



3014 (02-09-04)

ANNUAL REPORT

OF

Name: VILLAGE OF PALMYRA WATER UTILITY

Principal Office: 100 W. TAFT STREET
P.O. BOX 380
PALMYRA, WI 53156

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.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: VILLAGE OF PALMYRA WATER UTILITY

Utility Address: 100 W. TAFT STREET
P.O. BOX 380
PALMYRA, WI 53156

When was utility organized? 1/1/1914

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MS LAURIE L. MUELLER

Title: CLERK-TREASURER

Office Address:

100 W. TAFT STREET
P.O. BOX 380
PALMYRA, WI 53156

Telephone: (262) 495 - 8316

Fax Number: (262) 495 - 8775

E-mail Address:

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

Name: JAMES R FRECHETTE

Title: VILLAGE AUDITOR

Office Address: JAMES R FRECHETTE, CPA
W339 S9511 HARVEST COURT
MUKWONAGO, WI 53149

Telephone: (262) 594 - 3995

Fax Number: (262) 594 - 3996

E-mail Address: jrfdcpa@wi.rr.com

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

Name: MR DONALD AGEN

Title: VILLAGE PRESIDENT

Office Address:

100 W TAFT STREET
P.O. BOX 380
PALMYRA, WI 53156

Telephone: (262) 495 - 8316

Fax Number: (262) 495 - 8775

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: JAMES R FRECHETTE

Title: VILLAGE AUDITOR

Office Address: JAMES R FRECHETTE, CPA
W339 S9511 HARVEST COURT
MUKWONAGO, WI 53149

Telephone: (262) 594 - 3995

Fax Number: (262) 594 - 3996

E-mail Address: jrfdcpa@wi.rr.com

Date of most recent audit report: 3/14/2004

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

Names and titles of utility management including manager or superintendent:

Name: MR DAVID BROWN

Title: DEPARTMENT HEAD

Office Address:
100 W. TAFT STREET
P.O. BOX 380
PALMYRA, WI 53156

Telephone: (262) 495 - 8316

Fax Number: (262) 495 - 8775

E-mail Address:

Name of utility commission/committee: VILLAGE BOARD

Names of members of utility commission/committee:

- DONALD AGEN, VILLAGE PRESIDENT
- SUSAN AGEN, VILLAGE TRUSTEE
- JAMES DIXON, VILLAGE TRUSTEE
- MICHAEL FISCHER, VILLAGE TRUSTEE
- JOHN ISAACSEN, VILLAGE TRUSTEE
- EDWARD WALTERS, VILLAGE TRUSTEE
- KATHLEEN WEISS, VILLAGE 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? 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)	340,925	272,954	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	95,557	106,810	2
Depreciation Expense (403)	54,470	48,074	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	52,563	47,050	5
Total Operating Expenses	202,590	201,934	
Net Operating Income	138,335	71,020	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	138,335	71,020	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	2,658	6,459	10
Miscellaneous Nonoperating Income (421)	15,256	0	11
Total Other Income	17,914	6,459	
Total Income	156,249	77,479	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	12
Other Income Deductions (426)	6,800	0	13
Total Miscellaneous Income Deductions	6,800	0	
Income Before Interest Charges	149,449	77,479	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	61,724	64,240	14
Amortization of Debt Discount and Expense (428)	2,841	2,956	15
Amortization of Premium on Debt--Cr. (429)	0		16
Interest on Debt to Municipality (430)	0	0	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0		19
Total Interest Charges	64,565	67,196	
Net Income	84,884	10,283	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	781,161	770,878	20
Balance Transferred from Income (433)	84,884	10,283	21
Miscellaneous Credits to Surplus (434)	337,304	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	1,203,349	781,161	

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 Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	340,925		340,925	1
Total (Acct. 400):	340,925	0	340,925	
Operation and Maintenance Expense (401-402):				
Derived	95,557		95,557	2
Total (Acct. 401-402):	95,557	0	95,557	
Depreciation Expense (403):				
Derived	54,470		54,470	3
Total (Acct. 403):	54,470	0	54,470	
Amortization Expense (404-407):				
Derived	0		0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	52,563		52,563	5
Total (Acct. 408):	52,563	0	52,563	
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:	138,335	0	138,335	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Income from Nonutility Operations (417):				
NONE	0		0	9
Total (Acct. 417):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	10
Total (Acct. 418):	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 Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Interest and Dividend Income (419):			
INTEREST ON INVESTMENTS	2,658	0	2,658 11
Total (Acct. 419):	2,658	0	2,658
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water	[REDACTED]	15,256	15,256 12
	0	0	0 13
Total (Acct. 421):	0	15,256	15,256
TOTAL OTHER INCOME:	2,658	15,256	17,914
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
NONE	0	0	0 14
Total (Acct. 425):	0	0	0
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	6,800	6,800 15
NONE	0	0	0 16
Total (Acct. 426):	0	6,800	6,800
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	6,800	6,800
INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	61,724	[REDACTED]	61,724 17
Total (Acct. 427):	61,724	0	61,724
Amortization of Debt Discount and Expense (428):			
2000 MORT REV BOND DEBT DISCOUNT & EXPENSE	2,841	[REDACTED]	2,841 18
Total (Acct. 428):	2,841	0	2,841
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	[REDACTED]	0 20
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0	[REDACTED]	0 21
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 Income from Nonutility Operations, Account 417.

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 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	64,565	0	64,565
NET INCOME:	76,428	8,456	84,884
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	781,161	0	781,161 23
Total (Acct. 216):	781,161	0	781,161
Balance Transferred from Income (433):			
Derived	76,428	8,456	84,884 24
Total (Acct. 433):	76,428	8,456	84,884
Miscellaneous Credits to Surplus (434):			
CONTRIBUTED PLANT FROM A/C 271	0	337,304	337,304 25
Total (Acct. 434):	0	337,304	337,304
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 28
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	857,589	345,760	1,203,349

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 & 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	340,925	0	0	0	340,925	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	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	340,925	0	0	0	340,925	

DISTRIBUTION OF TOTAL PAYROLL

1. Amounts charged to Utility Financed and to Contributed Plant accounts should be combined and reported in plant or accumulated depreciation accounts.
2. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
3. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
4. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	35,224		35,224	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts			0	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
Total Payroll	35,224	0	35,224	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	2,737,154	2,707,598	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	536,307	416,735	2
Net Utility Plant	2,200,847	2,290,863	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	36,518	56,613	6
Special Funds (125)	104,243	88,018	7
Total Other Property and Investments	140,761	144,631	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	34,651	1,161	8
Temporary Cash Investments (132)	109,945	69,420	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	48,788	45,458	11
Other Accounts Receivable (143)	641	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	37,880	36,561	14
Materials and Supplies (150)	9,168	8,869	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	241,073	161,469	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	22,724	25,565	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	22,724	25,565	
Total Assets and Other Debits	2,605,405	2,622,528	

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)	255,155	255,155	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	1,203,349	781,161	23
Total Proprietary Capital	1,458,504	1,036,316	
LONG-TERM DEBT			
Bonds (221)	1,075,000	1,125,000	24
Advances from Municipality (223)	0	0	25
Other Long-Term Debt (224)	0	0	26
Total Long-Term Debt	1,075,000	1,125,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	11,083	5,839	28
Payables to Municipality (233)	47	1,425	29
Customer Deposits (235)			30
Taxes Accrued (236)	50,624	44,692	31
Interest Accrued (237)	10,147	10,568	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	71,901	62,524	
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			
Property Insurance Reserve (261)			37
Injuries and Damages Reserve (262)			38
Pensions and Benefits Reserve (263)			39
Miscellaneous Operating Reserves (265)			40
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	0	398,688	41
Total Liabilities and Other Credits	2,605,405	2,622,528	

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	2,707,598	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 (101.1)	2,325,076	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	412,078	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant in Process of Reclassification (103)					5
Utility Plant Leased to Others (104)					6
Property Held for Future Use (105)					7
Completed Construction not Classified (106)					8
Construction Work in Progress (107)					9
Utility Plant Acquisition Adjustments (108)					10
Other Utility Plant Adjustments (109)					11
Total Utility Plant	2,737,154	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)	468,123	0	0	0	12
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	68,184	0	0	0	13
Total Accumulated Provision	536,307	0	0	0	
Net Utility Plant	2,200,847	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)	416,735				416,735	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	54,470				54,470	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	2,878				2,878	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	57,348	0	0	0	57,348	13
Debits during year						14
Book cost of plant retired	5,960				5,960	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	5,960	0	0	0	5,960	19
Balance end of year (110.1)	468,123	0	0	0	468,123	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)	6,800				6,800	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	61,384				61,384	10
Total credits	68,184	0	0	0	68,184	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)	68,184	0	0	0	68,184	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):	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	9,168	8,869
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	9,168	8,869

**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)				
2000 MORTGAGE REVENUE BONDS	2,841	428	22,724	1
Total			<u><u>22,724</u></u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u><u>0</u></u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	255,155	1
Changes during year (explain):		2
Balance end of year	<u><u>255,155</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)	
2000 MORTGAGE REVENUE BONDS	03/01/2000	05/01/2017	5.25%	1,075,000	1
Total Bonds (Account 221):				1,075,000	

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)
--	------------------------------	------------------------------------	------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	44,692	1
Accruals:		
Charged water department expense	52,563	2
Charged electric department expense		3
Charged sewer department expense	926	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>53,489</u>	
Taxes paid during year:		
County, state and local taxes	44,692	6
Social Security taxes	2,695	7
PSC Remainder Assessment	170	8
Other (explain):		
NONE		9
Total payments and other debits	<u>47,557</u>	
Balance end of year	<u><u>50,624</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)					
	0			0	1
2000 MORTGAGE REVENUE BONDS	10,568	61,724	62,145	10,147	2
Subtotal	10,568	61,724	62,145	10,147	
Advances from Municipality (223)					
NONE	0			0	3
Subtotal	0	0	0	0	
Other Long-Term Debt (224)					
NONE	0			0	4
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	10,568	61,724	62,145	10,147	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS RECEIVABLE	23,953	2
ADVANCE TO TID FUND	12,565	3
Total (Acct. 124):	36,518	
Special Funds (125):		
BOND RESERVE FUND	98,772	4
SPECIAL REDEMPTION FUND	2,683	5
DEPRECIATION FUND	2,788	6
Total (Acct. 125):	104,243	
Notes Receivable (141):		
NONE		7
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	48,788	8
Electric		9
Sewer (Regulated)		10
Other (specify):		
NONE		11
Total (Acct. 142):	48,788	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		12
Merchandising, jobbing and contract work		13
Other (specify):		
LATERAL CONNECTION FEE DUE FROM CUSTOMER (PARTIAL)	641	14
Total (Acct. 143):	641	
Receivables from Municipality (145):		
2002 TAX ROLL	758	15
2002 HYDRANT RENTAL UNPAID	7,957	16
2001 BALANCE OF EXPENSES UNPAID AT 12-31-03	27,376	17
2003 EXPENSES OWED FROM GENERAL VILLAGE	1,789	18
Total (Acct. 145):	37,880	
Prepayments (165):		
NONE		19
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	20	
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE	21	
Total (Acct. 183):	0	
Payables to Municipality (233):		
MISC 2003 AMOUNT OWED TO VILLAGE STORMWATER UTILITY	47	22
Total (Acct. 233):	47	
Other Deferred Credits (253):		
NONE	23	
Total (Acct. 253):	0	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include 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 (101.1)	2,316,993	0	0	0	2,316,993	1
Materials and Supplies	9,018	0	0	0	9,018	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	442,429	0	0	0	442,429	4
Customer Advances for Construction					0	5
					0	6
Average Net Rate Base	1,883,582	0	0	0	1,883,582	
Net Operating Income	138,335	0	0	0	138,335	7
Net Operating Income as a percent of Average Net Rate Base	7.34%	N/A	N/A	N/A	7.34%	

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.

THE WATER UTILITY INCREASED WATER RATES EFFECTIVE 9-25-02. THE OVERALL INCREASE IN ANNUAL REVENUES IS 38%. THE ANNUAL REVENUE INCREASE WITH THIS RATE INCREASE WAS ESTIMATED AT \$86,490.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

ACCOUNTANT'S COMPILATION REPORT

To the Village Board
Village of Palmyra
Palmyra, Wisconsin

We have compiled the accompanying balance sheets of the Village of Palmyra Water Utility as of December 31, 2003 and 2002 and the related statements of income and earned surplus and supplemental information for the years then ended included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

These financial statements and supplementary information are presented in accordance with the requirements of the Wisconsin Public Service Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

James R Frechette
Certified Public Accountant
April 23, 2004

FINANCIAL SECTION FOOTNOTES

Balance Sheet (Page F-06)

General footnotes

Cash and Investment balances higher at 12-31-03 than 12-31-02 due in part to increase in water rates and TID District partial repayment of advance.

Balance Sheet End-of-Year Account Balances (Page F-19)

General footnotes

a/c 145 Receivable From Municipality

Balance at December 31, 2003 is much the same as 12-31-2002. Amounts paid in 2004 to clear interfunds.

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	398,688	0	0	0	0	398,688	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	398,688					398,688	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)	324,181	257,099	1
Total Sales of Water	324,181	257,099	
Other Operating Revenues			
Forfeited Discounts (470)	1,232	943	2
Miscellaneous Service Revenues (471)	540	200	3
Rents from Water Property (472)	12,128	11,550	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	2,844	3,162	6
Amortization of Construction Grants (475)		0	7
Total Other Operating Revenues	16,744	15,855	
Total Operating Revenues	340,925	272,954	
Operation and Maintenance Expenses			
Source of Supply Expenses (600-605)	10,198	10,506	8
Pumping Expenses (620-625)	7,458	7,544	9
Water Treatment Expenses (630-635)	2,525	1,757	10
Transmission and Distribution Expenses (640-655)	25,364	34,774	11
Customer Accounts Expenses (901-904)	11,180	10,830	12
Sales Expenses (910)	0	0	13
Administrative and General Expenses (920-935)	38,832	41,399	14
Total Operation and Maintenance Expenses	95,557	106,810	
Other Operating Expenses			
Depreciation Expense (403)	54,470	48,074	15
Amortization Expense (404-407)	0	0	16
Taxes (408)	52,563	47,050	17
Total Other Operating Expenses	107,033	95,124	
Total Operating Expenses	202,590	201,934	
NET OPERATING INCOME	138,335	71,020	

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	556	28,658	125,291	4
Commercial	73	13,639	40,882	5
Industrial	6	13,642	27,483	6
Total Metered Sales to General Customers (461)	635	55,939	193,656	
Private Fire Protection Service (462)	2		3,080	7
Public Fire Protection Service (463)	1		115,315	8
Other Sales to Public Authorities (464)	16	4,954	12,130	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	654	60,893	324,181	

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)	115,315	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)	115,315	
Forfeited Discounts (470):		
Customer late payment charges	1,232	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	1,232	
Miscellaneous Service Revenues (471):		
RECONNECTION CHARGES	540	7
Total Miscellaneous Service Revenues (471)	540	
Rents from Water Property (472):		
WATER TOWER RENT	12,128	8
Total Rents from Water Property (472)	12,128	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	2,844	10
Other (specify): NONE		11
Total Other Water Revenues (474)	2,844	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
SOURCE OF SUPPLY EXPENSES			
Operation Labor (600)	9,431	9,606	1
Purchased Water (601)		0	2
Operation Supplies and Expenses (602)	767	900	3
Maintenance of Water Source Plant (605)		0	4
Total Source of Supply Expenses	10,198	10,506	
PUMPING EXPENSES			
Operation Labor (620)		0	5
Fuel for Power Production (621)		0	6
Fuel or Power Purchased for Pumping (622)	7,103	7,544	7
Operation Supplies and Expenses (623)	355	0	8
Maintenance of Pumping Plant (625)		0	9
Total Pumping Expenses	7,458	7,544	
WATER TREATMENT EXPENSES			
Operation Labor (630)		0	10
Chemicals (631)	2,182	1,656	11
Operation Supplies and Expenses (632)	343	101	12
Maintenance of Water Treatment Plant (635)		0	13
Total Water Treatment Expenses	2,525	1,757	
TRANSMISSION AND DISTRIBUTION EXPENSES			
Operation Labor (640)	9,393	9,650	14
Operation Supplies and Expenses (641)	7,499	11,337	15
Maintenance of Distribution Reservoirs and Standpipes (650)	361	2,546	16
Maintenance of Mains (651)		1,186	17
Maintenance of Services (652)	7,575	7,916	18
Maintenance of Meters (653)	133	2,139	19
Maintenance of Hydrants (654)	403	0	20
Maintenance of Other Plant (655)		0	21
Total Transmission and Distribution Expenses	25,364	34,774	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
CUSTOMER ACCOUNTS EXPENSES			
Meter Reading Labor (901)	4,263	3,588	22
Accounting and Collecting Labor (902)	6,068	6,472	23
Supplies and Expenses (903)	849	770	24
Uncollectible Accounts (904)		0	25
Total Customer Accounts Expenses	11,180	10,830	
SALES EXPENSES			
Sales Expenses (910)		0	26
Total Sales Expenses	0	0	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (920)	6,069	6,321	27
Office Supplies and Expenses (921)	3,969	4,343	28
Administrative Expenses Transferred--Credit (922)		0	29
Outside Services Employed (923)	4,555	4,628	30
Property Insurance (924)	2,709	2,747	31
Injuries and Damages (925)	2,690	2,747	32
Employee Pensions and Benefits (926)	12,798	11,627	33
Regulatory Commission Expenses (928)	0	4,903	34
Miscellaneous General Expenses (930)	843	1,425	35
Transportation Expenses (933)	1,447	1,066	36
Maintenance of General Plant (935)	3,752	1,592	37
Total Administrative and General Expenses	38,832	41,399	
Total Operation and Maintenance Expenses	95,557	106,810	

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		50,624	44,692	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		926	709	2
Net property tax equivalent		49,698	43,983	
Social Security		2,695	2,835	3
PSC Remainder Assessment		170	232	4
Other (specify): NONE			0	5
Total tax expense		52,563	47,050	

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			Jefferson				1
SUMMARY OF TAX RATES							
State tax rate	mills		0.201618				2
County tax rate	mills		4.836073				3
Local tax rate	mills		7.348260				4
School tax rate	mills		11.099872				5
Voc. school tax rate	mills		1.342734				6
Other tax rate - Local	mills		0.000000				7
Other tax rate - Non-Local	mills		0.000000				8
Total tax rate	mills		24.828557				9
Less: state credit	mills		1.259999				10
Net tax rate	mills		23.568558				11
PROPERTY TAX EQUIVALENT CALCULATION							
Local Tax Rate	mills		7.348260				12
Combined School Tax Rate	mills		12.442606				13
Other Tax Rate - Local	mills		0.000000				14
Total Local & School Tax	mills		19.790866				15
Total Tax Rate	mills		24.828557				16
Ratio of Local and School Tax to Total	dec.		0.797101				17
Total tax net of state credit	mills		23.568558				18
Net Local and School Tax Rate	mills		18.786520				19
Utility Plant, Jan. 1	\$	2,707,598	2,707,598				20
Materials & Supplies	\$	8,869	8,869				21
Subtotal	\$	2,716,467	2,716,467				22
Less: Plant Outside Limits	\$	0	0				23
Taxable Assets	\$	2,716,467	2,716,467				24
Assessment Ratio	dec.		0.991979				25
Assessed Value	\$	2,694,678	2,694,678				26
Net Local & School Rate	mills		18.786520				27
Tax Equiv. Computed for Current Year	\$	50,624	50,624				28
Tax Equivalent per 1994 PSC Report	\$	30,843					29
Any lower tax equivalent as authorized by municipality (see note 6)	\$						30
Tax equiv. for current year (see note 6)	\$	50,624					31

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 \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	51,069		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	51,069	0	
PUMPING PLANT			
Land and Land Rights (320)	900		12
Structures and Improvements (321)	86,656		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	5,663		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	68,836		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	8,979		20
Total Pumping Plant	171,034	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	7,006		23
Total Water Treatment Plant	7,006	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)			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)			51,069 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	51,069
PUMPING PLANT			
Land and Land Rights (320)			900 12
Structures and Improvements (321)			86,656 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			5,663 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			68,836 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			8,979 20
Total Pumping Plant	0	0	171,034
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			7,006 23
Total Water Treatment Plant	0	0	7,006

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 \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, 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)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	268,090		26
Transmission and Distribution Mains (343)	1,477,488		27
Fire Mains (344)	0		28
Services (345)	330,266	2,506	29
Meters (346)	99,396	16,519	30
Hydrants (348)	215,309		31
Other Transmission and Distribution Plant (349)	50		32
Total Transmission and Distribution Plant	2,390,599	19,025	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	4,107	989	35
Computer Equipment (391.1)	6,562	2,112	36
Transportation Equipment (392)	58,867		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	0		40
Power Operated Equipment (396)	0		41
Communication Equipment (397)	0		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	18,354		44
Other Tangible Property (399)	0		45
Total General Plant	87,890	3,101	
Total utility plant in service directly assignable	2,707,598	22,126	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	2,707,598	22,126	

**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)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			268,090 26
Transmission and Distribution Mains (343)		(291,171)	1,186,317 27
Fire Mains (344)			0 28
Services (345)		(65,086)	267,686 29
Meters (346)	5,960		109,955 30
Hydrants (348)		(42,431)	172,878 31
Other Transmission and Distribution Plant (349)			50 32
Total Transmission and Distribution Plant	5,960	(398,688)	2,004,976
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			5,096 35
Computer Equipment (391.1)			8,674 36
Transportation Equipment (392)			58,867 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			18,354 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	90,991
Total utility plant in service directly assignable	5,960	(398,688)	2,325,076
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	5,960	(398,688)	2,325,076

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 \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, 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 \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, 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)		13,390	29
Meters (346)			30
Hydrants (348)			31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	0	13,390	
GENERAL PLANT			
Land and Land Rights (389)			33
Structures and Improvements (390)			34
Office Furniture and Equipment (391)			35
Computer Equipment (391.1)			36
Transportation Equipment (392)			37
Stores Equipment (393)			38
Tools, Shop and Garage Equipment (394)			39
Laboratory Equipment (395)			40
Power Operated Equipment (396)			41
Communication Equipment (397)			42
SCADA Equipment (397.1)			43
Miscellaneous Equipment (398)			44
Other Tangible Property (399)			45
Total General Plant	0	0	
Total utility plant in service directly assignable	0	13,390	
Common Utility Plant Allocated to Water Department			46
Total utility plant in service	0	13,390	

**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)		291,171	291,171 27
Fire Mains (344)			0 28
Services (345)		65,086	78,476 29
Meters (346)			0 30
Hydrants (348)		42,431	42,431 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	398,688	412,078
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			0 35
Computer Equipment (391.1)			0 36
Transportation Equipment (392)			0 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	398,688	412,078
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	0	398,688	412,078

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			4,656	4,656	1
February			4,301	4,301	2
March			4,822	4,822	3
April			4,622	4,622	4
May			5,829	5,829	5
June			6,655	6,655	6
July			6,780	6,780	7
August			8,008	8,008	8
September			7,526	7,526	9
October			6,868	6,868	10
November			5,870	5,870	11
December			5,984	5,984	12
Total annual pumpage	0	0	71,921	71,921	
Less: Water sold				60,893	13
Volume pumped but not sold				11,028	14
Volume sold as a percent of volume pumped				85%	15
Volume used for water production, water quality and system maintenance				2,205	16
Volume related to equipment/system malfunction				100	17
Non-utility volume NOT included in water sales				1,000	18
Total volume not sold but accounted for				3,305	19
Volume pumped but unaccounted for				7,723	20
Percent of water lost				11%	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.)				567	23
Date of maximum: 7/16/2003					24
Cause of maximum:					25
Flushing fire hydrants.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				84	26
Date of minimum: 3/8/2003					27
Total KWH used for pumping for the year				108,377	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)	
103 JEFFERSON STREET	1	172	8	547,000	Yes	1
131 JEFFERSON STREET	3	90	12	648,000	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	#1	#3	1
Location	WELL #1	WELL #3	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	LAYNE NW	LAYNE NW	5
Year Installed	1923	1981	6
Type	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	380	464	8
Pump Motor or Standby Engine Mfr	LAYNE NW	LAYNE NW	10
Year Installed	1986	1981	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	60	60	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	#2		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1981		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	120		6
Total capacity in gallons (actual)	200,000		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.)	0.0000		12
Is a corrosion control chemical used (yes, no)?	N		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	2.000	0	0	0	0	0	1
M	D	4.000	20,474	0	0	0	20,474	2
M	D	6.000	10,926	0	0	0	10,926	3
P	D	6.000	432	0	0	0	432	4
M	D	8.000	2,471	0	0	0	2,471	5
P	D	8.000	12,468	0	0	0	12,468	6
P	D	12.000	16,204	0	0	0	16,204	7
P	D	24.000	0	0	0	0	0	8
Total Within Municipality			62,975	0	0	0	62,975	
Total Utility			62,975	0	0	0	62,975	

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	0.500	7	0	0	0	7		1
M	0.750	421	0	0	0	421		2
M	1.000	156	7	0	0	163		3
M	1.500	11	0	0	0	11		4
M	2.000	8	1	0	0	9		5
M	3.000	1	0	0	0	1		6
P	8.000	1	0	0	0	1		7
P	12.000	1	0	0	0	1		8
Total Utility		606	8	0	0	614	0	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	726	70	143	0	653	38	1
1.000	20	3	0	5	28	0	2
1.250	1	0	0	0	1	0	3
1.500	12	0	0	(6)	6	0	4
2.000	10	0	0	(1)	9	0	5
3.000	5	0	3	0	2	0	6
Total:	774	73	146	(2)	699	38	

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	549	52	1	12	0	39	653	1
1.000	1	14	2	1	0	10	28	2
1.250	0	1	0	0	0	0	1	3
1.500	0	3	0	0	0	3	6	4
2.000	0	4	2	2	0	1	9	5
3.000	0	0	1	1	0	0	2	6
Total:	550	74	6	16	0	53	699	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	121			(7)	114	2
Total Fire Hydrants	121	0	0	(7)	114	
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:	114
Number of distribution system valves end of year:	177
Number of distribution valves operated during year:	0

WATER OPERATING SECTION FOOTNOTES

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

General footnotes

Increase in revenues from 2002 due to rate increase effective for 3rd quarter of 2002.

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

If Adjustments for any account are nonzero, please explain.

TO RECLASSIFY AMOUNTS TO UTILITY PLANT CONTRIBUTED PLANT IN THE AMOUNT OF \$398,688.

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

If Adjustments for any account are nonzero, please explain.

TO RECORD BALANCE FROM UTILITY PLANT - UTILITY FINANCED IN THE AMOUNT OF A/C 271 OF \$398,688.

Water Services (Page W-18)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

A total of 8 services were added in 2003 with no retirements. One 1" service was added by utility paid projects with no special assessments. One was a property owner addition (1") in which property owner paid actual cost. The other 6 added services were paid by developer addition.

Meters (Page W-19)

Explain all reported adjustments.

The number of meters on a few accounts were adjusted to actual size or total meters on hand/in service. Net difference of 2.

Hydrants and Distribution System Valves (Page W-20)

General footnotes

The number of districbution valves operated during the year was less than 1/2 of the total. All of the distribution valves will be operated in 2004, 2006, etc.

Explain all reported Adjustments.

The number of hydrants in the system were reclaculated and found to be less than reported in 2002. Total was adjusted down by 7.
