



3015 (02-09-04)

ANNUAL REPORT

OF

Name: VILLAGE OF MOUNT STERLING MUNICIPAL WATER UTILITY

Principal Office: P.O. BOX 67
MOUNT STERLING, WI 54645

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 MOUNT STERLING MUNICIPAL WATER UTILITY

Utility Address: P.O. BOX 67
MOUNT STERLING, WI 54645

When was utility organized? 1/1/1955

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: LORI FOLEY

Title: CLERK

Office Address:

P.O. BOX 271
MOUNT STERLING, WI 54645

Telephone: (608) 734 - 3108

Fax Number: (608) 734 - 3108

E-mail Address:

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

Name: JOHN E. VIG

Title: MANAGING MEMBER

Office Address: VIG & ASSOCIATES, LLC

117 WEST COURT STREET
P.O. BOX 271
VIROQUA, WI 54665

Telephone: (608) 637 - 2082

Fax Number: (608) 637 - 3021

E-mail Address: jackv@frontiernet.net

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

Name: DOUG HELGERSON

Title: VILLAGE PRESIDENT

Office Address:

P.O. BOX 271
MOUNT STERLING, WI 54645

Telephone: (608) 734 - 3108

Fax Number:

E-mail Address:

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

IDENTIFICATION AND OWNERSHIP

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

Name: JOHN E VIG

Title: MANAGING MEMBER

Office Address: VIG & ASSOCIATES, LLC
117 WEST COURT STREET
P.O. BOX 271
VIROQUA, WI 54665

Telephone: (608) 637 - 2082

Fax Number: (608) 637 - 3021

E-mail Address: jackv@frontiernet.net

Date of most recent audit report: 5/7/2004

Period covered by most recent audit: DECEMBER 31, 2003

Names and titles of utility management including manager or superintendent:

Name: EDWARD DEVENPORT

Title: UTILTIY SUPERVISOR

Office Address:
P.O. BOX 271
MOUNT STERLING, WI 54645

Telephone: (608) 734 - 3108

Fax Number:

E-mail Address:

Name of utility commission/committee: UTILITY COMMISSION

Names of members of utility commission/committee:

- LORI FOLEY, CLERK
- GARY HARDEN, TRUSTEE
- DOUG HELGERSON, PRESIDENT
- DAVID JONES, TRUSTEE

Is sewer service rendered by the utility? NO

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

Date of Ordinance:

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)	38,123	46,016	1
Operating Expenses:			
Operation and Maintenance Expense (401)	21,828	13,194	2
Depreciation Expense (403)	7,048	14,111	3
Amortization Expense (404)	2,400	3,200	4
Taxes (408)	1,570	1,640	5
Total Operating Expenses	32,846	32,145	
Net Operating Income	5,277	13,871	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	5,277	13,871	
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)	688	639	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	688	639	
Total Income	5,965	14,510	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	7,119	0	12
Total Miscellaneous Income Deductions	7,119	0	
Income Before Interest Charges	(1,154)	14,510	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	10,609	10,736	13
Amortization of Debt Discount and Expense (428)	92	92	14
Amortization of Premium on Debt--Cr. (429)	0	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	0	18
Total Interest Charges	10,701	10,828	
Net Income	(11,855)	3,682	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	93,538	89,856	19
Balance Transferred from Income (433)	(11,855)	3,682	20
Miscellaneous Credits to Surplus (434)	378,320	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)	460,003	93,538	

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	38,123		38,123	1
Total (Acct. 400):	38,123	0	38,123	
Operation and Maintenance Expense (401):				
Derived	21,828		21,828	2
Total (Acct. 401):	21,828	0	21,828	
Depreciation Expense (403):				
Derived	7,048		7,048	3
Total (Acct. 403):	7,048	0	7,048	
Amortization Expense (404):				
Derived	2,400		2,400	4
Total (Acct. 404):	2,400	0	2,400	
Taxes (408):				
Derived	1,570		1,570	5
Total (Acct. 408):	1,570	0	1,570	
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:	5,277	0	5,277	
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 EARNED ON TEMPORARY INVESTMENTS	688	0	688	10
Total (Acct. 419):	688	0	688	
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):			
NONE	0	0	0 12
Total (Acct. 421):	0	0	0
TOTAL OTHER INCOME:	688	0	688

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]	7,119	7,119 14
NONE	0	0	0 15
Total (Acct. 426):	0	7,119	7,119
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	7,119	7,119

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	10,609	[REDACTED]	10,609 16
Total (Acct. 427):	10,609	0	10,609
Amortization of Debt Discount and Expense (428):			
NONE	92	[REDACTED]	92 17
Total (Acct. 428):	92	0	92
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:	10,701	0	10,701
NET INCOME:	(4,736)	(7,119)	(11,855)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	93,538	0	93,538 22
Total (Acct. 216):	93,538	0	93,538
Balance Transferred from Income (433):			
Derived	(4,736)	(7,119)	(11,855) 23
Total (Acct. 433):	(4,736)	(7,119)	(11,855)
Miscellaneous Credits to Surplus (434):			
CLOSED JANUARY 1, 2003 PER DOCKET 05-US-105	0	377,004	377,004 24
PRIOR PERIOD ADJUSTMENT	0	1,316	1,316 25
Total (Acct. 434):	0	378,320	378,320
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
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	88,802	371,201	460,003

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

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

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	38,123	0	0	0	38,123	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:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	38,123	0	0	0	38,123	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	665,951	665,951	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	140,214	126,047	2
Net Utility Plant	525,737	539,904	
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)	27,582	27,582	5
Other Investments (124)	0	0	6
Special Funds (125)	23,845	21,169	7
Total Other Property and Investments	51,427	48,751	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	68,533	68,597	8
Temporary Cash Investments (132)		0	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	5,142	6,575	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	24,539	22,525	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)		0	17
Total Current and Accrued Assets	98,214	97,697	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	2,843	2,935	18
Extraordinary Property Losses (182)	7,198	9,598	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	10,041	12,533	
Total Assets and Other Debits	685,419	698,885	

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)	8,304	8,304	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	460,003	93,538	23
Total Proprietary Capital	468,307	101,842	
LONG-TERM DEBT			
Bonds (221)	209,900	212,700	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	209,900	212,700	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)			28
Payables to Municipality (233)	2,764	2,814	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	2,632	2,659	32
Other Current and Accrued Liabilities (238)	76	126	33
Total Current and Accrued Liabilities	5,472	5,599	
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)	1,740	1,740	37
Total Operating Reserves	1,740	1,740	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	0	377,004	38
Total Liabilities and Other Credits	685,419	698,885	

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	665,951	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)	288,947	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	377,004	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	665,951	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)	61,738	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	78,476	0	0	0	12
Total Accumulated Provision	140,214	0	0	0	
Net Utility Plant	525,737	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)	126,047				126,047	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	7,048				7,048	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	7,048	0	0	0	7,048	13
Debits during year						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
Est Depreciation on Cont Plant 1/1/	71,357				71,357	18
Total debits	71,357	0	0	0	71,357	19
Balance end of year (110.1)	61,738	0	0	0	61,738	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	1.91%					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)	7,119				7,119	4
Accruals charged other						5
accounts (specify):						6
Est Depreciation on Cont Plant 1/1/	71,357				71,357	7
Salvage					0	8
Other credits (specify):						9
Est. deprec on contrib plnt 1/1/03					0	10
Total credits	78,476	0	0	0	78,476	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)	78,476	0	0	0	78,476	18
Composite Depreciation Rate?	Yes					19
If yes, what is the rate?	1.91%					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					0	0

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

**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)				
FMHA Bonds	92	428	2,843	1
Total			2,843	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	8,304	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>8,304</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)	
FMHA BONDS	10/05/1994	10/01/2034	5.00%	209,900	1
Total Bonds (Account 221):				209,900	

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	0	1
Accruals:		
Charged water department expense	1,571	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>1,571</u>	
Taxes paid during year:		
County, state and local taxes	1,216	6
Social Security taxes	303	7
PSC Remainder Assessment	52	8
Other (explain):		
NONE		9
Total payments and other debits	<u>1,571</u>	
Balance end of year	<u><u>0</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)					
FMHA BONDS	2,659	10,609	10,636	2,632	1
Subtotal	2,659	10,609	10,636	2,632	
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	2,659	10,609	10,636	2,632	

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):		
PREVIOUS YEARS - RECEIVABLE FROM MUNICIPALITY	27,582	1
Total (Acct. 123):	27,582	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
DEBT SERVICE AND RESERVE ACCOUNTS	23,845	3
Total (Acct. 125):	23,845	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	5,142	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	5,142	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DUE FROM GENERAL FUND - PUBLIC FIRE PROTECTION - SENECA	3,700	12
DUE FROM GENERAL - PUBLIC FIRE PROTECTION	20,839	13
Total (Acct. 145):	24,539	
Prepayments (165):		
NONE		14
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
WATER PLANT ABANDONED 4-7-95 FILE DWCCA-3960-CEM	7,198	15
Total (Acct. 182):	7,198	

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)
Other Deferred Debits (183):	
NONE	16
Total (Acct. 183):	0
Payables to Municipality (233):	
EXPENSES DUE TO MUNICIPALITY	451 17
INSURANCE DUE TO MUNICIPALITY	2,313 18
Total (Acct. 233):	2,764
Other Deferred Credits (253):	
NONE	19
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 (100.1)	288,947	0	0	0	288,947	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	93,892	0	0	0	93,892	4
Customer Advances for Construction					0	5
NONE					0	6
Average Net Rate Base	195,055	0	0	0	195,055	
Net Operating Income	5,277	0	0	0	5,277	7
Net Operating Income as a percent of						
Average Net Rate Base	2.71%	N/A	N/A	N/A	2.71%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

NONE

2. Leaseholder changes.

NONE

3. Extensions of service.

NONE

4. Estimated changes in revenues due to rate changes.

NONE

5. Obligations incurred or assumed, excluding commercial paper.

NONE

6. Formal proceedings with the Public Service Commission.

NONE

7. Any additional matters.

NONE

FINANCIAL SECTION FOOTNOTES

Balance Sheet End-of-Year Account Balances (Page F-18)

Extraordinary Property Losses (Acct 182): amortization requires PSC authorization. Provide date of authorization.

A/C 182 - Extraordinary Property Losses - The Water Plant that was Abandoned was Approved by the PSCW for Amortization.

Signature Page (Page ii)

General footnotes

(Vig & Associates LLC Letterhead)

To the President and Board of Trustees
Village of Mount Sterling
Mount Sterling, Wisconsin 54645

We have compiled the balance sheets of the Village of Mount Sterling Municipal Water Utility as of December 31, 2003 and 2002, and the related statements of income and retained earnings 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. We have also compiled the supplementary information presented in the prescribed form.

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

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

Vig & Associates LLC
May 14, 2004

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	377,004	0	0	0	0	377,004	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	377,004					377,004	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)	37,958	38,852	1
Total Sales of Water	37,958	38,852	
Other Operating Revenues			
Forfeited Discounts (470)	165	164	2
Other Water Revenues (474)	0	0	3
Amortization of Construction Grants (475)		7,000	4
Total Other Operating Revenues	165	7,164	
Total Operating Revenues	38,123	46,016	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	14,273	6,482	5
General Operating Expenses (680-690)	7,555	6,712	6
Total Operation and Maintenance Expenses	21,828	13,194	
Other Operating Expenses			
Depreciation Expense (403)	7,048	14,111	7
Amortization Expense (404)	2,400	3,200	8
Taxes (408)	1,570	1,640	9
Total Other Operating Expenses	11,018	18,951	
Total Operating Expenses	32,846	32,145	
NET OPERATING INCOME	5,277	13,871	

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	81	3,025	16,962	4
Commercial	8	415	2,099	5
Industrial	1	708	1,549	6
Total Metered Sales to General Customers (461)	90	4,148	20,610	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		17,261	8
Other Sales to Public Authorities (464)	1	2	87	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	92	4,150	37,958	

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)	17,261	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)	17,261	
Forfeited Discounts (470):		
Customer late payment charges	165	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	165	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		7
Other (specify): NONE		8
Total Other Water Revenues (474)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	3,043	2,272	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	3,091	2,569	3
Chemicals (630)		0	4
Supplies and Expenses (640)	1,117	635	5
Repairs of Water Plant (650)	7,022	1,006	6
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	14,273	6,482	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	1,625	1,905	8
Office Supplies and Expenses (681)	771	695	9
Outside Services Employed (682)	1,425	3,063	10
Insurance Expense (684)	2,486	1,049	11
Employees Pensions and Benefits (686)		0	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	1,248	0	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	7,555	6,712	
Total Operation and Maintenance Expenses	21,828	13,194	

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		1,216	1,245	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		1,216	1,245	
Social Security		303	354	3
PSC Remainder Assessment		51	41	4
Other (specify): NONE			0	5
Total tax expense		1,570	1,640	

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			Vernon				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.222750				3
County tax rate	mills		8.051980				4
Local tax rate	mills		3.659350				5
School tax rate	mills		13.915250				6
Voc. school tax rate	mills		2.116780				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		27.966110				10
Less: state credit	mills		1.573560				11
Net tax rate	mills		26.392550				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		3.659350				14
Combined School Tax Rate	mills		16.032030				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		19.691380				17
Total Tax Rate	mills		27.966110				18
Ratio of Local and School Tax to Total	dec.		0.704116				19
Total tax net of state credit	mills		26.392550				20
Net Local and School Tax Rate	mills		18.583412				21
Utility Plant, Jan. 1	\$	665,951	665,951				22
Materials & Supplies	\$	0	0				23
Subtotal	\$	665,951	665,951				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	665,951	665,951				26
Assessment Ratio	dec.		0.897900				27
Assessed Value	\$	597,957	597,957				28
Net Local & School Rate	mills		18.583412				29
Tax Equiv. Computed for Current Year	\$	11,112	11,112				30
Tax Equivalent per 1994 PSC Report	\$	1,326					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	1,216					32 33
Tax equiv. for current year (see note 6)	\$	1,216					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)	200		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)	6,187		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	6,387	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	31,671		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	72,475		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	104,146	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	

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)			200	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)			6,187	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	6,387	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)		(10,805)	20,866	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)		(61,102)	11,373	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	(71,907)	32,239	
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 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)	4,979		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	145,370		26
Transmission and Distribution Mains (343)	330,695		27
Fire Mains (344)	0		28
Services (345)	30,681		29
Meters (346)	5,230		30
Hydrants (348)	36,880		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	553,835	0	
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)	1,383		38
Other Tangible Property (390)	0		39
Total General Plant	1,383	0	
Total utility plant in service directly assignable	665,951	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	665,951	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)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)		(4,304)	675 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)		(98,060)	47,310 26
Transmission and Distribution Mains (343)		(149,633)	181,062 27
Fire Mains (344)			0 28
Services (345)		(21,243)	9,438 29
Meters (346)		(1,100)	4,130 30
Hydrants (348)		(30,757)	6,123 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	(305,097)	248,738
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)			1,383 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	1,383
Total utility plant in service directly assignable	0	(377,004)	288,947
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	(377,004)	288,947

**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	<u>0</u>	<u>0</u>	
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	<u>0</u>	<u>0</u>	
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	<u>0</u>	<u>0</u>	
WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	<u>0</u>	<u>0</u>	

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)		10,805	10,805 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)		61,102	61,102 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	71,907	71,907
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)		4,304	4,304	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)		98,060	98,060	26
Transmission and Distribution Mains (343)		149,633	149,633	27
Fire Mains (344)		0	0	28
Services (345)		21,243	21,243	29
Meters (346)		1,100	1,100	30
Hydrants (348)		30,757	30,757	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	0	305,097	305,097	
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	377,004	377,004	
Common Utility Plant Allocated to Water Department				0 40
Total utility plant in service	0	377,004	377,004	

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			443	443	1
February			543	543	2
March			466	466	3
April			455	455	4
May			487	487	5
June			504	504	6
July			513	513	7
August			607	607	8
September			480	480	9
October			533	533	10
November			470	470	11
December			401	401	12
Total annual pumpage	0	0	5,902	5,902	
Less: Water sold				4,150	13
Volume pumped but not sold				1,752	14
Volume sold as a percent of volume pumped				70%	15
Volume used for water production, water quality and system maintenance				340	16
Volume related to equipment/system malfunction				412	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				752	19
Volume pumped but unaccounted for				1,000	20
Percent of water lost				17%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				38	23
Date of maximum: 8/12/2003					24
Cause of maximum:					25
Flushing					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				9	26
Date of minimum: 10/16/2003					27
Total KWH used for pumping for the year				67,770	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)	
PUMP HOUSE IN MT. STERLING	1	480	10	15,000	Yes	1

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		1
Location	5TH STREET		2
Purpose	P		3
Destination	D		4
Pump Manufacturer	SIMMONS		5
Year Installed	1994		6
Type	SUBMERSIBLE		7
Actual Capacity (gpm)	220		8
Pump Motor or Standby Engine Mfr	FRANKLIN		10
Year Installed	1994		11
Type	ELECTRIC		12
Horsepower	40		13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	S		3
Year constructed	1994		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	128		6
Total capacity in gallons (actual)	117,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)			9
Points of application (wellhouse, central facilities, booster station, other)			10
Filters, type (gravity, pressure, other, none)			11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			12
Is a corrosion control chemical used (yes, no)?			13
Is water fluoridated (yes, no)?			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.

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	4.000	2,697	0	0	0	2,697	1
M	D	6.000	1,860	0	0	0	1,860	2
P	D	6.000	3,260	0	0	0	3,260	3
P	D	8.000	6,350	0	0	0	6,350	4
Total Within Municipality			14,167	0	0	0	14,167	
Total Utility			14,167	0	0	0	14,167	

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	60	0	0	0	60		1
M	1.000	40	0	0	0	40		2
Total Utility		100	0	0	0	100	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	102	0	0		102	5	1
1.000	5	0	0		5	0	2
Total:	107	0	0	0	107	5	

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	81	4	1	1	0	15	102	1
1.000	0	4	0	0	0	1	5	2
Total:	81	8	1	1	0	16	107	

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	22				22	2
Total Fire Hydrants	22	0	0	0	22	
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:	22
Number of distribution system valves end of year:	55
Number of distribution valves operated during year:	55

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

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

Increase in Account 650 - Repairs of Water Plant - was caused by inspection, and cleaning of tank along with an increase in repairs needed due to water main leaks.

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

If Lower Tax Equivalent authorized by municipality is greater than or equal to zero, please explain.

The village has adopted an alternative method of calculating the tax equivalent which is based upon 3.19% of revenue. The method was included in the 1994 rate case in September 7, 1994 letter from the village president to PSCW. The village board approved the method on July 26, 1994.

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

If Adjustments for any account are nonzero, please explain.

Adjustments to Accounts 340, 321, 325, 342, 343, 345, 346, 348 are to reclassify plant contributed by customers and other organizations.

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

If Adjustments for any account are nonzero, please explain.

Adjustments to Accounts 340, 321, 325, 342, 343, 345, 346, 348 are to reclassify plant contributed by customers and other organizations.
