



3015 (02-09-04)

ANNUAL REPORT

OF

Name: HIGHLAND MUNICIPAL WATER UTILITY

Principal Office: 530 MAIN ST
P.O. BOX 284
HIGHLAND, WI 53543

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: HIGHLAND MUNICIPAL WATER UTILITY

Utility Address: 530 MAIN ST
P.O. BOX 284
HIGHLAND, WI 53543

When was utility organized? 1/1/1960

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: THERESA C. MICHEK

Title: CLERK/TREASURER

Office Address:

530 MAIN ST
P.O. BOX 284
HIGHLAND, WI 53543

Telephone: (608) 929 - 7781

Fax Number: (608) 929 - 7781

E-mail Address: highlandclerk@charter.net

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

Name: REBECCA A WIENKES

Title: CPA

Office Address: REBECCA A WIENKES CPA LLC

820 HARMS RD
HIGHLAND, WI 53543

Telephone: (608) 623 - 3634

Fax Number: (608) 623 - 3300

E-mail Address: WIENKES6@MHTC.NET

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

Name: THOMAS E PINCH

Title: VILLAGE PRESIDENT

Office Address:

530 MAIN ST
P.O. BOX 284
HIGHLAND, WI 53543

Telephone: (608) 929 - 7781

Fax Number: (608) 929 - 7781

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: REBECCA A WIENKES

Title: CPA

Office Address: REBECCA A WIENKES CPA LLC
820 HARMS RD
HIGHLAND, WI 53543

Telephone: (608) 623 - 3634

Fax Number: (608) 623 - 3300

E-mail Address: WIENKES6@MHTC.NET

Date of most recent audit report: 2/5/2003

Period covered by most recent audit: 2002

Names and titles of utility management including manager or superintendent:

Name: THOMAS E PINCH

Title: VILLAGE PRESIDENT

Office Address:
530 MAIN ST
P.O. BOX 284
HIGHLAND, WI 53543

Telephone: (608) 929 - 7781

Fax Number: (608) 929 - 7781

E-mail Address:

Name of utility commission/committee: VILLAGE OF HIGHLAND BOARD MEMBERS

Names of members of utility commission/committee:

- TERESA BOMKAMP, BOARD MEMBER
- ANTHONY KASTER, BOARD MEMBER
- THOMAS MICHEK, BOARD MEMBER
- DOUG OLESON, BOARD MEMBER
- DENNIS RICHGELS, BOARD MEMBER
- GEORGE WALLENKAMP, BOARD MEMBER

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:

NONE

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	96,160	97,710	1
Operating Expenses:			
Operation and Maintenance Expense (401)	30,824	27,060	2
Depreciation Expense (403)	14,195	20,613	3
Amortization Expense (404)	0	0	4
Taxes (408)	18,987	16,047	5
Total Operating Expenses	64,006	63,720	
Net Operating Income	32,154	33,990	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	32,154	33,990	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	1,420	2,753	9
Miscellaneous Nonoperating Income (421)	2,600	0	10
Total Other Income	4,020	2,753	
Total Income	36,174	36,743	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	7,550	0	12
Total Miscellaneous Income Deductions	7,550	0	
Income Before Interest Charges	28,624	36,743	
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	28,624	36,743	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	394,644	357,901	19
Balance Transferred from Income (433)	28,624	36,743	20
Miscellaneous Credits to Surplus (434)	338,267	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)	761,535	394,644	

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	96,160		96,160	1
Total (Acct. 400):	96,160	0	96,160	
Operation and Maintenance Expense (401):				
Derived	30,824		30,824	2
Total (Acct. 401):	30,824	0	30,824	
Depreciation Expense (403):				
Derived	14,195		14,195	3
Total (Acct. 403):	14,195	0	14,195	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	18,987		18,987	5
Total (Acct. 408):	18,987	0	18,987	
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:	32,154	0	32,154	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST ON BANK ACCOUNTS	1,420	0	1,420	10
Total (Acct. 419):	1,420	0	1,420	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	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):			
INSURANCE PROCEEDS-PUMP MOTOR	2,600	0	2,600 12
Total (Acct. 421):	2,600	0	2,600
TOTAL OTHER INCOME:	4,020	0	4,020

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	[REDACTED]	7,550	7,550 14
NONE	0	0	0 15
Total (Acct. 426):	0	7,550	7,550
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	7,550	7,550

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	0	[REDACTED]	0 16
Total (Acct. 427):	0	0	0
Amortization of Debt Discount and Expense (428):			
NONE	0	[REDACTED]	0 17
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 18
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	[REDACTED]	0 19
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0	[REDACTED]	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:	36,174	(7,550)	28,624
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	394,644	0	394,644 22
Total (Acct. 216):	394,644	0	394,644
Balance Transferred from Income (433):			
Derived	36,174	(7,550)	28,624 23
Total (Acct. 433):	36,174	(7,550)	28,624
Miscellaneous Credits to Surplus (434):			
ENTRY TO ELIMINATE AND TRANSFER ACCT 271	0	338,267	338,267 24
Total (Acct. 434):	0	338,267	338,267
Miscellaneous Debits to Surplus--Debit (435):			
NONE		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):	430,818	330,717	761,535

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	96,160	0	0	0	96,160	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	96,160	0	0	0	96,160	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,187,655	1,125,688	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	228,417	187,193	2
Net Utility Plant	959,238	938,495	
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)	2,137	3,204	6
Special Funds (125)	44,694	91,112	7
Total Other Property and Investments	46,831	94,316	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	7,226	8,980	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	12,275	14,458	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	3,767	6,626	14
Materials and Supplies (150)	5,135	3,705	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	28,403	33,769	
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	1,034,472	1,066,580	

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)	254,347	254,347	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	761,535	394,644	23
Total Proprietary Capital	1,015,882	648,991	
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)	637		28
Payables to Municipality (233)	103	621	29
Customer Deposits (235)			30
Taxes Accrued (236)	17,850	15,412	31
Interest Accrued (237)	0	0	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	18,590	16,033	
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	401,556	38
Total Liabilities and Other Credits	1,034,472	1,066,580	

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	1,125,688	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)	786,100	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	401,555	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	1,187,655	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)	157,575	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	70,842	0	0	0	12
Total Accumulated Provision	228,417	0	0	0	
Net Utility Plant	959,238	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)	187,193				187,193	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	14,195				14,195	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	578				578	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	14,773	0	0	0	14,773	13
Debits during year						14
Book cost of plant retired	43,389				43,389	15
Cost of removal					0	16
Other debits (specify):						17
CURRENT YEAR ADJUSTMENTS	1,002				1,002	18
Total debits	44,391	0	0	0	44,391	19
Balance end of year (110.1)	157,575	0	0	0	157,575	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	1.93%					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)	7,550				7,550	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	63,292				63,292	10
Total credits	70,842	0	0	0	70,842	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)	70,842	0	0	0	70,842	18
Composite Depreciation Rate?	Yes					19
If yes, what is the rate?	1.93%					20

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

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

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

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

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	5,135	3,705 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	<u>5,135</u>	<u>3,705</u>

**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	254,347	1
Changes during year (explain):		2
Balance end of year	<u><u>254,347</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	15,412	1
Accruals:		
Charged water department expense	18,987	2
Charged electric department expense		3
Charged sewer department expense	267	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>19,254</u>	
Taxes paid during year:		
County, state and local taxes	15,412	6
Social Security taxes	1,299	7
PSC Remainder Assessment	105	8
Other (explain):		
NONE		9
Total payments and other debits	<u>16,816</u>	
Balance end of year	<u><u>17,850</u></u>	

INTEREST ACCRUED (ACCT. 237)

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

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
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		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS RECEIVABLE	2,137	2
Total (Acct. 124):	2,137	
Special Funds (125):		
BOND & INTEREST REDEMPTION FUND	15,386	3
1988 CONSTRUCTION FUND	29,308	4
Total (Acct. 125):	44,694	
Notes Receivable (141):		
NONE		5
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	12,275	6
Electric		7
Sewer (Regulated)		8
Other (specify):		
NONE		9
Total (Acct. 142):	12,275	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		10
Merchandising, jobbing and contract work		11
Other (specify):		
NONE		12
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DUE FROM SEWER-2003 METER ALLOCATIONS	1,685	13
DUR FROM MUNICIPALITY-2003 TAX ROLL ITEMS	2,082	14
Total (Acct. 145):	3,767	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	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/>	
Other Deferred Debits (183):	
NONE	17
Total (Acct. 183):	0
<hr/>	
Payables to Municipality (233):	
DUE TO VILLAGE-ENGINEERING COST REIMBURSEMENT	103 18
Total (Acct. 233):	103
<hr/>	
Other Deferred Credits (253):	
NONE	19
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)	755,116	0	0	0	755,116	1
Materials and Supplies	4,420	0	0	0	4,420	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	172,384	0	0	0	172,384	4
Customer Advances for Construction					0	5
					0	6
Average Net Rate Base	587,152	0	0	0	587,152	
Net Operating Income	32,154	0	0	0	32,154	7
Net Operating Income as a percent of Average Net Rate Base	5.48%	N/A	N/A	N/A	5.48%	

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

Signature Page (Page ii)

General footnotes

COMPILATION REPORT OF CERTIFIED PUBLIC ACCOUNTANT

APRIL 26, 2004

VILLAGE BOARD
VILLAGE OF HIGHLAND
HIGHLAND, WISCONSIN 53543

I have compiled the accompanying prescribed Municipal Utility Annual Report of the Village of Highland Water Utilities as of December 31, 2003, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. I have not audited or reviewed the accompanying Municipal Utility Annual Report and, accordingly, do not express an opinion or any other form of assurance on this report.

The aforementioned report was prepared for the purpose of complying with statutory requirements, rules, regulations, and guidelines of the Wisconsin Public Service Commission and is not intended to be a complete presentation in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of management of the Village of Highland and the Wisconsin Public Service Commission, and should not be used for any other purposes.

Rebecca A. Wienkes, CPA, LLC

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	401,556	0	0	0	0	401,556	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	401,556					401,556	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)	95,165	96,636	1
Total Sales of Water	95,165	96,636	
Other Operating Revenues			
Forfeited Discounts (470)	155	261	2
Other Water Revenues (474)	840	813	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues	995	1,074	
Total Operating Revenues	96,160	97,710	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	19,860	20,075	5
General Operating Expenses (680-690)	10,964	6,985	6
Total Operation and Maintenance Expenses	30,824	27,060	
Other Operating Expenses			
Depreciation Expense (403)	14,195	20,613	7
Amortization Expense (404)		0	8
Taxes (408)	18,987	16,047	9
Total Other Operating Expenses	33,182	36,660	
Total Operating Expenses	64,006	63,720	
NET OPERATING INCOME	32,154	33,990	

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	1	76	1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	1	1	76	
Metered Sales to General Customers (461)				
Residential	345	15,216	42,170	4
Commercial	44	1,927	6,560	5
Industrial				6
Total Metered Sales to General Customers (461)	389	17,143	48,730	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		42,746	8
Other Sales to Public Authorities (464)	14	1,196	3,613	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	405	18,340	95,165	

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)	42,746	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)	42,746	
Forfeited Discounts (470):		
Customer late payment charges	155	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	155	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	840	7
Other (specify): NONE		8
Total Other Water Revenues (474)	840	

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)	11,045	10,831	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	4,793	3,632	3
Chemicals (630)		0	4
Supplies and Expenses (640)	490	2,482	5
Repairs of Water Plant (650)	1,032	2,130	6
Transportation Expenses (660)	2,500	1,000	7
Total Plant Operation and Maintenance Expenses	19,860	20,075	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	4,156	1,394	8
Office Supplies and Expenses (681)	1,014	1,191	9
Outside Services Employed (682)	1,100	2,011	10
Insurance Expense (684)	4,500	2,000	11
Employees Pensions and Benefits (686)		0	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	194	389	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	10,964	6,985	
Total Operation and Maintenance Expenses	30,824	27,060	

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		17,850	15,412	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		267	238	2
Net property tax equivalent		17,583	15,174	
Social Security		1,299	776	3
PSC Remainder Assessment		105	97	4
Other (specify): NONE			0	5
Total tax expense		18,987	16,047	

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			Iowa				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.256540				3
County tax rate	mills		7.621430				4
Local tax rate	mills		3.551500				5
School tax rate	mills		18.745460				6
Voc. school tax rate	mills		2.437890				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		32.612820				10
Less: state credit	mills		2.306390				11
Net tax rate	mills		30.306430				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		3.551500				14
Combined School Tax Rate	mills		21.183350				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		24.734850				17
Total Tax Rate	mills		32.612820				18
Ratio of Local and School Tax to Total	dec.		0.758439				19
Total tax net of state credit	mills		30.306430				20
Net Local and School Tax Rate	mills		22.985593				21
Utility Plant, Jan. 1	\$	1,125,688	1,125,688				22
Materials & Supplies	\$	3,705	3,705				23
Subtotal	\$	1,129,393	1,129,393				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	1,129,393	1,129,393				26
Assessment Ratio	dec.		0.779590				27
Assessed Value	\$	880,463	880,463				28
Net Local & School Rate	mills		22.985593				29
Tax Equiv. Computed for Current Year	\$	20,238	20,238				30
Tax Equivalent per 1994 PSC Report	\$	21,429					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	17,850					32
Tax equiv. for current year (see note 6)	\$	17,850					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)	200		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	200	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	11,312		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	29,354		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	40,666	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	4,571		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	37,133	5,950	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	41,704	5,950	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	1,713		23
Total Water Treatment Plant	1,713	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)			200	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	200	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			11,312	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			29,354	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	40,666	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			4,571	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)	18,567		24,516	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	18,567	0	29,087	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			1,713	23
Total Water Treatment Plant	0	0	1,713	

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)	8,750		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	310,125		26
Transmission and Distribution Mains (343)	534,263	67,334	27
Fire Mains (344)	0		28
Services (345)	88,081	23,085	29
Meters (346)	32,947	2,388	30
Hydrants (348)	58,131	7,601	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,032,297	100,408	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	4,622		35
Computer Equipment (372.1)	2,669		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	1,817		38
Other Tangible Property (390)	0		39
Total General Plant	9,108	0	
Total utility plant in service directly assignable	1,125,688	106,358	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,125,688	106,358	

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)			8,750 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)		(203,085)	107,040 26
Transmission and Distribution Mains (343)	23,625	(171,411)	406,561 27
Fire Mains (344)			0 28
Services (345)		(25,681)	85,485 29
Meters (346)	1,197	(558)	33,580 30
Hydrants (348)		(1,822)	63,910 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	24,822	(402,557)	705,326
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			4,622 35
Computer Equipment (372.1)			2,669 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			1,817 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	9,108
Total utility plant in service directly assignable	43,389	(402,557)	786,100
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	43,389	(402,557)	786,100

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	0	0	
 SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)			8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	0	0	
 PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)			13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)			17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	0	0	
 WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	0	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			24
Structures and Improvements (341)			25
Distribution Reservoirs and Standpipes (342)			26
Transmission and Distribution Mains (343)			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	0	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	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)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)		203,085	203,085 26
Transmission and Distribution Mains (343)		171,411	171,411 27
Fire Mains (344)			0 28
Services (345)		25,237	25,237 29
Meters (346)			0 30
Hydrants (348)		1,822	1,822 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	401,555	401,555
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	401,555	401,555
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	401,555	401,555

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			1,724	1,724	1
February			1,529	1,529	2
March			1,601	1,601	3
April			1,567	1,567	4
May			1,698	1,698	5
June			1,374	1,374	6
July			1,746	1,746	7
August			2,244	2,244	8
September			1,736	1,736	9
October			1,563	1,563	10
November			1,562	1,562	11
December			1,674	1,674	12
Total annual pumpage	0	0	20,018	20,018	
Less: Water sold				18,340	13
Volume pumped but not sold				1,678	14
Volume sold as a percent of volume pumped				92%	15
Volume used for water production, water quality and system maintenance				246	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales				46	18
Total volume not sold but accounted for				292	19
Volume pumped but unaccounted for				1,386	20
Percent of water lost				7%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				113	23
Date of maximum: 8/27/2003					24
Cause of maximum:					25
STREET CONSTRUCTION					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				33	26
Date of minimum: 6/29/2003					27
Total KWH used for pumping for the year				73,068	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
WELL-HIGHLAND	1	455	4	50,000	Yes	1
WELL-HIGHLAND	2	930	6	100,000	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	2	1
Location	HIGHLAND	HIGHLAND	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	UNKNOWN	WELLINGTON	5
Year Installed	1983	1968	6
Type	SUBMERSIBLE	VERTICAL TURBINE	7
Actual Capacity (gpm)	100	350	8
Pump Motor or Standby Engine Mfr	UNKNOWN	US VERT HOLLOWSHAFT	9
Year Installed	1983	2003	10
Type	ELECTRIC	ELECTRIC	11
Horsepower	20	60	12

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R		3
Year constructed	1988		4
Primary material (earthen, steel, concrete, other)	OTHER		5
Elevation difference in feet (See Headnote 3.)	250		6
Total capacity in gallons (actual)	200,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER		9
Points of application (wellhouse, central facilities, booster station, other)	OTHER		10
Filters, type (gravity, pressure, other, none)	OTHER		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	650.0000		12
Is a corrosion control chemical used (yes, no)?	N		13
Is water fluoridated (yes, no)?	N		14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25

WATER MAINS

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

Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	Number of Feet				Adjustments Increase or (Decrease) (g)	End of Year (h)	
			First of Year (d)	Added During Year (e)	Retired During Year (f)	Retired During Year (f)			
M	D	4.000	6,554		900	(3,254)	2,400	1	
M	D	6.000	10,463	0	500	(243)	9,720	2	
P	D	6.000	2,965	0	0	1,665	4,630	3	
M	D	8.000	0	0	0	850	850	4	
P	D	8.000	6,628	1,605	0	982	9,215	5	
P	D	10.000	5,050	0	0	0	5,050	6	
Total Within Municipality			31,660	1,605	1,400	0	31,865		
Total Utility			31,660	1,605	1,400	0	31,865		

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	382	2	0	(2)	382		1
M	1.000	5	0	0	0	5		2
M	1.500	2	0	0	0	2		3
M	2.000	6	0	0	0	6		4
M	3.000	1	0	0	0	1		5
Total Utility		396	2	0	(2)	396	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)	
0.750	395	24	14	2	407	40	1
1.000	5	0	1	1	5	1	2
1.500	2	0	0	0	2	0	3
2.000	6	0	0	0	6	0	4
3.000	1	0	0	0	1	0	5
6.000	0	0	0	0	0	0	6
Total:	409	24	15	3	421	41	

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)	
0.750	336	39	0	7	0	25	407	1
1.000	0	3	0	2	0	0	5	2
1.500	0	2	0	0	0	0	2	3
2.000	0	3	0	3	0	0	6	4
3.000	0	0	0	1	0	0	1	5
6.000	0	0	0	0	0	0	0	6
Total:	336	47	0	13	0	25	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	0				0	1
Within Municipality	56	1			57	2
Total Fire Hydrants	56	1	0	0	57	
Flushing Hydrants						
	0	1		2	3	3
Total Flushing Hydrants	0	1	0	2	3	

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:	57
Number of distribution system valves end of year:	81
Number of distribution valves operated during year:	80

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

General footnotes

ADMINISTRATIVE AND GENERAL SALARIES INCREASED \$2,762 DUE TO INCREASED TIME ALLOCATED TO WATER FOR CLERK'S WAGES

INSURANCE EXPENSE INCREASED \$2,500, THIS IS DUE LARGELY TO INCREASE IN HEALTH INSURANCE COSTS.

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

General footnotes

ON NOVEMBER 4, 1996, A RESOLUTION WAS PASSED BY THE VILLAGE BOARD AUTHORIZING THE VILLAGE TO PAY THE LESSER OF THE TAX EQUIVALENT AS ALLOWED BY WIS. STATUTE 66.0811(2) OR THE PRIOR YEAR'S ALLOWED AMOUNT.

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

General footnotes

SERVICES (345) ARE ADJUSTED BY -444 DUE TO INSPECTION AT 12/31/03 AND ADJUSTED -25,237 FOR RECLASSIFICATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION BALANCE AT 1/1/03

METERS (346 ARE ADJUSTED BY -558 DUE TO A PHYSICAL INSPECTION AT 12/31/03

MAINS (343) ARE ADJUSTED BY -171,411 FOR RECLASSIFICATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION BALANCE AT 1/1/03

RESERVOIRS (342) ARE ADJUSTED BY -203,085 FOR RECLASSIFICATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION BALANCE AT 1/1/03

HYDRANTS (348) ARE ADJUSTED BY -1,822 FOR RECLASSIFICATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION BALANCE AT 1/1/03

SEE PAGE W-17 FOR SUPPORT FOR 2003 ADDITIONS AND DELETIONS TO ACCOUNT 343.

SEE PAGE W-18 FOR SUPPORT FOR 2003 ADDITIONS AND DELETIONS TO ACCOUNT 345.

SEE PAGE W-15 FOR SUPPORT FOR 2003 ADDITIONS AND DELETIONS TO ACCOUNT 325.

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

If Plant in Service Retirements, Accounts 316 or 343, are greater than zero AND Retirements on the Mains schedule are zero, please explain.

SERVICES (345) ARE ADJUSTED 25,237 FOR RECLASSIFICATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 271 AT 1/1/03

MAINS (343) ARE ADJUSTED 171,411 FOR RECLASSIFICATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 271 AT 1/1/03

RESERVOIRS (342) ARE ADJUSTED 203,085 FOR RECLASSIFICATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 271 AT 1/1/03

HYDRANTS (348) ARE ADJUSTED 1,822 FOR RECLASSIFICATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 271 AT 1/1/03

WATER OPERATING SECTION FOOTNOTES

Pumping & Power Equipment (Page W-15)

General footnotes

IN AUGUST OF 2003, THE PUMP MOTOR FOR UNIT B WAS REPLACED BY A NEW PUMP MOTOR. INSURANCE PROCEEDS OF \$2,600 WERE RECEIVED AND ARE REPORTED IN ACCOUNT 421 AS MISCELLANEOUS NONOPERATING INCOME.

Water Mains (Page W-17)

General footnotes

HIGH ST: 500' OF 6" METAL WAS REPLACED WITH 8" PLASTIC
GRAND ST: 900' OF 4" METAL WAS REPLACED WITH 8" PLASTIC
HIGH ST: EXTENDED 205' OF 8" PLASTIC
ADJUSTMENTS: 3254' OF 4" METAL AND 243' 6" METAL WAS RECLASSIFIED TO 1665' 6" PLASTIC, 850' 8" METAL AND 982' OF 8" PLASTIC DUE TO REVIEW OF 12/31/03 WATER MAINS

ADDITIONS WERE FINANCED BY OPERATING REVENUE.

Water Services (Page W-18)

General footnotes

VILLAGE ADDED ONE SERVICE TO A NEW VILLAGE HALL AND ONE SERVICE TO A RESIDENCE IN 2003.

ADJUSTMENTS: .75" SERVICES WERE DECREASED BY 2 DUE TO REVIEW OF 12/31/03 WATER SERVICES

ADDITIONS WERE FINANCED BY OPERATING REVENUES.

Meters (Page W-19)

General footnotes

ADJUSTMENT IS FOR METERS ADDED IN 2002 PER PSC ANALYTICAL REVIEW.

Hydrants and Distribution System Valves (Page W-20)

General footnotes

ADJUSTMENT: INCREASED FLUSHING HYDRANTS 2 FOR FLUSHING HYDRANTS PLACED IN SERVICE IN PRIOR YEARS.
