



3015 (02-02-05)

ANNUAL REPORT

OF

Name: CITY OF LOYAL MUNICIPAL WATER UTILITY

Principal Office: 301 NORTH MAIN STREET
P.O. BOX 9
LOYAL, WI 54446

For the Year Ended: DECEMBER 31, 2007

**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 SHANNON TOUFAR of
(Person responsible for accounts)

CITY OF LOYAL MUNICIPAL WATER UTILITY, 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) 03/31/2008
(Date)

CITY CLERK/TREASURER
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: CITY OF LOYAL MUNICIPAL WATER UTILITY

Utility Address: 301 NORTH MAIN STREET

P.O. BOX 9
LOYAL, WI 54446

When was utility organized? 1/1/1916

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MS SHANNON TOUFAR

Title: CITY CLERK TREASURER

Office Address:

301 N MAIN STREET
P.O. BOX 9
LOYAL, WI 54446

Telephone: (715) 255 - 8772

Fax Number: (715) 255 - 8733

E-mail Address:

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

Name: CLIFTON GUNDERSON LLP

Title: CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Office Address: CLIFTON GUNDERSON LLP

435 JULIE STREET
P.O. BOX 547
TOMAH, WI 54660

Telephone: (608) 372 - 2177

Fax Number: (608) 372 - 5462

E-mail Address: debra.welch@cliftoncpa.com

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

Name: ROD KOWALCZYK

Title: COMMITTEE CHAIR

Office Address:

318 S UNION ST
LOYAL, WI 54446

Telephone: (715) 255 - 9287

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: CLIFTON GUNDERSON LLP

Title: CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Office Address: CLIFTON GUNDERSON LLP

435 JULIE STREET

P.O. BOX 547

TOMAH, WI 54660

Telephone: (608) 372 - 2177

Fax Number: (608) 372 - 5462

E-mail Address: debra.welch@cliftoncpa.com

Date of most recent audit report: 3/31/2008

Period covered by most recent audit: YEAR ENDED 12/31/07

Names and titles of utility management including manager or superintendent:

Name: MR TOM DUELL

Title: PUBLIC WORKS DIRECTOR

Office Address:

301 N MAIN STREET

P.O. BOX 9

LOYAL, WI 54446

Telephone: (715) 255 - 8772

Fax Number: (715) 255 - 8733

E-mail Address:

Name of utility commission/committee: UTILITY COMMITTEE

Names of members of utility commission/committee:

MR CRAIG BRANDT, COMMITTEE MEMBER

MR TOM DUELL, PUBLIC WORKS DIRECTOR

MR MILTON KNACK, COMMITTEE MEMBER

MR ROD KOWALCZYK, CHAIRMAN

MS CAROL LAMPSA, CITY MAYOR

Is sewer service rendered by the utility? NO

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

Date of Ordinance:

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

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

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	139,199	145,002	1
Operating Expenses:			
Operation and Maintenance Expense (401)	84,032	94,138	2
Depreciation Expense (403)	19,040	18,924	3
Amortization Expense (404)	0	0	4
Taxes (408)	24,330	22,671	5
Total Operating Expenses	127,402	135,733	
Net Operating Income	11,797	9,269	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	11,797	9,269	
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)	5,321	3,223	9
Miscellaneous Nonoperating Income (421)	2,630	0	10
Total Other Income	7,951	3,223	
Total Income	19,748	12,492	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(3,631)	(3,631)	11
Other Income Deductions (426)	3,228	3,200	12
Total Miscellaneous Income Deductions	(403)	(431)	
Income Before Interest Charges	20,151	12,923	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	7,751	8,727	13
Amortization of Debt Discount and Expense (428)	109	109	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	7,860	8,836	
Net Income	12,291	4,087	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	434,552	431,457	19
Balance Transferred from Income (433)	12,291	4,087	20
Miscellaneous Credits to Surplus (434)	0	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	1,209	992	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	445,634	434,552	

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	139,199		139,199	1
Total (Acct. 400):	139,199	0	139,199	
Operation and Maintenance Expense (401):				
Derived	84,032		84,032	2
Total (Acct. 401):	84,032	0	84,032	
Depreciation Expense (403):				
Derived	19,040		19,040	3
Total (Acct. 403):	19,040	0	19,040	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	24,330		24,330	5
Total (Acct. 408):	24,330	0	24,330	
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:	11,797	0	11,797	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST ON SAVINGS	5,321	0	5,321	10
Total (Acct. 419):	5,321	0	5,321	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		2,630	2,630	11

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NONE	0	0	0 12
Total (Acct. 421):	0	2,630	2,630
TOTAL OTHER INCOME:	5,321	2,630	7,951

MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(3,631)	[REDACTED]	(3,631) 13
NONE	0	0	0 14
Total (Acct. 425):	(3,631)	0	(3,631)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	3,228	3,228 15
NONE	0	0	0 16
Total (Acct. 426):	0	3,228	3,228
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(3,631)	3,228	(403)

INTEREST CHARGES			
Interest on Long-Term Debt (427):			
Derived	7,751	[REDACTED]	7,751 17
Total (Acct. 427):	7,751	0	7,751
Amortization of Debt Discount and Expense (428):			
AMORTIZATION OF DEBT DISCOUNT AND EXPENSE	109	[REDACTED]	109 18
Total (Acct. 428):	109	0	109
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	[REDACTED]	0 20
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0	[REDACTED]	0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
 2. Nonregulated sewer income should be reported as 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 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	7,860	0	7,860
NET INCOME:	12,889	(598)	12,291
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	303,159	131,393	434,552 23
Total (Acct. 216):	303,159	131,393	434,552
Balance Transferred from Income (433):			
Derived	12,889	(598)	12,291 24
Total (Acct. 433):	12,889	(598)	12,291
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 25
Total (Acct. 434):	0	0	0
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	1,209		1,209 27
Total (Acct. 436)--Debit:	1,209	0	1,209
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	314,839	130,795	445,634

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

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

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

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

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	139,199	0	0	0	139,199	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	139,199	0	0	0	139,199	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,250,562	1,214,435	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	456,210	432,534	2
Net Utility Plant	794,352	781,901	
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)	11,236	13,488	6
Special Funds (125)	29,407	28,198	7
Total Other Property and Investments	40,643	41,686	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	86,568	100,580	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	23,327	24,226	11
Other Accounts Receivable (143)	3,577	2,400	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	26,438	26,874	14
Materials and Supplies (150)	6,593	6,659	15
Prepayments (165)	124	144	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	146,627	160,883	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	644	753	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	6,486	13,170	20
Total Deferred Debits	7,130	13,923	
Total Assets and Other Debits	988,752	998,393	

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)	154,275	154,275	21
Appropriated Earned Surplus (215)	29,407	28,198	22
Unappropriated Earned Surplus (216)	445,634	434,552	23
Total Proprietary Capital	629,316	617,025	
LONG-TERM DEBT			
Bonds (221)	90,000	120,000	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	51,962	61,065	26
Total Long-Term Debt	141,962	181,065	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	3,950	72,445	28
Payables to Municipality (233)	154,069	61,132	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	172	3,202	32
Other Current and Accrued Liabilities (238)	1,188	1,798	33
Total Current and Accrued Liabilities	159,379	138,577	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	58,095	61,726	36
Total Deferred Credits	58,095	61,726	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	988,752	998,393	

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	1,214,435	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)	986,097	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	219,576	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)	44,889				8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	1,250,562	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)	366,929	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	89,281	0	0	0	12
Total Accumulated Provision	456,210	0	0	0	
Net Utility Plant	794,352	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)	346,481				346,481	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	19,040				19,040	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,408				1,408	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	20,448	0	0	0	20,448	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	366,929	0	0	0	366,929	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

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

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)	86,053				86,053	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	3,228				3,228	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	3,228	0	0	0	3,228	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	89,281	0	0	0	89,281	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

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	0	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	0	
Balance end of year	0	

MATERIALS AND SUPPLIES

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

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility	6,593	6,659
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	6,593	6,659

**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)				
74 Mortgage revenue bonds	109	428	644	1
Total			644	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

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

Particulars (a)	Amount (b)	
Balance first of year	154,275	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>154,275</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)	
74 MORTGAGE REVENUE BONDS	03/20/1974	01/01/2013	5.00%	90,000	1
Total Bonds (Account 221):				90,000	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
CITIZEN BANK	11/26/2002	11/26/2012	3.97%	51,962	1
Total for Account 224				51,962	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	24,330	2
Charged electric department expense		3
Charged sewer department expense	435	4
Other (explain):		
NONE		5
Total Accruals and other credits	<u>24,765</u>	
Taxes paid during year:		
County, state and local taxes	22,306	6
Social Security taxes	2,301	7
PSC Remainder Assessment	158	8
Other (explain):		
NONE		9
Total payments and other debits	<u>24,765</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)					
74 Mortgage revenue bonds	3,000	5,250	8,250	0	1
Subtotal	3,000	5,250	8,250	0	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
CITIZEN BANK	202	2,501	2,531	172	3
Subtotal	202	2,501	2,531	172	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	3,202	7,751	10,781	172	

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):		
INVESTMENT IN ELECTRIC COOP	7,236	2
SPECIAL ASSESSMENT-LONG TERM PORTION	4,000	3
Total (Acct. 124):	11,236	
Special Funds (125):		
DEPRECIATION AND RESERVE FUNDS	29,407	4
Total (Acct. 125):	29,407	
Notes Receivable (141):		
NONE		5
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	23,327	6
Electric		7
Sewer (Regulated)		8
Other (specify):		
NONE		9
Total (Acct. 142):	23,327	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		10
Merchandising, jobbing and contract work		11
Other (specify):		
SPECIAL ASSESSMENT-CURRENT	2,300	12
VENDOR CREDIT BALANCE	697	13
OTHER RECEIVABLES	580	14
Total (Acct. 143):	3,577	
Receivables from Municipality (145):		
DUE FROM CITY TAX ROLL ITEMS	5,401	15
DUE FROM SEWER-ALLOCATED METER EXPENSE-VARIOUS YRS	14,461	16
DUE FROM SEWER-SEWER INVOICES PD IN ERROR BY WATER	6,576	17
Total (Acct. 145):	26,438	
Prepayments (165):		
PREPAID INSURANCE	124	18
Total (Acct. 165):	124	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

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

Particulars (a)		Balance End of Year (b)
Extraordinary Property Losses (182):		
NONE		19
Total (Acct. 182):		0
Other Deferred Debits (183):		
WATER TOWER PAINTING	6,486	20
Total (Acct. 183):	6,486	
Payables to Municipality (233):		
DUE TO SEWER-COLLECTIONS DUE	78,096	21
DUE TO SEWER-TEMPORARY LOAN DURING 2007	62,650	22
DUE TO SEWER-CONSTRUCTION COSTS NOT YET REIMBURSED	13,166	23
DUE TO SEWER-MISC OTHER ITEMS	157	24
Total (Acct. 233):	154,069	
Other Deferred Credits (253):		
Regulatory Liability	58,095	25
NONE		26
Total (Acct. 253):	58,095	

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)	984,848	0	0	0	984,848	1
Materials and Supplies	6,626	0	0	0	6,626	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	356,705	0	0	0	356,705	4
Customer Advances for Construction					0	5
Regulatory Liability	59,910	0	0	0	59,910	6
NONE					0	7
Average Net Rate Base	574,859	0	0	0	574,859	
Net Operating Income	11,797	0	0	0	11,797	8
Net Operating Income as a percent of						
Average Net Rate Base	2.05%	N/A	N/A	N/A	2.05%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	0.8	1
Electric		2
Gas		3
Sewer		4

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year	61,726	0	0	0	61,726	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	3,631	0	0	0	3,631	3
Other (specify):						
NONE					0	4
Balance End of Year	58,095	0	0	0	58,095	

FINANCIAL SECTION FOOTNOTES

Cover Sheet (Page 0)

General footnotes

ACCOUNTANT'S REPORT

CITY COUNCIL
CITY OF LOYAL
LOYAL, WISCONSIN

WE HAVE COMPILED LOYAL MUNICIPAL WATER UTILITY ANNUAL REPORT INCLUDED IN THE ACCOMPANYING PRESCRIBED FORM FOR THE CITY OF LOYAL, WISCONSIN AS OF DECEMBER 31, 2007 AND FOR THE YEAR THEN ENDED, IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES ISSUED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.

OUR COMPILATION WAS LIMITED TO PRESENTING IN THE FORM PRESCRIBED BY THE PUBLIC SERVICE COMMISSION INFORMATION THAT IS THE REPRESENTATION OF MANAGEMENT. WE HAVE NOT AUDITED OR REVIEWED THE REPORT REFERRED TO ABOVE AND, ACCORDINGLY, DO NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE ON IT.

THIS REPORT IS PRESCRIBED IN ACCORDANCE WITH THE REQUIREMENTS OF THE PUBLIC SERVICE COMMISSION WHICH DIFFER FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. ACCORDINGLY, THIS REPORT IS NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH DIFFERENCES.

CLIFTON GUNDERSON LLP

TOMAH, WISCONSIN
MARCH 31, 2008

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

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

Utility received approval to amortize painting of water tower over a seven year period via a letter from PSC dated 3/20/2003.

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$2,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Done

Identification and Ownership - Contacts (Page iv)

If the utility clerk (or other utility/municipal person responsible for municipal utility recordkeeping) is new (or will be new in the next year), please indicate here.

In February 2008 Shannon Toufar was hired (appointed) by the City Council to become the new City clerk/treasurer. She will be responsible for the municipal recordkeeping

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	137,942	143,538	1
Total Sales of Water	137,942	143,538	
Other Operating Revenues			
Forfeited Discounts (470)	0	41	2
Other Water Revenues (474)	1,257	1,423	3
Total Other Operating Revenues	1,257	1,464	
Total Operating Revenues	139,199	145,002	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	49,181	57,008	4
General Operating Expenses (680-690)	34,851	37,130	5
Total Operation and Maintenance Expenses	84,032	94,138	
Other Operating Expenses			
Depreciation Expense (403)	19,040	18,924	6
Amortization Expense (404)		0	7
Taxes (408)	24,330	22,671	8
Total Other Operating Expenses	43,370	41,595	
Total Operating Expenses	127,402	135,733	
NET OPERATING INCOME	11,797	9,269	

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	473	17,090	64,730	4
Commercial	77	4,470	14,800	5
Industrial	4	89	415	6
Total Metered Sales to General Customers (461)	554	21,649	79,945	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		54,062	8
Other Sales to Public Authorities (464)	8	1,464	3,935	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	563	23,113	137,942	

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)	54,062	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)	54,062	
Forfeited Discounts (470):		
Customer late payment charges		5
Other (specify): NONE		6
Total Forfeited Discounts (470)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,059	7
Other (specify): MISC OTHER	198	8
Total Other Water Revenues (474)	1,257	

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)	17,171	15,990	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	9,651	9,664	3
Chemicals (630)	5,813	4,115	4
Supplies and Expenses (640)	5,393	10,671	5
Repairs of Water Plant (650)	11,153	16,568	6
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	49,181	57,008	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	12,298	13,206	8
Office Supplies and Expenses (681)	396	1,048	9
Outside Services Employed (682)	2,700	4,600	10
Insurance Expense (684)	7,826	6,665	11
Employees Pensions and Benefits (686)	11,631	11,611	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)		0	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	34,851	37,130	
Total Operation and Maintenance Expenses	84,032	94,138	

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		22,306	20,785	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		435	413	2
Net property tax equivalent		21,871	20,372	
Social Security		2,301	2,181	3
PSC Remainder Assessment		158	118	4
Other (specify): NONE			0	5
Total tax expense		24,330	22,671	

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			Clark				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.211070				3
County tax rate	mills		8.652180				4
Local tax rate	mills		10.962560				5
School tax rate	mills		10.801170				6
Voc. school tax rate	mills		2.317970				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		32.944950				10
Less: state credit	mills		1.861910				11
Net tax rate	mills		31.083040				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		10.962560				14
Combined School Tax Rate	mills		13.119140				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		24.081700				17
Total Tax Rate	mills		32.944950				18
Ratio of Local and School Tax to Total	dec.		0.730968				19
Total tax net of state credit	mills		31.083040				20
Net Local and School Tax Rate	mills		22.720704				21
Utility Plant, Jan. 1	\$	1,214,435	1,214,435				22
Materials & Supplies	\$	6,659	6,659				23
Subtotal	\$	1,221,094	1,221,094				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	1,221,094	1,221,094				26
Assessment Ratio	dec.		0.804000				27
Assessed Value	\$	981,760	981,760				28
Net Local & School Rate	mills		22.720704				29
Tax Equiv. Computed for Current Year	\$	22,306	22,306				30
Tax Equivalent per 1994 PSC Report	\$	20,785					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	22,306					34

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

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

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	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)	64,952		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)	40,162		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	105,114	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	18,271		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	38,870		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	16,841		20
Total Pumping Plant	73,982	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	8,065		23
Total Water Treatment Plant	8,065	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)			64,952	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)			40,162	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	105,114	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			18,271	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			38,870	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			16,841	20
Total Pumping Plant	0	0	73,982	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			8,065	23
Total Water Treatment Plant	0	0	8,065	

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)	600		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	95,204		26
Transmission and Distribution Mains (343)	449,681		27
Fire Mains (344)	0		28
Services (345)	85,704		29
Meters (346)	45,683	2,497	30
Hydrants (348)	80,992		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	757,864	2,497	
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)	2,495		36
Transportation Equipment (373)	12,165		37
Other General Equipment (379)	23,915		38
Other Tangible Property (390)	0		39
Total General Plant	38,575	0	
Total utility plant in service directly assignable	983,600	2,497	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	983,600	2,497	

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)			600 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			95,204 26
Transmission and Distribution Mains (343)			449,681 27
Fire Mains (344)			0 28
Services (345)			85,704 29
Meters (346)			48,180 30
Hydrants (348)			80,992 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	760,361
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)			2,495 36
Transportation Equipment (373)			12,165 37
Other General Equipment (379)			23,915 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	38,575
Total utility plant in service directly assignable	0	0	986,097
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	986,097

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)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	13,134		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	13,134	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	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by 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)			13,134 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	13,134
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)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	30,020		26
Transmission and Distribution Mains (343)	134,986		27
Fire Mains (344)	0		28
Services (345)	20,900	2,630	29
Meters (346)	0		30
Hydrants (348)	17,906		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	203,812	2,630	
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	
Total utility plant in service directly assignable	216,946	2,630	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	216,946	2,630	

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)			30,020 26
Transmission and Distribution Mains (343)			134,986 27
Fire Mains (344)			0 28
Services (345)			23,530 29
Meters (346)			0 30
Hydrants (348)			17,906 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	206,442
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	0	219,576
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	219,576

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			3,143	3,143	1
February			2,922	2,922	2
March			3,707	3,707	3
April			3,064	3,064	4
May			3,363	3,363	5
June			3,310	3,310	6
July			3,485	3,485	7
August			3,414	3,414	8
September			2,954	2,954	9
October			3,459	3,459	10
November			2,910	2,910	11
December			3,039	3,039	12
Total annual pumpage	0	0	38,770	38,770	
Less: Water sold				23,113	13
Volume pumped but not sold				15,657	14
Volume sold as a percent of volume pumped				60%	15
Volume used for water production, water quality and system maintenance				215	16
Volume related to equipment/system malfunction				602	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				817	19
Volume pumped but unaccounted for				14,840	20
Percent of water lost				38%	21
If more than 25%, indicate causes:					22
The utility continues to struggle with unexplained water loss. 2 water leaks were detected and fixed during 2007. It was originally thought that fixing of these would correct the Utility's water loss problem.					
If more than 25%, state what action has been taken to reduce water loss:					23
During 2008 the Utility plans to do an extensive search within the City, which will include attempting to inspect each water user. The Utility also plans on bringing in professionals to assist in location of leaks.					
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				267	24
Date of maximum: 3/16/2007					25
Cause of maximum:					26
Main break					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				0	27
Date of minimum: 9/11/2007					28
Total KWH used for pumping for the year				164,311	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31

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	NO 1	34	18	41,000	Yes	1
WELL	NO 3	52	14	18,000	Yes	2
WELL	NO 4	57	10	12,000	Yes	3
WELL	NO 6	80	8	19,000	Yes	4
WELL	NO 7	40	12	14,000	Yes	5

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 NO 1	WELL NO 3	WELL NO 4	1
Location	LOYAL	LOYAL	LOYAL	2
Purpose	P	P	P	3
Destination	R D	R	R	4
Pump Manufacturer	JACCUZI	FAIR MORSE	BERKLEY	5
Year Installed	1988	1947	1950	6
Type	SUBMERSIBLE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	90	30	50	8
Pump Motor or Standby Engine Mfr	ELECTRIC MOTOR	ELECTRIC MOTOR	ELECTRIC MOTOR	9 10
Year Installed	1988	1947	1950	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	8	8	10	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification	WELL NO 6	WELL NO 7		14
Location	LOYAL	LOYAL		15
Purpose	P	P		16
Destination	R	R		17
Pump Manufacturer	STARITE	CRANE & DERNUNG		18
Year Installed	2000	1973		19
Type	SUBMERSIBLE	VERTICAL TURBINE		20
Actual Capacity (gpm)	50	35		21
Pump Motor or Standby Engine Mfr	ELECTRIC MOTOR	ELECTRIC MOTOR		22 23
Year Installed	2000	1973		24
Type	ELECTRIC	ELECTRIC		25
Horsepower	5	5		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	LOYAL		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1972		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	85		6
Total capacity in gallons (actual)	200,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		9
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	500.0000		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	Y		14

WATER MAINS

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

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	14,875	0	0	0	14,875	1
M	D	6.000	18,708	0	0	0	18,708	2
M	D	8.000	26,349	0	0	0	26,349	3
M	D	10.000	8,102	0	0	0	8,102	4
M	D	12.000	3,902	0	0	0	3,902	5
Total Within Municipality			71,936	0	0	0	71,936	
Total Utility			71,936	0	0	0	71,936	

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	498	0	0	0	498	30	1
M	1.000	157	3	0	0	160	63	2
M	1.250	2	0	0	0	2		3
M	1.500	4	0	0	0	4		4
M	2.000	9	0	0	0	9		5
M	4.000	1	0	0	0	1		6
M	8.000		1			1		7
Total Utility		671	4	0	0	675	93	

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	575	0	0	0	575	20	1
1.000	12	0	0	(1)	11	0	2
1.500	4	1	0	1	6	0	3
2.000	7	0	0	(1)	6	0	4
3.000	3	0	0	0	3	0	5
4.000	2	1	0	0	3	0	6
Total:	603	2	0	(1)	604	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	475	61	4	5	0	30	575	1
1.000	0	8	0	1	0	2	11	2
1.500	0	2	0	1	1	2	6	3
2.000	0	4	0	1	1	0	6	4
3.000	0	0	0	0	2	1	3	5
4.000	0	0	0	2	1	0	3	6
Total:	475	75	4	10	5	35	604	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

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

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	91				91	2
Total Fire Hydrants	91	0	0	0	91	
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:	91
Number of distribution system valves end of year:	224
Number of distribution valves operated during year:	188

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.

A/C 640 Supplies and Expense is down this year due to less testing required compared to 2006.

A/C 650 Repairs of Water Plant is down due to no unusual repairs required during 2007. In 2006, electrical repairs of \$4,900 were necessary.

Water Services (Page W-18)

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

All services were added by customers, with the customer paying the actual cost.

Meters (Page W-19)

Explain all reported adjustments.

Adjustments made due to inaccuracy in previously reported quantities. No dollar adjustments, just correction of units and size

Explain program for replacing or testing meters 1" or smaller.

1" meters are tested every 10 years.

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes, station meters are tested every two years.
