



3015 (02-09-04)

ANNUAL REPORT

OF

Name: MELLEN WATER UTILITY

Principal Office: 102 E. BENNET
P.O. BOX 706
MELLEN, WI 54506

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.

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
FINANCIAL SECTION	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.1)	F-07
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.2)	F-08
Net Nonutility Property (Accts. 121 & 122)	F-09
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-10
Materials and Supplies	F-11
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-12
Capital Paid in by Municipality (Acct. 200)	F-13
Bonds (Acct. 221)	F-14
Notes Payable & Miscellaneous Long-Term Debt	F-15
Taxes Accrued (Acct. 236)	F-16
Interest Accrued (Acct. 237)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Important Changes During the Year	F-20
Financial Section Footnotes	F-21
Contributions in Aid of Construction (Account 271)	F-22
WATER OPERATING SECTION	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Property Tax Equivalent (Water)	W-07
Water Utility Plant in Service --Plant Financed by Utility or Municipality--	W-08
Water Utility Plant in Service --Plant Financed by Contributions--	W-10
Source of Supply, Pumping and Purchased Water Statistics	W-12
Sources of Water Supply - Ground Waters	W-13
Sources of Water Supply - Surface Waters	W-14
Pumping & Power Equipment	W-15
Reservoirs, Standpipes & Water Treatment	W-16
Water Mains	W-17
Water Services	W-18
Meters	W-19
Hydrants and Distribution System Valves	W-20
Water Operating Section Footnotes	W-21

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MELLEEN WATER UTILITY

Utility Address: 102 E. BENNET
P.O. BOX 706
MELLEEN, WI 54506

When was utility organized? 1/1/1962

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: TINA WOHLGEMUTH

Title: CLERK/TREASURER

Office Address:

102 E. BENNET
P.O. BOX 706
MELLEEN, WI 54501

Telephone: (715) 274 - 2136

Fax Number: (715) 274 - 3707

E-mail Address:

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

Name: RANDALL H BEARD

Title: CPA

Office Address: WIPFLI LLP

43 A W DAVENPORT
RHINELANDER, WI 54501

Telephone: (715) 369 - 1040

Fax Number: (715) 369 - 5407

E-mail Address: rbeard@wipfli.com

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

Name: HOWARD PETERS

Title: HEAD OF UTILITY COMMISSION

Office Address:

102 E BENNET
MELLEEN, WI 54506

Telephone: (715) 274 - 2136

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: RANDALL H BEARD

Title: CPA

Office Address: WIPFLI LLP
43 A W DAVENPORT
RHINELANDER, WI 54501

Telephone: (715) 369 - 1040

Fax Number: (715) 369 - 5407

E-mail Address: rbeard@wipfli.com

Date of most recent audit report: 2/11/2004

Period covered by most recent audit: JANUARY 1, 2003 - DECEMBER 31,2003

Names and titles of utility management including manager or superintendent:

Name: MITCH MESKO JR.

Title:

Office Address:
102 EAST BENNET
P.O. BOX 706
MELLEEN, WI 54506

Telephone: (715) 274 - 3707

Fax Number: (715) 274 - 2136

E-mail Address:

Name of utility commission/committee:

Names of members of utility commission/committee:

GEORGE LAZORIK
KEITH MARKEE
HOWARD PETERS

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? NO

Date of Ordinance:

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? 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)	95,098	95,996	1
Operating Expenses:			
Operation and Maintenance Expense (401)	72,219	62,853	2
Depreciation Expense (403)	9,801	12,608	3
Amortization Expense (404)	0	0	4
Taxes (408)	19,235	18,753	5
Total Operating Expenses	101,255	94,214	
Net Operating Income	(6,157)	1,782	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(6,157)	1,782	
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)	822	1,447	9
Miscellaneous Nonoperating Income (421)	6,701	1,019	10
Total Other Income	7,523	2,466	
Total Income	1,366	4,248	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	3,796	0	12
Total Miscellaneous Income Deductions	3,796	0	
Income Before Interest Charges	(2,430)	4,248	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)	0		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	0	0	
Net Income	(2,430)	4,248	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	67,784	63,536	19
Balance Transferred from Income (433)	(2,430)	4,248	20
Miscellaneous Credits to Surplus (434)	217,849	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)	283,203	67,784	

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	95,098		95,098	1
Total (Acct. 400):	95,098	0	95,098	
Operation and Maintenance Expense (401):				
Derived	72,219		72,219	2
Total (Acct. 401):	72,219	0	72,219	
Depreciation Expense (403):				
Derived	9,801		9,801	3
Total (Acct. 403):	9,801	0	9,801	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	19,235		19,235	5
Total (Acct. 408):	19,235	0	19,235	
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:	(6,157)	0	(6,157)	
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 AND DIVIDEND INCOME	822	0	822	10
Total (Acct. 419):	822	0	822	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		6,311	6,311	11

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):			
MISC NONOPERATING INCOME	390	0	390 12
Total (Acct. 421):	390	6,311	6,701
TOTAL OTHER INCOME:	1,212	6,311	7,523

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
NONE	0	0	0 13
Total (Acct. 425):	0	0	0
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	0	3,796	3,796 14
NONE	0	0	0 15
Total (Acct. 426):	0	3,796	3,796
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	3,796	3,796

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	0	0	0 16
Total (Acct. 427):	0	0	0
Amortization of Debt Discount and Expense (428):			
NONE	0	0	0 17
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0	0	0 18
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	0	0 19
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0	0	0 20
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 21
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	0	0	0
NET INCOME:	(4,945)	2,515	(2,430)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	67,784	0	67,784 22
Total (Acct. 216):	67,784	0	67,784
Balance Transferred from Income (433):			
Derived	(4,945)	2,515	(2,430) 23
Total (Acct. 433):	(4,945)	2,515	(2,430)
Miscellaneous Credits to Surplus (434):			
TRANSFER OF CONTRIBUTIONS	0	217,849	217,849 24
Total (Acct. 434):	0	217,849	217,849
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 25
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 26
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	62,839	220,364	283,203

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	95,098	0	0	0	95,098	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	95,098	0	0	0	95,098	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	666,035	626,290	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	341,884	238,315	2
Net Utility Plant	324,151	387,975	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	200	200	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	200	200	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	200	200	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	18,687	16,947	8
Temporary Cash Investments (132)	37,951	37,267	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	16,951	14,795	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	1,488	2,903	14
Materials and Supplies (150)	7,736	8,098	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	82,813	80,010	
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	407,164	468,185	

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)	105,861	71,964	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	283,203	67,784	23
Total Proprietary Capital	389,064	139,748	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	0	0	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	1,068	1,983	28
Payables to Municipality (233)	431	1,319	29
Customer Deposits (235)			30
Taxes Accrued (236)	16,601	16,601	31
Interest Accrued (237)	0	0	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	18,100	19,903	
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)	0	308,534	38
Total Liabilities and Other Credits	407,164	468,185	

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	626,290	0	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)	408,474	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	257,561	0	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	666,035	0	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)	247,403	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	94,481	0	0	0	12
Total Accumulated Provision	341,884	0	0	0	
Net Utility Plant	324,151	0	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)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	238,315				238,315	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	9,801				9,801	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	674				674	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	10,475	0	0	0	10,475	13
Debits during year						14
Book cost of plant retired	1,387				1,387	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	1,387	0	0	0	1,387	19
Balance end of year (110.1)	247,403	0	0	0	247,403	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						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)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.2)					0	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	3,796				3,796	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	90,685				90,685	10
Total credits	94,481	0	0	0	94,481	11
Debits during year						12
Book cost of plant retired	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)	94,481	0	0	0	94,481	18
Composite Depreciation Rate?	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):					
Land and land rights	200			200	2
Total Nonutility Property (121)	200	0	0	200	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	200	0	0	200	

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	7,736	8,098
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	7,736	8,098

**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	71,964	1
Changes during year (explain):		
ELLIAS ADDITION	33,897	2
Balance end of year	<u><u>105,861</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)
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NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	16,601	1
Accruals:		
Charged water department expense	19,235	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
LOCAL AND SCHOOL TAX EQUIVALENT	205	5
Total Accruals and other credits	19,440	
Taxes paid during year:		
County, state and local taxes	16,601	6
Social Security taxes	2,731	7
PSC Remainder Assessment	108	8
Other (explain):		
NONE		9
Total payments and other debits	19,440	
Balance end of year	16,601	

INTEREST ACCRUED (ACCT. 237)

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

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

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	0	1
Total (Acct. 123):	0	
Other Investments (124):		
NONE	0	2
Total (Acct. 124):	0	
Special Funds (125):		
NONE	0	3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE	0	4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	16,951	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	16,951	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
RECEIVABLE FROM MUNICIPALITY	1,488	12
Total (Acct. 145):	1,488	
Prepayments (165):		
NONE	0	13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE	0	14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE	0	15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
<hr/>		
Payables to Municipality (233):		
MISCELLANEOUS	431	16
Total (Acct. 233):	431	
<hr/>		
Other Deferred Credits (253):		
NONE		17
Total (Acct. 253):		0
<hr/>		

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include 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)	363,115	0	0	0	363,115	1
Materials and Supplies	7,917	0	0	0	7,917	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	242,859	0	0	0	242,859	4
Customer Advances for Construction					0	5
NONE					0	6
Average Net Rate Base	128,173	0	0	0	128,173	
Net Operating Income	(6,157)	0	0	0	(6,157)	7
Net Operating Income as a percent of						
Average Net Rate Base	-4.80%	N/A	N/A	N/A	-4.80%	

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

Capital Paid in by Municipality (Acct. 200) (Page F-13)

General footnotes

The addition to Capital paid in by Municipality was a contribution for the water and sewer extension for the Ellias Addition West project.

Identification and Ownership - Contacts (Page iv)

General footnotes

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Mellen Water Utility
Mellen, Wisconsin

We have compiled the balance sheets of Mellen Water Utility as of December 31, 2003 and 2002, and related income and earned surplus statements for the years then ended included in the accompanying Municipal Utility Annual Report in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the Municipal Utility Annual Report.

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 supplementary information referred to above and, accordingly, do not express an opinion or any form of assurance on them.

These financial statements and the supplementary information 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. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Wipfli LLP

February 11, 2004
Rhineland, Wisconsin

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	308,534	0	0	0	0	308,534	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	308,534					308,534	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)	92,741	88,926	1
Total Sales of Water	92,741	88,926	
Other Operating Revenues			
Forfeited Discounts (470)	485	369	2
Other Water Revenues (474)	1,872	6,701	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues	2,357	7,070	
Total Operating Revenues	95,098	95,996	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	43,142	36,451	5
General Operating Expenses (680-690)	29,077	26,402	6
Total Operation and Maintenance Expenses	72,219	62,853	
Other Operating Expenses			
Depreciation Expense (403)	9,801	12,608	7
Amortization Expense (404)		0	8
Taxes (408)	19,235	18,753	9
Total Other Operating Expenses	29,036	31,361	
Total Operating Expenses	101,255	94,214	
NET OPERATING INCOME	(6,157)	1,782	

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	343	12,846	33,253	4
Commercial	39	4,216	7,900	5
Industrial	7	11,110	12,030	6
Total Metered Sales to General Customers (461)	389	28,172	53,183	
Private Fire Protection Service (462)	3		4,344	7
Public Fire Protection Service (463)	1		32,628	8
Other Sales to Public Authorities (464)	13	1,182	2,586	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	406	29,354	92,741	

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)	32,628	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)	32,628	
Forfeited Discounts (470):		
Customer late payment charges	485	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	485	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	609	7
Other (specify):		
NONE		8
RESALE	253	9
WATER THAW	158	10
HYDRANT RENT	257	11
LOG SPRAYING	595	12
Total Other Water Revenues (474)	1,872	

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)	26,910	22,334	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	7,931	6,109	3
Chemicals (630)	1,897	2,194	4
Supplies and Expenses (640)	5,131	4,935	5
Repairs of Water Plant (650)	150	0	6
Transportation Expenses (660)	1,123	879	7
Total Plant Operation and Maintenance Expenses	43,142	36,451	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	7,025	6,451	8
Office Supplies and Expenses (681)	4,848	1,616	9
Outside Services Employed (682)	4,283	5,477	10
Insurance Expense (684)	2,841	2,102	11
Employees Pensions and Benefits (686)	5,331	6,346	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	4,749	4,410	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	29,077	26,402	
Total Operation and Maintenance Expenses	72,219	62,853	

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		16,601	16,601	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		205	219	2
Net property tax equivalent		16,396	16,382	
Social Security		2,731	2,277	3
PSC Remainder Assessment		108	94	4
Other (specify): NONE			0	5
Total tax expense		19,235	18,753	

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			Ashland				1
SUMMARY OF TAX RATES							
State tax rate	mills		0.260073				3
County tax rate	mills		6.901648				4
Local tax rate	mills		8.411539				5
School tax rate	mills		13.484616				6
Voc. school tax rate	mills		1.489194				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		30.547070				10
Less: state credit	mills		1.916667				11
Net tax rate	mills		28.630403				12
PROPERTY TAX EQUIVALENT CALCULATION							
Local Tax Rate	mills		8.411539				14
Combined School Tax Rate	mills		14.973810				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		23.385349				17
Total Tax Rate	mills		30.547070				18
Ratio of Local and School Tax to Total	dec.		0.765551				19
Total tax net of state credit	mills		28.630403				20
Net Local and School Tax Rate	mills		21.918042				21
Utility Plant, Jan. 1	\$	626,290	626,290				22
Materials & Supplies	\$	8,098	8,098				23
Subtotal	\$	634,388	634,388				24
Less: Plant Outside Limits	\$	4,185	4,185				25
Taxable Assets	\$	630,203	630,203				26
Assessment Ratio	dec.		0.768800				27
Assessed Value	\$	484,500	484,500				28
Net Local & School Rate	mills		21.918042				29
Tax Equiv. Computed for Current Year	\$	10,619	10,619				30
Tax Equivalent per 1994 PSC Report	\$	16,601					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	16,601					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)	231		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)	25,795		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	26,026	0	
PUMPING PLANT			
Land and Land Rights (320)	1,973		12
Structures and Improvements (321)	16,809		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	17,174		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	175		20
Total Pumping Plant	36,131	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	1,144		23
Total Water Treatment Plant	1,144	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)			231 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)			25,795 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	26,026
PUMPING PLANT			
Land and Land Rights (320)			1,973 12
Structures and Improvements (321)			16,809 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			17,174 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			175 20
Total Pumping Plant	0	0	36,131
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			1,144 23
Total Water Treatment Plant	0	0	1,144

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)	150		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	50,326		26
Transmission and Distribution Mains (343)	373,212	31,290	27
Fire Mains (344)	0		28
Services (345)	39,216	4,062	29
Meters (346)	24,338	1,138	30
Hydrants (348)	46,633		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	533,875	36,490	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	1,185		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	17,068		37
Other General Equipment (379)	10,861		38
Other Tangible Property (390)	0		39
Total General Plant	29,114	0	
Total utility plant in service directly assignable	626,290	36,490	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	626,290	36,490	

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)			150 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)		(27,511)	22,815 26
Transmission and Distribution Mains (343)		(203,970)	200,532 27
Fire Mains (344)			0 28
Services (345)	600	(21,438)	21,240 29
Meters (346)	787		24,689 30
Hydrants (348)			46,633 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	1,387	(252,919)	316,059
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			1,185 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			17,068 37
Other General Equipment (379)			10,861 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	29,114
Total utility plant in service directly assignable	1,387	(252,919)	408,474
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	1,387	(252,919)	408,474

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)		4,642	23
Total Water Treatment Plant	0	4,642	

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)			4,642 23
Total Water Treatment Plant	0	0	4,642

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)			27
Fire Mains (344)			28
Services (345)			29
Meters (346)			30
Hydrants (348)			31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	0	0	
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	4,642	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	0	4,642	

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)		27,511	27,511 26
Transmission and Distribution Mains (343)		203,970	203,970 27
Fire Mains (344)			0 28
Services (345)		21,438	21,438 29
Meters (346)			0 30
Hydrants (348)			0 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	252,919	252,919
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	252,919	257,561
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	252,919	257,561

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			5,793	5,793	1
February			6,185	6,185	2
March			6,912	6,912	3
April			7,090	7,090	4
May			6,841	6,841	5
June			7,068	7,068	6
July			6,421	6,421	7
August			6,955	6,955	8
September			7,419	7,419	9
October			6,507	6,507	10
November			5,567	5,567	11
December			5,743	5,743	12
Total annual pumpage	0	0	78,501	78,501	
Less: Water sold				29,354	13
Volume pumped but not sold				49,147	14
Volume sold as a percent of volume pumped				37%	15
Volume used for water production, water quality and system maintenance				3,298	16
Volume related to equipment/system malfunction				6,431	17
Non-utility volume NOT included in water sales				1,016	18
Total volume not sold but accounted for				10,745	19
Volume pumped but unaccounted for				38,402	20
Percent of water lost				49%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss: SEE FOOTNOTE					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				361	23
Date of maximum: 6/10/2003					24
Cause of maximum: FILLING TOWERS UP					25
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				127	26
Date of minimum: 11/30/2003					27
Total KWH used for pumping for the year				111,740	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
1942 DRILLED WELL	#2	40	4	120,000	Yes	1
1968 GRAVEL PARK	#3	88	16	180,000	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	#2	#3		1
Location	924 LAKE DRIVE	A STREET		2
Purpose	S	P		3
Destination	D	D		4
Pump Manufacturer	WEBTROL	LAYNE		5
Year Installed	1988	1968		6
Type	SUBMERSIBLE	VERTICAL TURBINE		7
Actual Capacity (gpm)	125	315		8
Pump Motor or Standby Engine Mfr	WEBTROL	U.S. ELECTRONIC		9 10
Year Installed	1988	1968		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	10	25		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22 23
Year Installed				24
Type				25
Horsepower				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	#1	#2	#3
Identification number or name						1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS						2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	S	S				3
Year constructed	1968	1968				4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL				5
Elevation difference in feet (See Headnote 3.)	110	123				6
Total capacity in gallons (actual)	80,000	150,000				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.)		0.4000				12
Is a corrosion control chemical used (yes, no)?		N				13
Is water fluoridated (yes, no)?		N				14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	2.000	2,308	0	0	0	2,308	1
M	D	4.000	4,874	0	0	0	4,874	2
M	D	6.000	20,400	0	0	0	20,400	3
M	D	8.000	8,592	385	0	0	8,977	4
M	D	10.000	8,692	0	0	0	8,692	5
Total Within Municipality			44,866	385	0	0	45,251	
Total Utility			44,866	385	0	0	45,251	

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	195	2	5	0	192	28	1
L	0.750	175	0	0	0	175		2
M	1.000	20	0	0	0	20	1	3
M	2.000	6	0	1	0	5		4
M	3.000	2	0	0	0	2		5
M	4.000	1	0	0	0	1		6
Total Utility		399	2	6	0	395	29	

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	383	12	13	20	402	61	1
1.000	8	0	0	0	8	0	2
1.250	2	0	0	0	2	0	3
1.500	1	0	0	0	1	0	4
2.000	6	0	0	(1)	5	0	5
3.000	2	0	0	0	2	1	6
4.000	1	0	0	0	1	0	7
Total:	403	12	13	19	421	62	

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	317	31	2	7	0	45	402	1
1.000	0	4	1	2	0	1	8	2
1.250	0	1	0	0	0	1	2	3
1.500	0	0	0	0	0	1	1	4
2.000	0	2	3	0	0	0	5	5
3.000	0	1	1	0	0	0	2	6
4.000	0	0	0	1	0	0	1	7
Total:	317	39	7	10	0	48	421	

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	50				50	2
Total Fire Hydrants	51	0	0	0	51	
Flushing Hydrants						
	1				1	3
Total Flushing Hydrants	1	0	0	0	1	

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:	23
Number of distribution system valves end of year:	56
Number of distribution valves operated during year:	25

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Account (681) Office Supplies and Expenses: This account increased during 2003 due to increased need for supplies and the flourdation grant available to the utility.

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

If Adjustments for any account are nonzero, please explain.

Adjustments to plant assets are to reclass those assets purchased with contributed funds.

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

If Adjustments for any account are nonzero, please explain.

Adjustments to plant are to reclass assets purchased with contributed funds.

Pumping and Purchased Water Statistics (Page W-12)

General footnotes

The Utility hired Water Leak Locators, LLC during 2003. Their report dated August 9, 2003 indicated that by fixing the seven major leaks identified the Utility should account for 55 to 82 lost KGPD. The Utility was unable to fix two of the leaks in the last quarter. The rest are scheduled for repair in 2004.

Water Mains (Page W-17)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

The addition to mains was financed with working funds associated with the Ellias addition.

Meters (Page W-19)

Explain all reported adjustments.

Adjustments to meters are to correct the counts to that taken during a meter audit.

Hydrants and Distribution System Valves (Page W-20)

General footnotes

At least one half of the valves and hydrants were not tested during the year because there was not enough help to properly test.
