & COMPANY, LLP

Appleton, Wisconsin
April 30, 2004

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	1,043,345	0	0	3,695,066	0	4,738,411	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	1,043,345			3,695,066		4,738,411	3
Balance End of Year	0	0	0	0	0	0	

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	307,294	283,437	1
Total Sales of Water	307,294	283,437	
Other Operating Revenues			
Forfeited Discounts (470)	1,436	1,328	2
Other Water Revenues (474)	37,487	26,138	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues	38,923	27,466	
Total Operating Revenues	346,217	310,903	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	67,816	60,475	5
General Operating Expenses (680-690)	63,833	50,210	6
Total Operation and Maintenance Expenses	131,649	110,685	
Other Operating Expenses			
Depreciation Expense (403)	50,722	58,417	7
Amortization Expense (404)		0	8
Taxes (408)	37,600	36,359	9
Total Other Operating Expenses	88,322	94,776	
Total Operating Expenses	219,971	205,461	
NET OPERATING INCOME	126,246	105,442	

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	869	36,455	143,515	4
Commercial	85	7,948	23,607	5
Industrial	22	2,110	7,368	6
Total Metered Sales to General Customers (461)	976	46,513	174,490	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		121,903	8
Other Sales to Public Authorities (464)	25	3,463	10,414	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)	1	50	487	12
Total Sales of Water	1,003	50,026	307,294	

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)
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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)	121,903	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)	121,903	
Forfeited Discounts (470):		
Customer late payment charges	1,436	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	1,436	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,932	7
Other (specify):		
MISCELLANEOUS	3,575	8
RENT OF WATER TOWER FOR COMMUNICATIONS ANTENNAE	31,980	9
Total Other Water Revenues (474)	37,487	

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)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	23,583	20,902	1
Purchased Water (610)	0	0	2
Fuel or Power Purchased for Pumping (620)	9,995	9,646	3
Chemicals (630)	17,849	11,321	4
Supplies and Expenses (640)	6,113	7,681	5
Repairs of Water Plant (650)	8,916	9,867	6
Transportation Expenses (660)	1,360	1,058	7
Total Plant Operation and Maintenance Expenses	67,816	60,475	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	31,194	24,156	8
Office Supplies and Expenses (681)	6,211	7,570	9
Outside Services Employed (682)	9,097	7,533	10
Insurance Expense (684)	3,986	2,622	11
Employees Pensions and Benefits (686)	12,182	7,735	12
Regulatory Commission Expenses (688)	0	0	13
Miscellaneous General Expenses (689)	1,163	594	14
Uncollectible Accounts (690)	0	0	15
Total General Operating Expenses	63,833	50,210	
Total Operation and Maintenance Expenses	131,649	110,685	

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)	This Year (c)	Last Year (d)	
Property Tax Equivalent		33,097	33,097	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		389	389	2
Net property tax equivalent		32,708	32,708	
Social Security		4,663	3,510	3
PSC Remainder Assessment		229	141	4
Other (specify): NONE			0	5
Total tax expense		37,600	36,359	

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 (total of utility financed and contributed plant), 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			Outagamie				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.255340				3
County tax rate	mills		5.941020				4
Local tax rate	mills		6.977030				5
School tax rate	mills		12.318560				6
Voc. school tax rate	mills		2.255220				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.239020				9
Total tax rate	mills		27.986190				10
Less: state credit	mills		1.731100				11
Net tax rate	mills		26.255090				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		6.977030				14
Combined School Tax Rate	mills		14.573780				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		21.550810				17
Total Tax Rate	mills		27.986190				18
Ratio of Local and School Tax to Total	dec.		0.770052				19
Total tax net of state credit	mills		26.255090				20
Net Local and School Tax Rate	mills		20.217774				21
Utility Plant, Jan. 1	\$	3,403,642	3,403,642				22
Materials & Supplies	\$	5,977	5,977				23
Subtotal	\$	3,409,619	3,409,619				24
Less: Plant Outside Limits	\$	160	160				25
Taxable Assets	\$	3,409,459	3,409,459				26
Assessment Ratio	dec.		0.783269				27
Assessed Value	\$	2,670,524	2,670,524				28
Net Local & School Rate	mills		20.217774				29
Tax Equiv. Computed for Current Year	\$	53,992	53,992				30
Tax Equivalent per 1994 PSC Report	\$	22,794					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	33,097					32 33
Tax equiv. for current year (see note 6)	\$	33,097					34

WATER UTILITY PLANT IN SERVICE --Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) 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. If applicable, provide construction authorization.
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)	1,911		4
Structures and Improvements (311)	34,191		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	118,451		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	154,553	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	32,356		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	32,356	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	1,270		23
Total Water Treatment Plant	1,270	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

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)			1,911	4
Structures and Improvements (311)			34,191	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			118,451	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	154,553	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			0	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			32,356	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	32,356	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			1,270	23
Total Water Treatment Plant	0	0	1,270	

WATER UTILITY PLANT IN SERVICE --Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) 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. If applicable, provide construction authorization.
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			
Land and Land Rights (340)	11,255		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	406,427		26
Transmission and Distribution Mains (343)	2,201,846	1,658	27
Fire Mains (344)	0		28
Services (345)	285,499		29
Meters (346)	62,378	8,089	30
Hydrants (348)	207,504		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	3,174,909	9,747	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	10,335		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	5,772	2,500	37
Other General Equipment (379)	24,447		38
Other Tangible Property (390)	0		39
Total General Plant	40,554	2,500	
Total utility plant in service directly assignable	3,403,642	12,247	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	3,403,642	12,247	

**WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			11,255 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			406,427 26
Transmission and Distribution Mains (343)		(852,473)	1,351,031 27
Fire Mains (344)			0 28
Services (345)		(110,535)	174,964 29
Meters (346)	1,935		68,532 30
Hydrants (348)		(80,338)	127,166 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	1,935	(1,043,346)	2,139,375
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			10,335 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			8,272 37
Other General Equipment (379)			24,447 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	43,054
Total utility plant in service directly assignable	1,935	(1,043,346)	2,370,608
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	1,935	(1,043,346)	2,370,608

**WATER UTILITY PLANT IN SERVICE
--Plant Financed by Contributions--**

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) 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. If applicable, provide construction authorization.
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)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)			8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)			13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)			17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	0	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

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)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	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	0

WATER UTILITY PLANT IN SERVICE --Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) 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. If applicable, provide construction authorization.
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			
Land and Land Rights (340)			24
Structures and Improvements (341)			25
Distribution Reservoirs and Standpipes (342)			26
Transmission and Distribution Mains (343)		91,308	27
Fire Mains (344)			28
Services (345)		25,175	29
Meters (346)			30
Hydrants (348)		10,798	31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	0	127,281	
GENERAL PLANT			
Land and Land Rights (370)			33
Structures and Improvements (371)			34
Office Furniture and Equipment (372)			35
Computer Equipment (372.1)			36
Transportation Equipment (373)			37
Other General Equipment (379)			38
Other Tangible Property (390)			39
Total General Plant	0	0	
Total utility plant in service directly assignable	0	127,281	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	0	127,281	

**WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)		852,473	943,781 27
Fire Mains (344)			0 28
Services (345)		110,535	135,710 29
Meters (346)			0 30
Hydrants (348)		80,338	91,136 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	1,043,346	1,170,627
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	1,043,346	1,170,627
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	1,043,346	1,170,627

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			5,189	5,189	1
February			4,659	4,659	2
March			5,413	5,413	3
April			5,704	5,704	4
May			5,948	5,948	5
June			6,155	6,155	6
July			6,402	6,402	7
August			6,803	6,803	8
September			7,016	7,016	9
October			5,162	5,162	10
November			4,839	4,839	11
December			5,107	5,107	12
Total annual pumpage	0	0	68,397	68,397	
Less: Water sold				50,026	13
Volume pumped but not sold				18,371	14
Volume sold as a percent of volume pumped				73%	15
Volume used for water production, water quality and system maintenance				3,590	16
Volume related to equipment/system malfunction				1,950	17
Non-utility volume NOT included in water sales				1,500	18
Total volume not sold but accounted for				7,040	19
Volume pumped but unaccounted for				11,331	20
Percent of water lost				17%	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.)				378	23
Date of maximum: 9/9/2003					24
Cause of maximum:					25
HIGH WATER USAGE					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				81	26
Date of minimum: 10/26/2003					27
Total KWH used for pumping for the year				104,299	28
If water is purchased: Vendor Name: NONE					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)	
MILLER PARK/ W. MAIN ST	WELL NO. 1	340	10	78,000	Yes	1
ALONZO PARK/E. MAIN ST	WELL NO. 2	193	14	111,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	WELL NO. 1	WELL NO. 2	1
Location	HWY 45 / MILLER PARK	310 E. MAIN STREET	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	LAYNE	GOULD	5
Year Installed	1993	1994	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	280	300	8
Pump Motor or Standby Engine Mfr	GENERAL ELECTRIC	GENERAL ELECTRIC	10
Year Installed	1993	1994	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	30	40	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)
Identification			14
Location			15
Purpose			16
Destination			17
Pump Manufacturer			18
Year Installed			19
Type			20
Actual Capacity (gpm)			21
Pump Motor or Standby Engine Mfr			22
Year Installed			23
Type			24
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)
Identification number or name	ET #1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1994		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	203		6
Total capacity in gallons (actual)	300,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.5800		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	Y		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	3.000	425	0	0	0	425	1
M	D	4.000	396	0	0	0	396	2
P	D	4.000	11	0	0	0	11	3
A	D	6.000	7,550	0	0	0	7,550	4
M	D	6.000	12,159	0	0	0	12,159	5
P	D	6.000	1,249	0	0	0	1,249	6
A	D	8.000	2,795	0	0	0	2,795	7
M	D	8.000	2,702	0	0	0	2,702	8
P	D	8.000	26,990	4,156	0	0	31,146	9
M	D	10.000	2,842	0	0	0	2,842	10
P	D	10.000	4,779	0	0	0	4,779	11
M	T	12.000	320	0	0	0	320	12
P	D	12.000	22,858	0	0	0	22,858	13
P	S	12.000	365	0	0	0	365	14
Total Within Municipality			85,441	4,156	0	0	89,597	
Total Utility			85,441	4,156	0	0	89,597	

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	585	0	0	0	585	39	1
M	1.000	362	49	0	0	411	141	2
M	1.250	1	0	0	0	1		3
M	1.500	10	4	0	0	14	6	4
M	2.000	9	0	0	0	9	2	5
P	2.000	1	0	0	0	1		6
M	4.000	3	0	0	0	3		7
M	6.000	1	0	0	0	1		8
P	6.000	1	0	0	0	1		9
P	8.000	1	0	0	0	1	1	10
Total Utility		974	53	0	0	1,027	189	

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	921	96	42	0	975	46	1
1.000	13	1	1	0	13	0	2
1.500	9	0	0	0	9	0	3
2.000	14	0	0	0	14	0	4
3.000	1	0	0	0	1	0	5
4.000	1	0	0	0	1	0	6
Total:	959	97	43	0	1,013	46	

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	869	67	18	16	0	5	975	1
1.000	0	8	2	1	0	2	13	2
1.500	0	6	0	2	0	1	9	3
2.000	0	5	3	4	1	1	14	4
3.000	0	0	0	1	0	0	1	5
4.000	0	0	0	1	0	0	1	6
Total:	869	86	23	25	1	9	1,013	

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	1				1	1
Within Municipality	151	8			159	2
Total Fire Hydrants	152	8	0	0	160	
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:	152
Number of distribution system valves end of year:	229
Number of distribution valves operated during year:	50

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

General footnotes

CHEMICALS (630) - INCREASE DUE FROM ADDITIONAL CHEMICALS NEEDED.

ADMINISTRATIVE AND GENERAL SALARIES (680) - INCREASE DUE FROM THE NEW DIRECTOR OF PUBLIC WORKS AND WASTE WATER TREATMENT PLANT SUPERVISOR HIRED IN MID-2002.

EMPLOYEES PENSIONS AND BENEFITS (686) - INCREASE DUE FROM OVERALL INCREASE IN HEALTH BENEFITS AND THE NEW DIRECTOR OF PUBLIC WORKS AND WASTE WATER TREATMENT PLANT SUPERVISOR HIRED IN MID-2002.

Property Tax Equivalent (Water) (Page W-07)

General footnotes

THE OTHER LOCAL TAX RATE REPRESENTS THE LEVY IMPOSED BY THE BLACK OTTER LAKE DISTRICT.

IN A RESOLUTION ADOPTED DECEMBER 18, 1997, THE VILLAGE FROZE THE TAX EQUIVALENT AT THE RATE COMPUTED FROM 1996, UNTIL SUCH TIME AS THE BOARD TAKES OTHER ACTIONS.

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

General footnotes

ADJUSTMENTS ARE FOR ALLOCATION OF PLANT ASSETS RELATED TO CONTRIBUTIONS IN AID OF CONSTRUCTION PER PSC DOCKET 05-US-105.

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

General footnotes

TRANSMISSION AND DISTRIBUTION MAINS (343) - MAINS ADDED IN 2003 FOR WESTWIND ESTATES (\$43,503) AND HORTON HILLS #5 (\$47,805).

SERVICES (345) - ADDITIONS IN 2003 FOR WESTWIND ESTATES (\$11,590) AND HORTON HILLS #5 (\$13,585).

HYDRANTS (348) - ADDITIONS IN 2003 FOR WESTWIND ESTATES (\$5,305) AND HORTON HILLS #5 (\$5,493).

ADJUSTMENTS ARE FOR ALLOCATION OF PLANT ASSETS RELATED TO CONTRIBUTION IN AID OF CONSTRUCTION PER PSC DOCKET 05-US-105.

Water Mains (Page W-17)

General footnotes

OF THE 2003 ADDITIONS, \$91,308 WAS CONTRIBUTED BY DEVELOPERS AND \$1,658 WAS FINANCED BY THE UTILITY.

Water Services (Page W-18)

General footnotes

OF THE 2003 ADDITIONS, \$25,175 WAS CONTRIBUTED BY DEVELOPERS.

WATER OPERATING SECTION FOOTNOTES

Hydrants and Distribution System Valves (Page W-20)

General footnotes

OF THE 2003 ADDITIONS, \$10,798 WAS CONTRIBUTED BY DEVELOPERS.

SEWER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sewage Operating Revenues			
Sewage Operating Revenues (621-626)	335,473	310,228	1
Total Sewage Operating Revenues	335,473	310,228	
Other Operating Revenues			
Forfeited Discounts (631)	2,784	2,828	2
Servicing of Customers Laterals (632)	0	0	3
Sale of Fertilizer (633)	0	0	4
Rent from Sewerage Properties (634)	0	0	5
Miscellaneous Operating Revenues (635)	40,085	40,499	6
Amortization of Construction Grants (636)	0	0	7
Total Other Operating Revenues	42,869	43,327	
Total Operating Revenues	378,342	353,555	
Operation and Maintenance Expenses			
Operation Expenses (820-829)	109,672	97,016	8
Maintenance Expenses (831-834)	37,722	36,591	9
Customer Accounting & Collection Expenses (840-843)	10,452	6,999	10
Administrative and General Expenses (850-857)	83,355	68,602	11
Total Operation and Maintenance Expenses	241,201	209,208	
Other Operating Expenses			
Depreciation Expense (403)	120,224	158,662	12
Amortization Expense (404)		0	13
Taxes (408)	8,559	6,450	14
Total Other Operating Expenses	128,783	165,112	
Total Operating Expenses	369,984	374,320	
NET OPERATING INCOME	8,358	(20,765)	

SEWAGE OPERATING REVENUES

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for flat rate service.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. In the gallons column, report metered water or sewage used as the basis in determining customer bills.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons Billed (c)	Amounts (d)	
Operating Revenues				
Sewage Operating Revenues				
Flat Rate Service to General Customers (621)				
Residential Revenues				1
Commercial Revenues				2
Industrial Revenues				3
Revenues from Public Authorities				4
Total Flat Rate Service to General Customers (621)	0	0	0	
Measured Service to General Customers (622)				
Residential Revenues	809	35,355	251,231	5
Commercial Revenues	84	7,947	49,374	6
Industrial Revenues	21	1,526	13,177	7
Revenues from Public Authorities	22	3,351	21,691	8
Total Measured Service to General Customers (622)	936	48,179	335,473	
Service to Public Authorities (623)				
				9
Service to Other Systems (624)				
				10
Other Sewerage Service (625)				
				11
Interdepartmental Service (626)				
				12
Total Sewage Operating Revenues	936	48,179	335,473	

HIGH STRENGTH CONTRIBUTORS

1. High strength contributor is one with waste stronger than 250 mg/l for B.O.D. or 250 mg/l for suspended solids or 10 mg/l for phosphorus.
2. If domestic strength limits for BOD, SS and Phos. used for rate purposes are different from the levels indicated, please note the limits used in the spaces available.
3. The units "mg/l" are now used in place of the equivalent "ppm."
4. List type, volume, strength.

Type (a)	Volume Annual Gallons (000's) (b)	BOD (mg/l) (c)	SS (mg/l) (d)	Phos (mg/l) (e)
NONE				

OTHER OPERATING REVENUES (SEWER)

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 \$2,000 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)	
Customers Forfeited Discounts (631):		
Customer late payment charges	2,784	1
Other (specify):		
NONE		2
Total Customers Forfeited Discounts (631)	2,784	
Servicing of Customers Laterals (632):		
NONE		3
Total Servicing of Customers Laterals (632)	0	
Sale of Fertilizer (633):		
NONE		4
Total Sale of Fertilizer (633)	0	
Rent from Sewerage Property (634):		
NONE		5
Total Rent from Sewerage Property (634)	0	
Miscellaneous Operating Revenues (635):		
SANITARY BENEFIT CHARGE	40,000	6
INSURANCE DIVIDENDS	85	7
Total Miscellaneous Operating Revenues (635)	40,085	
Amortization of Construction Grants (636):		
NONE		8
Total Amortization of Construction Grants (636)	0	

SEWER 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)	This Year (b)	Last Year (c)	
OPERATION EXPENSES			
Supervision and Labor (820)	48,581	38,522	1
Power and Fuel for Pumping (821)	28,649	26,888	2
Power and Fuel for Aeration Equipment (822)		0	3
Chlorine (823)	1,391	1,244	4
Phosphorous Removal Chemicals (824)	10,885	7,357	5
Sludge Conditioning Chemicals (825)		0	6
Other Chemicals for Sewage Treatment (826)	254	392	7
Other Operating Supplies and Expenses (827)	8,621	11,509	8
Transportation Expenses (828)	9,291	9,104	9
Rents (829)	2,000	2,000	10
Total Operation Expenses	109,672	97,016	
MAINTENANCE EXPENSES			
Maintenance of Sewage Collection System (831)	576	4,355	11
Maintenance of Collection System Pumping Equipment (832)	2,637	2,185	12
Maintenance of Treatment and Disposal Plant Equipment (833)	22,631	20,753	13
Maintenance of General Plant Structures and Equipment (834)	11,878	9,298	14
Total Maintenance Expenses	37,722	36,591	
CUSTOMER ACCOUNTING & COLLECTION EXPENSES			
Billing, Collecting and Accounting (840)	9,700	6,248	15
Flat Rate Inspections (841)		0	16
Meter Reading (842)	752	751	17
Uncollectible Accounts (843)		0	18
Total Customer Accounting & Collection Expenses	10,452	6,999	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (850)	20,665	17,218	19
Office Supplies and Expenses (851)	5,509	6,244	20
Outside Services Employed (852)	21,482	20,924	21
Insurance Expense (853)	8,457	5,670	22
Employees Pensions and Benefits (854)	21,217	13,806	23

SEWER 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)	This Year (b)	Last Year (c)	
ADMINISTRATIVE AND GENERAL EXPENSES			
Regulatory Commission Expenses (855)		0	24
Miscellaneous General Expenses (856)	6,025	4,740	25
Rents (857)		0	26
Total Administrative and General Expenses	83,355	68,602	
Total Operation and Maintenance Expenses	241,201	209,208	

TAXES (ACCT. 408 - SEWER)

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

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Social Security		7,636	5,496	1
Local and School Tax Equivalent on Meters Charged by Water Department		389	389	2
PSC Remainder Assessment		534	565	3
Other (specify): NONE			0	4
Total tax expense		8,559	6,450	

SEWER UTILITY PLANT IN SERVICE
--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) 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. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts, 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	
COLLECTION SYSTEM			
Land and Land Rights (310)	12,492		4
Structures and Improvements (311)	19,642		5
Service Connections, Traps, and Accessories (312)	505,272		6
Collecting Mains and Accessories (313)	2,006,892	1,145	7
Interceptor Mains and Accessories (314)	248,126		8
Force Mains (315)	21,953		9
Other Collecting System Equipment (316)	0		10
Total Collection System	2,814,377	1,145	
COLLECTION SYSTEM PUMPING INSTALLATIONS			
Land and Land Rights (320)	0		11
Structures and Improvements (321)	8,465		12
Receiving Wells (322)	0		13
Electric Pumping Equipment (323)	102,440	112,455	14
Other Power Pumping Equipment (324)	0		15
Miscellaneous Pumping Equipment (325)	0		16
Total Collection System Pumping Installations	110,905	112,455	
TREATMENT AND DISPOSAL PLANT			
Land and Land Rights (330)	0		17
Structures and Improvements (331)	1,455,530		18
Preliminary Treatment Equipment (332)	161,080		19
Primary Treatment Equipment (333)	282,873		20
Secondary Treatment Equipment (334)	991,933		21
Advanced Treatment Equipment (335)	39,288		22
Chlorination Equipment (336)	29,317		23
Sludge Treatment and Disposal Equipment (337)	28,677	7,272	24
Plant Site Piping (338)	0		25
Flow Metering and Monitoring Equipment (339)	16,205		26

SEWER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

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	
COLLECTION SYSTEM				
Land and Land Rights (310)			12,492	4
Structures and Improvements (311)		(6,259)	13,383	5
Service Connections, Traps, and Accessories (312)		(292,546)	212,726	6
Collecting Mains and Accessories (313)		(1,035,897)	972,140	7
Interceptor Mains and Accessories (314)		(68,455)	179,671	8
Force Mains (315)			21,953	9
Other Collecting System Equipment (316)			0	10
Total Collection System	0	(1,403,157)	1,412,365	
COLLECTION SYSTEM PUMPING INSTALLATIONS				
Land and Land Rights (320)			0	11
Structures and Improvements (321)			8,465	12
Receiving Wells (322)			0	13
Electric Pumping Equipment (323)	15,000		199,895	14
Other Power Pumping Equipment (324)			0	15
Miscellaneous Pumping Equipment (325)			0	16
Total Collection System Pumping Installations	15,000	0	208,360	
TREATMENT AND DISPOSAL PLANT				
Land and Land Rights (330)			0	17
Structures and Improvements (331)		(825,364)	630,166	18
Preliminary Treatment Equipment (332)		(91,934)	69,146	19
Primary Treatment Equipment (333)		(161,444)	121,429	20
Secondary Treatment Equipment (334)		(558,327)	433,606	21
Advanced Treatment Equipment (335)		(22,423)	16,865	22
Chlorination Equipment (336)		(13,454)	15,863	23
Sludge Treatment and Disposal Equipment (337)	5,000	(15,696)	15,253	24
Plant Site Piping (338)			0	25
Flow Metering and Monitoring Equipment (339)		(6,727)	9,478	26

SEWER UTILITY PLANT IN SERVICE
--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) 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. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TREATMENT AND DISPOSAL PLANT			
Outfall Sewer Pipes (340)	498,158		27
Other Treatment and Disposal Plant Equipment (341)	68,863		28
Total Treatment and Disposal Plant	3,571,924	7,272	
GENERAL PLANT			
Land and Land Rights (370)	0		29
Structures and Improvements (371)	370,921		30
Office Furniture and Equipment (372)	19,171		31
Computer Equipment (372.1)	0		32
Transportation Equipment (373)	87,447	2,500	33
Other General Equipment (379)	30,020		34
Other Tangible Property (390)	0		35
Total General Plant	507,559	2,500	
Total utility plant in service directly assignable	7,004,765	123,372	
Common Utility Plant Allocated to Sewer Department	0		36
Total utility plant in service	7,004,765	123,372	

SEWER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TREATMENT AND DISPOSAL PLANT			
Outfall Sewer Pipes (340)		(284,769)	213,389 27
Other Treatment and Disposal Plant Equipment (341)		(38,119)	30,744 28
Total Treatment and Disposal Plant	5,000	(2,018,257)	1,555,939
GENERAL PLANT			
Land and Land Rights (370)			0 29
Structures and Improvements (371)		(208,531)	162,390 30
Office Furniture and Equipment (372)		(15,697)	3,474 31
Computer Equipment (372.1)			0 32
Transportation Equipment (373)		(49,060)	40,887 33
Other General Equipment (379)		(366)	29,654 34
Other Tangible Property (390)			0 35
Total General Plant	0	(273,654)	236,405
Total utility plant in service directly assignable	20,000	(3,695,068)	3,413,069
Common Utility Plant Allocated to Sewer Department			0 36
Total utility plant in service	20,000	(3,695,068)	3,413,069

**SEWER UTILITY PLANT IN SERVICE
--Plant Financed by Contributions--**

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) 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. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts, 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)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	0	0	
COLLECTION SYSTEM			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Service Connections, Traps, and Accessories (312)		20,849	6
Collecting Mains and Accessories (313)		100,289	7
Interceptor Mains and Accessories (314)			8
Force Mains (315)			9
Other Collecting System Equipment (316)			10
Total Collection System	0	121,138	
COLLECTION SYSTEM PUMPING INSTALLATIONS			
Land and Land Rights (320)			11
Structures and Improvements (321)			12
Receiving Wells (322)			13
Electric Pumping Equipment (323)			14
Other Power Pumping Equipment (324)			15
Miscellaneous Pumping Equipment (325)			16
Total Collection System Pumping Installations	0	0	
TREATMENT AND DISPOSAL PLANT			
Land and Land Rights (330)			17
Structures and Improvements (331)			18
Preliminary Treatment Equipment (332)			19
Primary Treatment Equipment (333)			20
Secondary Treatment Equipment (334)			21
Advanced Treatment Equipment (335)			22
Chlorination Equipment (336)			23
Sludge Treatment and Disposal Equipment (337)			24
Plant Site Piping (338)			25
Flow Metering and Monitoring Equipment (339)			26

SEWER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

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	
COLLECTION SYSTEM				
Land and Land Rights (310)			0	4
Structures and Improvements (311)		6,259	6,259	5
Service Connections, Traps, and Accessories (312)		292,546	313,395	6
Collecting Mains and Accessories (313)		1,035,897	1,136,186	7
Interceptor Mains and Accessories (314)		68,455	68,455	8
Force Mains (315)			0	9
Other Collecting System Equipment (316)			0	10
Total Collection System	0	1,403,157	1,524,295	
COLLECTION SYSTEM PUMPING INSTALLATIONS				
Land and Land Rights (320)			0	11
Structures and Improvements (321)			0	12
Receiving Wells (322)			0	13
Electric Pumping Equipment (323)			0	14
Other Power Pumping Equipment (324)			0	15
Miscellaneous Pumping Equipment (325)			0	16
Total Collection System Pumping Installations	0	0	0	
TREATMENT AND DISPOSAL PLANT				
Land and Land Rights (330)			0	17
Structures and Improvements (331)		825,364	825,364	18
Preliminary Treatment Equipment (332)		91,934	91,934	19
Primary Treatment Equipment (333)		161,444	161,444	20
Secondary Treatment Equipment (334)		558,327	558,327	21
Advanced Treatment Equipment (335)		22,423	22,423	22
Chlorination Equipment (336)		13,454	13,454	23
Sludge Treatment and Disposal Equipment (337)		15,696	15,696	24
Plant Site Piping (338)			0	25
Flow Metering and Monitoring Equipment (339)		6,727	6,727	26

**SEWER UTILITY PLANT IN SERVICE
--Plant Financed by Contributions--**

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) 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. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TREATMENT AND DISPOSAL PLANT			
Outfall Sewer Pipes (340)			27
Other Treatment and Disposal Plant Equipment (341)			28
Total Treatment and Disposal Plant	<u>0</u>	<u>0</u>	
GENERAL PLANT			
Land and Land Rights (370)			29
Structures and Improvements (371)			30
Office Furniture and Equipment (372)			31
Computer Equipment (372.1)			32
Transportation Equipment (373)			33
Other General Equipment (379)			34
Other Tangible Property (390)			35
Total General Plant	<u>0</u>	<u>0</u>	
Total utility plant in service directly assignable	<u>0</u>	<u>121,138</u>	
Common Utility Plant Allocated to Sewer Department			36
Total utility plant in service	<u>0</u>	<u>121,138</u>	

**SEWER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TREATMENT AND DISPOSAL PLANT				
Outfall Sewer Pipes (340)		284,769	284,769	27
Other Treatment and Disposal Plant Equipment (341)		38,119	38,119	28
Total Treatment and Disposal Plant	0	2,018,257	2,018,257	
GENERAL PLANT				
Land and Land Rights (370)				0 29
Structures and Improvements (371)		208,531	208,531	30
Office Furniture and Equipment (372)		15,697	15,697	31
Computer Equipment (372.1)			0	32
Transportation Equipment (373)		49,060	49,060	33
Other General Equipment (379)		366	366	34
Other Tangible Property (390)				0 35
Total General Plant	0	273,654	273,654	
Total utility plant in service directly assignable	0	3,695,068	3,816,206	
Common Utility Plant Allocated to Sewer Department				0 36
Total utility plant in service	0	3,695,068	3,816,206	

SEWER 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 disconnected 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 diameter; pipe materials do not need to be specified.

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)	
Sewer	4.000	506	53	0	0	559	155	1
Sewer	6.000	485	0	0	0	485	28	2
Sewer	8.000	2	0	0	0	2	1	3
Total Utility		993	53	0	0	1,046	184	

SEWER MAINS

1. Report mains separately by diameter. Pipe materials do not need to be specified.
2. Explain all reported adjustments as a schedule footnote.
3. For main additions reported in column (c), 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						
Diameter in Inches (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	
4.000	2,531	0	0	0	2,531	1
6.000	1,343	0	0	0	1,343	2
8.000	58,350	3,423	0	0	61,773	3
10.000	6,204	0	0	0	6,204	4
12.000	80	0	0	0	80	5
15.000	1,650	0	0	0	1,650	6
Total Utility	70,158	3,423	0	0	73,581	

SEWER OPERATING SECTION FOOTNOTES

Sewer Operation & Maintenance Expenses (Page S-05)

General footnotes

PHOSPHOROUS REMOVAL CHEMICALS (824) - INCREASE DUE FROM ADDITIONAL CHEMICALS NEEDED.

MAINTENANCE OF SEWAGE COLLECTION SYSTEM (831) - DECREASE DUE TO LESS MAINTENANCE NEEDED COMPARED TO IN PRIOR YEAR.

BILLING, COLLECTING AND ACCOUNTING (840) - INCREASE DUE FROM ADDITIONAL COSTS FOR BILLING, COLLECTING AND ACCOUNTING COMPARED TO PRIOR YEAR.

INSURANCE EXPENSE (853) - INCREASE DUE FROM INCREASE IN INSURANCE PREMIUMS COMPARED TO PRIOR YEAR.

EMPLOYEES PENSIONS AND BENEFITS (854) - INCREASE DUE FROM OVERALL INCREASE IN HEALTH BENEFITS AND THE NEW DIRECTOR OF PUBLIC WORKS AND WASTE WATER TREATMENT PLANT SUPERVISOR HIRED IN MID-2002.

Sewer Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page S-07)

General footnotes

ADJUSTMENTS ARE FOR ALLOCATION OF PLANT ASSETS RELATED TO CONTRIBUTIONS IN AID OF CONSTRUCTION PER PSC DOCKET 05-US-105.

ELECTRIC PUMPING EQUIPMENT (323) - DURING 2003, ADDITIONS INCLUDE A NEW LIFT STATION AND RETIREMENTS INCLUDE REMOVAL OF OLD LIFT STATION.

If Plant in Service Retirements, Account 312, are greater than zero AND Retirements on the Sewer Services schedule are zero, please explain.

Sewer Utility Plant in Service --Plant Financed by Contributions-- (Page S-09)

General footnotes

ADJUSTMENTS ARE FOR ALLOCATION OF PLANT ASSETS RELATED TO CONTRIBUTIONS IN AID OF CONSTRUCTION PER PSC DOCKET 05-US-105.

ACCOUNT(312) - SERVICES ADDED IN 2003 FOR WESTWIND ESTATES (\$8,048) AND HORTON HILLS #5 (\$12,800).

ACCOUNT (313) - SEWER MAINS ADDED IN 2003 FOR WESTWIND ESTATES (\$45,549) AND HORTONVHLLS #5 (\$54,740).

Sewer Services (Page S-11)

General footnotes

OF THE 2003 ADDITIONS, \$20,849 WAS CONTRIBUTED BY DEVELOPERS.

Sewer Mains (Page S-12)

General footnotes

OF THE 2003 ADDITIONS, \$100,289 WAS CONTRIBUTED BY DEVELOPERS.