



3014 (02-09-04)

ANNUAL REPORT

OF

Name: UNION GROVE WATER UTILITY

Principal Office: 1015 STATE STREET
UNION GROVE, WI 53182

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: UNION GROVE WATER UTILITY

Utility Address: 1015 STATE STREET
UNION GROVE, WI 53182

When was utility organized? 1/1/1940

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MS JANICE K WINGET

Title: CLERK TREASURER

Office Address:

1015 STATE STREET
UNION GROVE, WI 53182

Telephone: (262) 878 - 1818

Fax Number: (262) 878 - 3782

E-mail Address: jkwinget@plazaeearth.com

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

Name: TIM HERLITZKA

Title: MANAGER

Office Address: VIRCHOW KRAUSE AND COMPANY

TEN TERRACE COURT
P.O. BOX 7398
MADISON, WI 53707

Telephone: (608) 240 - 2659

Fax Number: (608) 249 - 8532

E-mail Address: therlitzka@virchowkrause.com

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

Name: JAMES FOX

Title: PRESIDENT

Office Address:

1015 STATE STREET
UNION GROVE, WI 53182

Telephone: (262) 878 - 1818

Fax Number: (262) 878 - 3782

E-mail Address: NA

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: TIM HERLITZKA

Title: MANAGER

Office Address: VIRCHOW KRAUSE AND COMPANY
TEN TERRACE COURT
P.O. BOX 7398
MADISON, WI 53707

Telephone: (608) 240 - 2659

Fax Number: (608) 249 - 8532

E-mail Address: therlitzka@virchowkrause.com

Date of most recent audit report: 1/21/2003

Period covered by most recent audit: 1/1/03-12/31/03

Names and titles of utility management including manager or superintendent:

Name: MARK OSMUNDTSEN

Title: SUPERVISOR OF UTILITIES

Office Address:
3710 67TH DRIVE
UNION GROVE, WI 53182

Telephone: (262) 878 - 2387

Fax Number: (262) 878 - 6486

E-mail Address: MOSMUNDTSEN@PLAZAEARTH.COM

Name: WILLIAM BEHLING

Title: DIRECTOR OF UTILITIES

Office Address:
1015 STATE STREET
UNION GROVE, WI 53182

Telephone: (262) 878 - 1818

Fax Number: (262) 878 - 3782

E-mail Address: bbehling@plazaeearth.com

Name of utility commission/committee: UNION GROVE WATER & WASTERWATER COMMISSION

Names of members of utility commission/committee:

- MR RONALD BOGARD
 - MR ROBERT BROWN
 - MR JIM FOX
 - MR WAYNE KOEPKE
 - MR HARVEY READ
-

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

IDENTIFICATION AND OWNERSHIP

of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

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)	479,054	487,523	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	248,027	259,207	2
Depreciation Expense (403)	57,826	86,141	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	67,744	70,134	5
Total Operating Expenses	373,597	415,482	
Net Operating Income	105,457	72,041	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	105,457	72,041	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	1,380	980	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	3,805	4,540	10
Miscellaneous Nonoperating Income (421)	226,850	0	11
Total Other Income	232,035	5,520	
Total Income	337,492	77,561	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	12
Other Income Deductions (426)	32,846	0	13
Total Miscellaneous Income Deductions	32,846	0	
Income Before Interest Charges	304,646	77,561	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	14
Amortization of Debt Discount and Expense (428)	0		15
Amortization of Premium on Debt--Cr. (429)	0		16
Interest on Debt to Municipality (430)	11,734	13,844	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0		19
Total Interest Charges	11,734	13,844	
Net Income	292,912	63,717	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	1,225,020	1,161,303	20
Balance Transferred from Income (433)	292,912	63,717	21
Miscellaneous Credits to Surplus (434)	1,484,545	0	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	3,002,477	1,225,020	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	479,054		479,054	1
Total (Acct. 400):	479,054	0	479,054	
Operation and Maintenance Expense (401-402):				
Derived	248,027		248,027	2
Total (Acct. 401-402):	248,027	0	248,027	
Depreciation Expense (403):				
Derived	57,826		57,826	3
Total (Acct. 403):	57,826	0	57,826	
Amortization Expense (404-407):				
Derived	0		0	4
Total (Acct. 404-407):	0	0	0	
Taxes (408):				
Derived	67,744		67,744	5
Total (Acct. 408):	67,744	0	67,744	
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:	105,457	0	105,457	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	1,380		1,380	8
Total (Acct. 415-416):	1,380	0	1,380	
Income from Nonutility Operations (417):				
NONE	0		0	9
Total (Acct. 417):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	10
Total (Acct. 418):	0	0	0	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Interest and Dividend Income (419):			
INVESTMENT INCOME	3,805	0	3,805 11
Total (Acct. 419):	3,805	0	3,805
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water			0 12
2003 CONTRIBUTIONS IN AID OF CONSTRUCTION	0	226,850	226,850 13
Total (Acct. 421):	0	226,850	226,850
TOTAL OTHER INCOME:	5,185	226,850	232,035
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
NONE	0	0	0 14
Total (Acct. 425):	0	0	0
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		32,846	32,846 15
NONE	0	0	0 16
Total (Acct. 426):	0	32,846	32,846
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	32,846	32,846
INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	0		0 17
Total (Acct. 427):	0	0	0
Amortization of Debt Discount and Expense (428):			
NONE	0		0 18
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0		0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	11,734		11,734 20
Total (Acct. 430):	11,734	0	11,734
Other Interest Expense (431):			
Derived	0		0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	11,734	0	11,734
NET INCOME:	98,908	194,004	292,912
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	1,225,020	0	1,225,020 23
Total (Acct. 216):	1,225,020	0	1,225,020
Balance Transferred from Income (433):			
Derived	98,908	194,004	292,912 24
Total (Acct. 433):	98,908	194,004	292,912
Miscellaneous Credits to Surplus (434):			
TRANSFER OF CONTRIBUTED PLANT	0	1,484,545	1,484,545 25
Total (Acct. 434):	0	1,484,545	1,484,545
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 28
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	1,323,928	1,678,549	3,002,477

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

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)	1,380				1,380	1
Costs & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	1,380	0	0	0	1,380	

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	479,054	0	0	0	479,054	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	479,054	0	0	0	479,054	

DISTRIBUTION OF TOTAL PAYROLL

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

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	77,756		77,756	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts			0	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
Total Payroll	77,756	0	77,756	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	4,227,675	3,955,165	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	1,399,421	882,006	2
Net Utility Plant	2,828,254	3,073,159	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	0	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	293,205	267,506	8
Temporary Cash Investments (132)	42,277	56,921	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	68,399	68,430	11
Other Accounts Receivable (143)	205,626	205,677	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	25,591	26,928	14
Materials and Supplies (150)	13,687	14,762	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	648,785	640,224	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	120,518	43,269	20
Total Deferred Debits	120,518	43,269	
Total Assets and Other Debits	3,597,557	3,756,652	

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)	45,015	45,015	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	3,002,477	1,225,020	23
Total Proprietary Capital	3,047,492	1,270,035	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	218,226	257,440	25
Other Long-Term Debt (224)	0	0	26
Total Long-Term Debt	218,226	257,440	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	36,140	23,972	28
Payables to Municipality (233)	201,828	200,392	29
Customer Deposits (235)			30
Taxes Accrued (236)	79,143	76,218	31
Interest Accrued (237)	7,900	9,300	32
Other Current and Accrued Liabilities (238)	4,755	5,654	33
Total Current and Accrued Liabilities	329,766	315,536	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	2,073	1,993	36
Total Deferred Credits	2,073	1,993	
OPERATING RESERVES			
Property Insurance Reserve (261)			37
Injuries and Damages Reserve (262)			38
Pensions and Benefits Reserve (263)			39
Miscellaneous Operating Reserves (265)			40
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	0	1,911,648	41
Total Liabilities and Other Credits	3,597,557	3,756,652	

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	3,955,165	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (101.1)	2,089,177	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	2,138,498	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant in Process of Reclassification (103)					5
Utility Plant Leased to Others (104)					6
Property Held for Future Use (105)					7
Completed Construction not Classified (106)					8
Construction Work in Progress (107)					9
Utility Plant Acquisition Adjustments (108)					10
Other Utility Plant Adjustments (109)					11
Total Utility Plant	4,227,675	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)	939,472	0	0	0	12
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	459,949	0	0	0	13
Total Accumulated Provision	1,399,421	0	0	0	
Net Utility Plant	2,828,254	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)	882,006				882,006	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	57,826				57,826	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	3,854				3,854	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	61,680	0	0	0	61,680	13
Debits during year						14
Book cost of plant retired	4,214				4,214	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	4,214	0	0	0	4,214	19
Balance end of year (110.1)	939,472	0	0	0	939,472	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)	32,846				32,846	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	427,103				427,103	10
Total credits	459,949	0	0	0	459,949	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)	459,949	0	0	0	459,949	18
Composite Depreciation Rate?	No					19
If yes, what is the rate?						20

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

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

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

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

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

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility	13,687	14,762 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	<u>13,687</u>	<u>14,762</u>

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
NONE				1
Total			<u>0</u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	45,015	1
Changes during year (explain):		2
Balance end of year	<u><u>45,015</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)
-------------------------------------	------------------------------	------------------------------------	------------------------------	---------------------------------------------

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)	
Advances (223)					
ADVANCE FROM VILLAGE	03/23/1998	04/15/2008	4.65%	58,020	1
ADVANCE FROM VILLAGE	06/12/2000	03/15/2009	5.25%	90,206	2
ADVANCE FROM VILLAGE	06/01/1997	06/01/2007	5.35%	70,000	3
Total for Account 223				218,226	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	76,218	1
Accruals:		
Charged water department expense	67,744	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>67,744</u>	
Taxes paid during year:		
County, state and local taxes	61,788	6
Social Security taxes	2,492	7
PSC Remainder Assessment	539	8
Other (explain):		
NONE		9
Total payments and other debits	<u>64,819</u>	
Balance end of year	<u><u>79,143</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)					
1998 ADVANCE	2,200	3,406	3,906	1,700	2
1997 ADVANCE	2,800	3,435	3,835	2,400	3
2000 ADVANCE	4,300	4,893	5,393	3,800	4
Subtotal	9,300	11,734	13,134	7,900	
Other Long-Term Debt (224)					
NONE	0			0	5
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	6
Subtotal	0	0	0	0	
Total	9,300	11,734	13,134	7,900	

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):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	68,399	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	68,399	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	202,588	9
Merchandising, jobbing and contract work		10
Other (specify):		
MISCELLANEOUS ACCOUNTS RECEIVABLE	3,038	11
Total (Acct. 143):	205,626	
Receivables from Municipality (145):		
DELINQUENT UTILITY CHARGES PLACED ON THE TAX ROLL	3,870	12
MAINTENANCE EXPENSES CHARGED TO SEWER	20,584	13
DEPRECIATION EXPENSE CHARGED TO SEWER	1,137	14
Total (Acct. 145):	25,591	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
DEFERRED TOWER PAINTING COSTS	4,253	17
PRELIMINARY SURVEY AND INVESTIGATION	116,265	18
Total (Acct. 183):	120,518	
Payables to Municipality (233):		
DUE TO SEWER UTILITY	201,828	19
Total (Acct. 233):	201,828	
Other Deferred Credits (253):		
DEFERRED REVENUE-TOWER RENTAL	2,073	20
Total (Acct. 253):	2,073	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (101.1)	2,066,347	0	0	0	2,066,347	1
Materials and Supplies	14,224	0	0	0	14,224	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	910,739	0	0	0	910,739	4
Customer Advances for Construction					0	5
					0	6
Average Net Rate Base	1,169,832	0	0	0	1,169,832	
Net Operating Income	105,457	0	0	0	105,457	7
Net Operating Income as a percent of Average Net Rate Base	9.01%	N/A	N/A	N/A	9.01%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

Land purchased for \$22,511.

2. Leaseholder changes.

3. Extensions of service.

New subdivisions.

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

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

Other Deferred Debits (Acct 183): amortization requires PSC authorization. Provide date of authorization.

The balance in deferred tower painting costs represents costs associated with the painting of a water tower which is being amortized to expense as authorized by the commission.

The balance in preliminary survey and investigation represents preliminary engineering charges towards the design of the water tower and treatment plant.

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

General footnotes

ACCOUNTANTS' COMPILATION REPORT

Union Grove Water Utility
Union Grove, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balance sheets of the Union Grove Water Utility, an enterprise fund of the Village of Union Grove as of December 31, 2003 and 2002, and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the year ended December 31, 2003 in the accompanying 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 supplemental schedules referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

The financial statements and related supplemental schedules are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements and schedules are not designed for those who are not informed about such differences.

Virchow, Krause and Company
Madison, Wisconsin
January 21, 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	1,911,648	0	0	0	0	1,911,648	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	1,911,648					1,911,648	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)	449,989	459,989	1
Total Sales of Water	449,989	459,989	
Other Operating Revenues			
Forfeited Discounts (470)	528	554	2
Miscellaneous Service Revenues (471)	450	550	3
Rents from Water Property (472)	24,431	22,535	4
Interdepartmental Rents (473)	0	0	5
Other Water Revenues (474)	3,656	3,895	6
Amortization of Construction Grants (475)		0	7
Total Other Operating Revenues	29,065	27,534	
Total Operating Revenues	479,054	487,523	
Operation and Maintenance Expenses			
Source of Supply Expenses (600-605)	24,144	33,340	8
Pumping Expenses (620-625)	59,692	62,713	9
Water Treatment Expenses (630-635)	2,536	4,168	10
Transmission and Distribution Expenses (640-655)	67,519	66,299	11
Customer Accounts Expenses (901-904)	14,622	14,469	12
Sales Expenses (910)	0	0	13
Administrative and General Expenses (920-935)	79,514	78,218	14
Total Operation and Maintenance Expenses	248,027	259,207	
Other Operating Expenses			
Depreciation Expense (403)	57,826	86,141	15
Amortization Expense (404-407)		0	16
Taxes (408)	67,744	70,134	17
Total Other Operating Expenses	125,570	156,275	
Total Operating Expenses	373,597	415,482	
NET OPERATING INCOME	105,457	72,041	

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	3	54	1,070	2
Industrial				3
Total Unmetered Sales to General Customers (460)	3	54	1,070	
Metered Sales to General Customers (461)				
Residential	1,257	81,101	171,264	4
Commercial	184	44,626	69,121	5
Industrial	8	34,233	36,772	6
Total Metered Sales to General Customers (461)	1,449	159,960	277,157	
Private Fire Protection Service (462)	11		9,222	7
Public Fire Protection Service (463)	2		147,336	8
Other Sales to Public Authorities (464)	7	10,917	15,204	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	1,472	170,931	449,989	

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

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)	146,370	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)	966	3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	147,336	
Forfeited Discounts (470):		
Customer late payment charges	528	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	528	
Miscellaneous Service Revenues (471):		
RECONNECTION FEES	450	7
Total Miscellaneous Service Revenues (471)	450	
Rents from Water Property (472):		
WATER TOWER RENTAL	24,431	8
Total Rents from Water Property (472)	24,431	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	3,581	10
Other (specify):		
MISCELLANEOUS REVENUES	75	11
Total Other Water Revenues (474)	3,656	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	This Year (b)	Last Year (c)	
SOURCE OF SUPPLY EXPENSES			
Operation Labor (600)	22,047	23,346	1
Purchased Water (601)		0	2
Operation Supplies and Expenses (602)	1,019	765	3
Maintenance of Water Source Plant (605)	1,078	9,229	4
Total Source of Supply Expenses	24,144	33,340	
PUMPING EXPENSES			
Operation Labor (620)	7,078	8,419	5
Fuel for Power Production (621)		0	6
Fuel or Power Purchased for Pumping (622)	44,957	49,984	7
Operation Supplies and Expenses (623)		0	8
Maintenance of Pumping Plant (625)	7,657	4,310	9
Total Pumping Expenses	59,692	62,713	
WATER TREATMENT EXPENSES			
Operation Labor (630)		0	10
Chemicals (631)	2,331	3,653	11
Operation Supplies and Expenses (632)		0	12
Maintenance of Water Treatment Plant (635)	205	515	13
Total Water Treatment Expenses	2,536	4,168	
TRANSMISSION AND DISTRIBUTION EXPENSES			
Operation Labor (640)	9,917	11,100	14
Operation Supplies and Expenses (641)	(40)	385	15
Maintenance of Distribution Reservoirs and Standpipes (650)	8,786	16,400	16
Maintenance of Mains (651)	30,103	12,999	17
Maintenance of Services (652)	8,042	13,089	18
Maintenance of Meters (653)	6,962	8,755	19
Maintenance of Hydrants (654)	3,749	3,571	20
Maintenance of Other Plant (655)		0	21
Total Transmission and Distribution Expenses	67,519	66,299	

WATER OPERATION & MAINTENANCE EXPENSES

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

Particulars (a)	This Year (b)	Last Year (c)	
CUSTOMER ACCOUNTS EXPENSES			
Meter Reading Labor (901)	5,698	4,691	22
Accounting and Collecting Labor (902)	4,250	4,100	23
Supplies and Expenses (903)	4,674	5,678	24
Uncollectible Accounts (904)		0	25
Total Customer Accounts Expenses	14,622	14,469	
SALES EXPENSES			
Sales Expenses (910)		0	26
Total Sales Expenses	0	0	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (920)	8,300	8,225	27
Office Supplies and Expenses (921)	7,070	8,898	28
Administrative Expenses Transferred--Credit (922)		0	29
Outside Services Employed (923)	10,668	10,550	30
Property Insurance (924)	10,723	6,559	31
Injuries and Damages (925)		0	32
Employee Pensions and Benefits (926)	37,495	38,277	33
Regulatory Commission Expenses (928)	1,569	1,681	34
Miscellaneous General Expenses (930)	15	465	35
Transportation Expenses (933)	2,704	2,584	36
Maintenance of General Plant (935)	970	979	37
Total Administrative and General Expenses	79,514	78,218	
Total Operation and Maintenance Expenses	248,027	259,207	

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		62,925	64,447	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		3,854	1,205	2
Net property tax equivalent		59,071	63,242	
Social Security		8,134	6,337	3
PSC Remainder Assessment		539	555	4
Other (specify): NONE			0	5
Total tax expense		67,744	70,134	

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			Racine				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.209170				3
County tax rate	mills		5.897240				4
Local tax rate	mills		6.007430				5
School tax rate	mills		10.444940				6
Voc. school tax rate	mills		1.550960				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		24.109740				10
Less: state credit	mills		1.668930				11
Net tax rate	mills		22.440810				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		6.007430				14
Combined School Tax Rate	mills		11.995900				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		18.003330				17
Total Tax Rate	mills		24.109740				18
Ratio of Local and School Tax to Total	dec.		0.746724				19
Total tax net of state credit	mills		22.440810				20
Net Local and School Tax Rate	mills		16.757099				21
Utility Plant, Jan. 1	\$	3,955,165	3,955,165				22
Materials & Supplies	\$	14,762	14,762				23
Subtotal	\$	3,969,927	3,969,927				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	3,969,927	3,969,927				26
Assessment Ratio	dec.		0.945900				27
Assessed Value	\$	3,755,154	3,755,154				28
Net Local & School Rate	mills		16.757099				29
Tax Equiv. Computed for Current Year	\$	62,925	62,925				30
Tax Equivalent per 1994 PSC Report	\$	47,834					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32 33
Tax equiv. for current year (see note 6)	\$	62,925					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 \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	5,562	22,511	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)	309,141		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	5,750		11
Total Source of Supply Plant	320,453	22,511	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	173,769		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	25,000		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	142,579		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	341,348	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	17,767		23
Total Water Treatment Plant	17,767	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)			28,073	4
Structures and Improvements (311)		(94,505)	(94,505)	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			309,141	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			5,750	11
Total Source of Supply Plant	0	(94,505)	248,459	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			173,769	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			25,000	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			142,579	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	341,348	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			17,767	23
Total Water Treatment Plant	0	0	17,767	

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	1,882		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	345,649		26
Transmission and Distribution Mains (343)	2,186,937	17,637	27
Fire Mains (344)	0		28
Services (345)	250,268		29
Meters (346)	139,220	2,162	30
Hydrants (348)	193,149	4,007	31
Other Transmission and Distribution Plant (349)	553		32
Total Transmission and Distribution Plant	3,117,658	23,806	
GENERAL PLANT			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	4,629		35
Computer Equipment (391.1)	15,534		36
Transportation Equipment (392)	31,404		37
Stores Equipment (393)	0		38
Tools, Shop and Garage Equipment (394)	0		39
Laboratory Equipment (395)	2,939		40
Power Operated Equipment (396)	27,203		41
Communication Equipment (397)	4,258		42
SCADA Equipment (397.1)	0		43
Miscellaneous Equipment (398)	71,972	3,557	44
Other Tangible Property (399)	0		45
Total General Plant	157,939	3,557	
Total utility plant in service directly assignable	3,955,165	49,874	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	3,955,165	49,874	

**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)			1,882 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)		(220,335)	125,314 26
Transmission and Distribution Mains (343)	3,334	(1,327,623)	873,617 27
Fire Mains (344)			0 28
Services (345)	25	(151,930)	98,313 29
Meters (346)	325		141,057 30
Hydrants (348)	530	(117,255)	79,371 31
Other Transmission and Distribution Plant (349)			553 32
Total Transmission and Distribution Plant	4,214	(1,817,143)	1,320,107
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			4,629 35
Computer Equipment (391.1)			15,534 36
Transportation Equipment (392)			31,404 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			2,939 40
Power Operated Equipment (396)			27,203 41
Communication Equipment (397)			4,258 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			75,529 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	161,496
Total utility plant in service directly assignable	4,214	(1,911,648)	2,089,177
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	4,214	(1,911,648)	2,089,177

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

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

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

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)		94,505	94,505 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	94,505	94,505
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

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

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			24
Structures and Improvements (341)			25
Distribution Reservoirs and Standpipes (342)			26
Transmission and Distribution Mains (343)		191,743	27
Fire Mains (344)			28
Services (345)		12,007	29
Meters (346)			30
Hydrants (348)		23,100	31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	0	226,850	
GENERAL PLANT			
Land and Land Rights (389)			33
Structures and Improvements (390)			34
Office Furniture and Equipment (391)			35
Computer Equipment (391.1)			36
Transportation Equipment (392)			37
Stores Equipment (393)			38
Tools, Shop and Garage Equipment (394)			39
Laboratory Equipment (395)			40
Power Operated Equipment (396)			41
Communication Equipment (397)			42
SCADA Equipment (397.1)			43
Miscellaneous Equipment (398)			44
Other Tangible Property (399)			45
Total General Plant	0	0	
Total utility plant in service directly assignable	0	226,850	
Common Utility Plant Allocated to Water Department			46
Total utility plant in service	0	226,850	

**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)		220,335	220,335 26
Transmission and Distribution Mains (343)		1,327,623	1,519,366 27
Fire Mains (344)			0 28
Services (345)		151,930	163,937 29
Meters (346)			0 30
Hydrants (348)		117,255	140,355 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	1,817,143	2,043,993
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			0 35
Computer Equipment (391.1)			0 36
Transportation Equipment (392)			0 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	1,911,648	2,138,498
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	0	1,911,648	2,138,498

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			16,067	16,067	1
February			14,772	14,772	2
March			16,545	16,545	3
April			16,545	16,545	4
May			17,089	17,089	5
June			16,720	16,720	6
July			18,480	18,480	7
August			19,827	19,827	8
September			18,522	18,522	9
October			16,086	16,086	10
November			14,160	14,160	11
December			14,967	14,967	12
Total annual pumpage	0	0	199,780	199,780	
Less: Water sold				170,931	13
Volume pumped but not sold				28,849	14
Volume sold as a percent of volume pumped				86%	15
Volume used for water production, water quality and system maintenance					16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				0	19
Volume pumped but unaccounted for				28,849	20
Percent of water lost				14%	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.)				1,003	23
Date of maximum: 4/3/2003					24
Cause of maximum:					25
Main break					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				180	26
Date of minimum: 1/5/2003					27
Total KWH used for pumping for the year				556,257	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)	
1108 12TH AVENUE	3	1,150	12	211,000	Yes	1
1746 NEW STREET	4	1,360	15	8,000	Yes	2
1350 INDUSTRIAL PARK DRIVE	5	1,500	15	329,000	Yes	3

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)	1
Identification	3	4	5	1
Location	1108 12TH AVENUE	1765 NEW STREET	50 INDUSRTIAL PARK DRIVE	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	LAYNE NORTHWEST	LAYNE NORTHWEST	LAYNE NORTHWEST	5
Year Installed	1992	1965	1979	6
Type	OTHER	OTHER	OTHER	7
Actual Capacity (gpm)	810	700	1,010	8
Pump Motor or Standby Engine Mfr	GENERAL ELECTRIC	GENERAL ELECTRIC	ALLIS CHALMERS	9 10
Year Installed	1991	1966	1979	11
Type	OTHER	OTHER	OTHER	12
Horsepower	200	125	200	13

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

RESERVOIRS, STANDPIPES & WATER TREATMENT

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

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1	2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET	3
Year constructed	1955	1979	4
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	5
Elevation difference in feet (See Headnote 3.)	148	135	6
Total capacity in gallons (actual)	118,000	500,000	7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER	OTHER	9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE	10
Filters, type (gravity, pressure, other, none)	NONE	NONE	11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	1.0000	1.0000	12
Is a corrosion control chemical used (yes, no)?	N	N	13
Is water fluoridated (yes, no)?	N	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	1.500	300	0	0	0	300	1
M	D	3.000	310	0	0	0	310	2
M	D	4.000	8,588	0	0	0	8,588	3
P	D	4.000	34	0	0	0	34	4
M	D	6.000	37,760	0	318	0	37,442	5
P	D	6.000	10,367	0	0	0	10,367	6
M	D	8.000	9,040	0	0	0	9,040	7
P	D	8.000	21,704	2,760	0	0	24,464	8
M	D	10.000	7,777	0	0	0	7,777	9
M	S	10.000	92	0	0	0	92	10
M	T	10.000	140	0	0	0	140	11
P	D	12.000	10,817	1,559	0	0	12,376	12
Total Within Municipality			106,929	4,319	318	0	110,930	
M	D	6.000	700	0	0	0	700	13
Total Outside of Municipality			700	0	0	0	700	
Total Utility			107,629	4,319	318	0	111,630	

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)	
P	1.000	199	0	1	0	198		1
L	1.000	1	0	0	0	1		2
M	1.000	1,081	0	0	0	1,081		3
P	1.250	2	0	0	0	2		4
P	1.500		21			21		5
L	2.000	1	0	0	0	1		6
M	2.000	22	0	0	0	22		7
P	3.000	1	0	0	0	1		8
M	3.000	6	0	0	0	6		9
M	4.000	6	0	0	0	6		10
P	6.000		1			1		11
M	8.000	1	0	0	0	1		12
P	8.000	4	0	0	0	4		13
Total Utility		1,324	22	1	0	1,345	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	1,354	0	3	0	1,351	15	1
0.750	32	6		0	38	0	2
1.000	50	2	1	0	51	5	3
1.500	8	1	0	0	9	0	4
2.000	41	0	0	0	41	0	5
3.000	7	1	0	0	8	0	6
4.000	4	1	0	0	5	0	7
Total:	1,496	11	4	0	1,503	20	

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	1,206	65	5	9	0	66	1,351	1
0.750	16	13	1	0	0	8	38	2
1.000	5	32	2	6	0	6	51	3
1.500	0	7	0	1	0	1	9	4
2.000	0	27	6	5	0	3	41	5
3.000	0	3	2	1	0	2	8	6
4.000	0	0	1	3	0	1	5	7
Total:	1,227	147	17	25	0	87	1,503	

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	2				2	1
Within Municipality	186	14	2		198	2
Total Fire Hydrants	188	14	2	0	200	
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: 192
 Number of distribution system valves end of year: 567
 Number of distribution valves operated during year: 65

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 25%, but not less \$5,000, please explain.

For account 652- Decrease due to modification to labor allocation.

For account 605- Less maintenance in current year compared to 2002.

For account 651- Prior year total was unusually low. Current year includes more routine main breaks and repairs.

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

If Adjustments for any account are nonzero, please explain.

All adjustments are due to the PSC CIAC order.

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

If Adjustments for any account are nonzero, please explain.

Adjustments are due to the PSC Contributions in Aid of Construction order effective January 1, 2003.

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.

Extensions were financed by developer, with replacements financed by utility.

Water Services (Page W-18)

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

Extensions were financed by developer, with replacements financed by utility.
