



3015 (02-09-04)

ANNUAL REPORT

OF

Name: THREE LAKES SANITARY DISTRICT NO.1

Principal Office: P.O. BOX 325
THREE LAKES, WI 54562

For the Year Ended: DECEMBER 31, 2003

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I MR RICK LANZ of
(Person responsible for accounts)

THREE LAKES SANITARY DISTRICT NO.1, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts) 04/01/2003
(Date)

TREASURER
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: THREE LAKES SANITARY DISTRICT NO.1

Utility Address: P.O. BOX 325
THREE LAKES, WI 54562

When was utility organized? 1/1/1954

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: RICK LANZ
Title: DISTRICT TREASURER

Office Address:
P.O. BOX 325
THREE LAKES, WI 54562

Telephone: (715) 546 - 3316

Fax Number:

E-mail Address:

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

Name: RANDALL BEARD
Title: CPA

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

Telephone: (715) 369 - 1040

Fax Number: (715) 369 - 5407

E-mail Address:

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

Name: MR. DALE BRUSS
Title: PRESIDENT

Office Address:
P.O. BOX 325
THREE LAKES, WI 54562

Telephone: (715) 546 - 3748

Fax Number:

E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

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

Name: RANDALL BEARD

Title: CPA

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

Telephone: (715) 369 - 1040

Fax Number: (715) 369 - 5407

E-mail Address:

Date of most recent audit report: 1/30/2004

Period covered by most recent audit: DECEMBER 31, 2003

Names and titles of utility management including manager or superintendent:

Name: RODGER SZOPA

Title: OPERATOR

Office Address:
P.O. BOX 325
THREE LAKES, WI 54562

Telephone: (715) 546 - 3748

Fax Number:

E-mail Address:

Name of utility commission/committee:

Names of members of utility commission/committee:

- PETER BALTUS, COMMISSIONER
 - FRED BONACK, COMMISSIONER
 - DALE BRUSS, PRESIDENT
-

Is sewer service rendered by the utility? YES

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? YES

Date of Ordinance: 1/1/1954

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)	106,647	101,734	1
Operating Expenses:			
Operation and Maintenance Expense (401)	57,271	53,341	2
Depreciation Expense (403)	20,846	23,729	3
Amortization Expense (404)	359	359	4
Taxes (408)	2,114	1,063	5
Total Operating Expenses	80,590	78,492	
Net Operating Income	26,057	23,242	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	26,057	23,242	
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)	547	1,582	9
Miscellaneous Nonoperating Income (421)	(27,054)	(20,235)	10
Total Other Income	(26,507)	(18,653)	
Total Income	(450)	4,589	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	3,304	0	12
Total Miscellaneous Income Deductions	3,304	0	
Income Before Interest Charges	(3,754)	4,589	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	21,110	23,674	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	21,110	23,674	
Net Income	(24,864)	(19,085)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	78,911	97,996	19
Balance Transferred from Income (433)	(24,864)	(19,085)	20
Miscellaneous Credits to Surplus (434)	312,730	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)	366,777	78,911	

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	106,647		106,647	1
Total (Acct. 400):	106,647	0	106,647	
Operation and Maintenance Expense (401):				
Derived	57,271		57,271	2
Total (Acct. 401):	57,271	0	57,271	
Depreciation Expense (403):				
Derived	20,846		20,846	3
Total (Acct. 403):	20,846	0	20,846	
Amortization Expense (404):				
Derived	359		359	4
Total (Acct. 404):	359	0	359	
Taxes (408):				
Derived	2,114		2,114	5
Total (Acct. 408):	2,114	0	2,114	
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:	26,057	0	26,057	
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):				
BANK INTEREST	547	0	547	10
Total (Acct. 419):	547	0	547	
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):			
NONREGULATED SEWER	(20,248)	(6,806)	(27,054) 12
Total (Acct. 421):	(20,248)	(6,806)	(27,054)
TOTAL OTHER INCOME:	(19,701)	(6,806)	(26,507)

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]	3,304	3,304 14
NONE	0	0	0 15
Total (Acct. 426):	0	3,304	3,304
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	3,304	3,304

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	21,110	[REDACTED]	21,110 16
Total (Acct. 427):	21,110	0	21,110
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:	21,110	0	21,110
NET INCOME:	(14,754)	(10,110)	(24,864)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	78,911	0	78,911 22
Total (Acct. 216):	78,911	0	78,911
Balance Transferred from Income (433):			
Derived	(14,754)	(10,110)	(24,864) 23
Total (Acct. 433):	(14,754)	(10,110)	(24,864)
Miscellaneous Credits to Surplus (434):			
TRANSFER OF CONTRIBUTED PLANT	0	312,730	312,730 24
Total (Acct. 434):	0	312,730	312,730
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 25
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 26
Total (Acct. 436)--Debit:	0	0	0
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 27
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	64,157	302,620	366,777

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	106,647	0	0	0	106,647	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	106,647	0	0	0	106,647	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,197,708	1,153,072	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	263,656	172,227	2
Net Utility Plant	934,052	980,845	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	751,110	744,930	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	588,008	325,886	4
Net Nonutility Property	163,102	419,044	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	87,743	87,023	7
Total Other Property and Investments	250,845	506,067	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	69,421	109,816	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	18,226	16,725	11
Other Accounts Receivable (143)	14,675	17,953	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	94,787	92,754	14
Materials and Supplies (150)	5,414	7,624	15
Prepayments (165)	5,537	4,848	16
Other Current and Accrued Assets (170)	106	90	17
Total Current and Accrued Assets	208,166	249,810	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	997	1,356	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	2,111	20
Total Deferred Debits	997	3,467	
Total Assets and Other Debits	1,394,060	1,740,189	

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)	610,000	555,000	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	366,777	78,911	23
Total Proprietary Capital	976,777	633,911	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	400,000	450,000	26
Total Long-Term Debt	400,000	450,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	6,908	8,692	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)		5,000	30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	3,393	3,886	32
Other Current and Accrued Liabilities (238)	6,982	5,782	33
Total Current and Accrued Liabilities	17,283	23,360	
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	632,918	38
Total Liabilities and Other Credits	1,394,060	1,740,189	

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	1,153,072	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)	1,023,199	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	174,509	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	1,197,708	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)	190,492	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	73,164	0	0	0	12
Total Accumulated Provision	263,656	0	0	0	
Net Utility Plant	934,052	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)	172,227				172,227	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	20,846				20,846	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	559				559	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	21,405	0	0	0	21,405	13
Debits during year						14
Book cost of plant retired	3,500				3,500	15
Cost of removal					0	16
Other debits (specify):						17
GAIN ON DISPOSAL	(360)				(360)	18
Total debits	3,140	0	0	0	3,140	19
Balance end of year (110.1)	190,492	0	0	0	190,492	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

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

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

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.2)					0	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	3,304				3,304	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	69,860				69,860	10
Total credits	73,164	0	0	0	73,164	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)	73,164	0	0	0	73,164	18
Composite Depreciation Rate?	No					19
If yes, what is the rate?						20

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	744,930	6,180		751,110	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	744,930	6,180	0	751,110	
Less accum. prov. depr. & amort. (122)	325,886	262,962	840	588,008	3
Net Nonutility Property	419,044	(256,782)	(840)	163,102	

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

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

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	5,414	7,624
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	<u>5,414</u>	<u>7,624</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)				
BOND ISSUE COSTS	164	428	233	1
BOND ISSUE COSTS 11/97	195	428	764	2
Total			997	
Unamortized premium on debt (251)				
NONE				3
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	555,000	1
Changes during year (explain):		
ANNUAL TAX LEVY	55,000	2
Balance end of year	<u>610,000</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)
-------------------------------------	------------------------------	------------------------------------	------------------------------	---

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)	
Other Long-Term Debt (224)					
GO PROMISSORY NOTE M&I BANK	11/18/1997	05/01/2007	5.13%	350,000	1
LAND CONTRACT PAYMENT TO TOWN	03/01/2001	03/01/2005	0.00%	10,000	2
GO PROMISSORY NOTE M&I	05/01/1995	05/01/2005	6.05%	40,000	3
Total for Account 224				400,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	2,114	2
Charged electric department expense	1,937	3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>4,051</u>	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	3,874	7
PSC Remainder Assessment	177	8
Other (explain):		
NONE		9
Total payments and other debits	<u>4,051</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)					
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)					
GO PROMISSORY NOTES M&I	605	2,823	3,025	403	3
GO PROMISSORY NOTES M&I BANK	3,281	18,287	18,578	2,990	4
Subtotal	3,886	21,110	21,603	3,393	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	3,886	21,110	21,603	3,393	

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):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
DEPRECIATION SINKING FUND	57,688	3
DEBT RETIREMENT SINKING FUND	30,055	4
Total (Acct. 125):	87,743	
Notes Receivable (141):		
NONE		5
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	17,862	6
Electric		7
Sewer (Regulated)		8
Other (specify):		
OTHER ACCOUNTS RECEIVABLE	364	9
Total (Acct. 142):	18,226	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	14,675	10
Merchandising, jobbing and contract work		11
Other (specify):		
NONE		12
Total (Acct. 143):	14,675	
Receivables from Municipality (145):		
ACCOUNT RECEIVABLE TOW N OF THREE LAKES	94,787	13
Total (Acct. 145):	94,787	
Prepayments (165):		
PREPAID INSURANCE	5,537	14
Total (Acct. 165):	5,537	
Extraordinary Property Losses (182):		
NONE		15
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	16
Total (Acct. 183):	0
<hr/>	
Payables to Municipality (233):	
NONE	17
Total (Acct. 233):	0
<hr/>	
Other Deferred Credits (253):	
NONE	18
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)	1,000,781	0	0	0	1,000,781	1
Materials and Supplies	6,519	0	0	0	6,519	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	181,359	0	0	0	181,359	4
Customer Advances for Construction					0	5
					0	6
Average Net Rate Base	825,941	0	0	0	825,941	
Net Operating Income	26,057	0	0	0	26,057	7
Net Operating Income as a percent of Average Net Rate Base	3.15%	N/A	N/A	N/A	3.15%	

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

Net Nonutility Property (Accts. 121 & 122) (Page F-09)

General footnotes

Additions to accumulated depreciation for the year contain the amount to reclassify accumulated depreciation on contributed plant. Contributed accumulated depreciation for Sewer for 2003 is \$257,134.

Identification and Ownership - Contacts (Page iv)

General footnotes

Accountant's Compilation Report

Board of Commissioners
Three Lakes Sanitary District #1
Three Lakes, WI

We have compiled the balance sheets of the Three Lakes Sanitary District #1 as of December 31, 2003 and 2002, and related income and earned surplus statements of the years then ended included in the accompanying Municipal Utility Annual Report in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the Municipal Utility Annual Report.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any 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, these financial statements and supplementary information are not designed for those who are not informed about such differences.

Wipfli LLP

March 15, 2004
Rhineland, Wisconsin

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	174,709	0	0	458,209	0	632,918	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	174,709			458,209		632,918	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)	99,836	99,101	1
Total Sales of Water	99,836	99,101	
Other Operating Revenues			
Forfeited Discounts (470)	763	633	2
Other Water Revenues (474)	6,048	2,000	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues	6,811	2,633	
Total Operating Revenues	106,647	101,734	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	30,468	27,819	5
General Operating Expenses (680-690)	26,803	25,522	6
Total Operation and Maintenance Expenses	57,271	53,341	
Other Operating Expenses			
Depreciation Expense (403)	20,846	23,729	7
Amortization Expense (404)	359	359	8
Taxes (408)	2,114	1,063	9
Total Other Operating Expenses	23,319	25,151	
Total Operating Expenses	80,590	78,492	
NET OPERATING INCOME	26,057	23,242	

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	176	6,939	34,229	4
Commercial	76	8,759	27,017	5
Industrial				6
Total Metered Sales to General Customers (461)	252	15,698	61,246	
Private Fire Protection Service (462)	2		900	7
Public Fire Protection Service (463)	1		31,391	8
Other Sales to Public Authorities (464)	14	2,053	6,299	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	269	17,751	99,836	

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)	31,391	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)	31,391	
Forfeited Discounts (470):		
Customer late payment charges	763	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	763	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	940	7
Other (specify): OTHER WATER REVENUES	5,108	8
Total Other Water Revenues (474)	6,048	

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)	19,680	18,443	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	3,974	3,529	3
Chemicals (630)		0	4
Supplies and Expenses (640)	6,103	3,279	5
Repairs of Water Plant (650)	44	1,320	6
Transportation Expenses (660)	667	1,248	7
Total Plant Operation and Maintenance Expenses	30,468	27,819	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	4,660	4,609	8
Office Supplies and Expenses (681)	2,476	2,547	9
Outside Services Employed (682)	7,191	6,850	10
Insurance Expense (684)	3,936	3,474	11
Employees Pensions and Benefits (686)	8,245	7,933	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	295	109	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	26,803	25,522	
Total Operation and Maintenance Expenses	57,271	53,341	

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			0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		0	0	
Social Security		1,936	969	3
PSC Remainder Assessment		178	94	4
Other (specify): NONE			0	5
Total tax expense		2,114	1,063	

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	5,160		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)	53,026		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	58,186	0	
PUMPING PLANT			
Land and Land Rights (320)	606		12
Structures and Improvements (321)	17,610		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	21,208	4,333	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	8,566		20
Total Pumping Plant	47,990	4,333	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	6,995		23
Total Water Treatment Plant	6,995	0	

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			5,160 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)			53,026 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	58,186
PUMPING PLANT			
Land and Land Rights (320)			606 12
Structures and Improvements (321)			17,610 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			25,541 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			8,566 20
Total Pumping Plant	0	0	52,323
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			6,995 23
Total Water Treatment Plant	0	0	6,995

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)	525		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	500,000		26
Transmission and Distribution Mains (343)	449,363	32,780	27
Fire Mains (344)	0		28
Services (345)	31,416		29
Meters (346)	23,076	1,432	30
Hydrants (348)	30,268	2,210	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,034,648	36,422	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	2,662		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	1,200	7,381	37
Other General Equipment (379)	1,391		38
Other Tangible Property (390)	0		39
Total General Plant	5,253	7,381	
Total utility plant in service directly assignable	1,153,072	48,136	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,153,072	48,136	

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)			525 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			500,000 26
Transmission and Distribution Mains (343)	800	(143,093)	338,250 27
Fire Mains (344)			0 28
Services (345)		(31,416)	0 29
Meters (346)	1,500		23,008 30
Hydrants (348)			32,478 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	2,300	(174,509)	894,261
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			2,662 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)	1,200		7,381 37
Other General Equipment (379)			1,391 38
Other Tangible Property (390)			0 39
Total General Plant	1,200	0	11,434
Total utility plant in service directly assignable	3,500	(174,509)	1,023,199
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	3,500	(174,509)	1,023,199

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)			0 26
Transmission and Distribution Mains (343)		143,093	143,093 27
Fire Mains (344)			0 28
Services (345)		31,416	31,416 29
Meters (346)			0 30
Hydrants (348)			0 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	174,509	174,509
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	174,509	174,509
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	174,509	174,509

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			2,735	2,735	1
February			3,127	3,127	2
March			3,454	3,454	3
April			2,343	2,343	4
May			2,093	2,093	5
June			2,218	2,218	6
July			2,846	2,846	7
August			2,277	2,277	8
September			2,011	2,011	9
October			1,664	1,664	10
November			1,564	1,564	11
December			2,300	2,300	12
Total annual pumpage	0	0	28,632	28,632	
Less: Water sold				17,751	13
Volume pumped but not sold				10,881	14
Volume sold as a percent of volume pumped				62%	15
Volume used for water production, water quality and system maintenance				3,885	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				3,885	19
Volume pumped but unaccounted for				6,996	20
Percent of water lost				24%	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.)				312	23
Date of maximum: 2/24/2003					24
Cause of maximum:					25
NORMAL OPERATION					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				24	26
Date of minimum: 11/22/2003					27
Total KWH used for pumping for the year				39,224	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 #2 CAISSON	#2	72	12	1	Yes	1
WELL #3 GRAVEL PACK	#3	63	12	1	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

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

PUMPING & POWER EQUIPMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	WELL #2	WELL #3	1
Location	WELL #2	WELL #3	2
Purpose	P	P	3
Destination	R	R	4
Pump Manufacturer	LAYNE	LAYNE	5
Year Installed	1998	1974	6
Type	CENTRIFUGAL	CENTRIFUGAL	7
Actual Capacity (gpm)	350	220	8
Pump Motor or Standby Engine Mfr	US ELECTRIC	GENERAL ELECTRIC	10
Year Installed	1998	1974	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	25	20	13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	NEW TOWER 1998		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1998		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	150		6
Total capacity in gallons (actual)	150,000		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)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	1.5229		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	N		14

WATER MAINS

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

								Number of Feet	
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)		
M	D	3.000	4,516	0	53	0	4,463		1
M	D	6.000	16,876	0	0	0	16,876		2
M	D	8.000	4,088	1,071	0	0	5,159		3
M	D	12.000	3,736	0	0	0	3,736		4
Total Within Municipality			29,216	1,071	53	0	30,234		
M	D	12.000	133	0	0	0	133		5
Total Outside of Municipality			133	0	0	0	133		
Total Utility			29,349	1,071	53	0	30,367		

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	209	0	0	0	209		1
M	1.000	35	0	0	0	35		2
M	1.250	13	0	0	0	13		3
M	1.500	11	0	0	0	11		4
M	2.000	6	0	0	0	6		5
M	3.000	1	0	0	0	1		6
M	4.000	1	0	0	0	1		7
M	6.000	3	0	0	0	3		8
Total Utility		279	0	0	0	279	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	230	12	12	0	230	12	1
1.000	45	1	1	0	45	0	2
1.500	9	1	1	0	9	0	3
2.000	5	1	1	0	5	0	4
3.000	1	0	0	0	1	0	5
Total:	290	15	15	0	290	12	

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	156	50	0	7	0	17	230	1
1.000	17	17	0	5	0	6	45	2
1.500	2	3	0	0	0	4	9	3
2.000	0	2	0	2	0	1	5	4
3.000	0	1	0	0	0	0	1	5
Total:	175	73	0	14	0	28	290	

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	3			(3)	0	1
Within Municipality	39	2		3	44	2
Total Fire Hydrants	42	2	0	0	44	
Flushing Hydrants						
	3				3	3
Total Flushing Hydrants	3	0	0	0	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:	35
Number of distribution system valves end of year:	122
Number of distribution valves operated during year:	51

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

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

Account (640)

Decrease due to additional supplies used in capital projects in 2003.

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 343 and 345 are to reclass plant financed with contributed dollars.

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

If Adjustments for any account are nonzero, please explain.

Adjustments for accounts 343 and 345 reflect the reclassification of plant financed with contributed dollars.

Water Mains (Page W-17)

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

Water main additions were financed with utility funds.

Hydrants and Distribution System Valves (Page W-20)

General footnotes

The Board is aware of the situation and has issued a directive to the superintendent to develop a distribution valve testing schedule. Replacement of distribution valves in 2003 set testing behind.
