

Muscatine Power and Water

Water Utility

Operating Statements and Balance Sheets

April 2010

**Muscatine Power and Water
Water Utility**

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Muscatine Power and Water - Water Utility
Classification of Water Distribution
Current Month - April 2010

	<u>Budget Estimate</u>	<u>%Increase (Decrease) From Budget</u>	<u>This Year</u>	<u>%Increase (Decrease) Fr. Last Yr.</u>	<u>Last Year</u>
<u>Water Distribution - 1,000 Gallons</u>					
Contract Customers	549,464	13.1	621,472	7.6	577,315
Power Plants	91,589	(16.0)	76,927	4.6	73,531
Residential	36,809	3.7	38,175	(1.3)	38,663
Commercial	29,570	1.3	29,960	10.5	27,122
Total Metered Customers	707,432	8.4	766,534	7.0	716,631
Rated Customers - Estimate	---	---	19	26.7	15
City Use, Line Loss, Cycle Billing	42,446	8.4	45,992	7.0	42,998
Total Water Pumped	749,878	8.4	812,545	7.0	759,644

Calendar Year-to-Date

	<u>Budget Estimate</u>	<u>%Increase (Decrease) From Budget</u>	<u>This Year</u>	<u>%Increase (Decrease) Fr. Last Yr.</u>	<u>Last Year</u>
<u>Water Distribution - 1,000 Gallons</u>					
Contract Customers	2,186,675	5.4	2,304,949	5.7	2,181,103
Power Plants	338,531	(9.6)	306,091	(19.8)	381,714
Residential	152,812	(2.9)	148,346	(3.1)	153,146
Commercial	119,107	(7.1)	110,664	2.4	108,117
Total Metered Customers	2,797,125	2.6	2,870,050	1.6	2,824,080
Rated Customers - Estimate	---	---	79	(12.2)	90
City Use, Line Loss, Cycle Billing	167,828	2.6	172,203	1.6	169,445
Total Water Pumped	2,964,953	2.6	3,042,332	1.6	2,993,615

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Assets
Current Month - April 2010

	<u>Budget</u> <u>Estimate</u>	<u>%Increase</u> <u>(Decrease)</u> <u>From Budget</u>	<u>This</u> <u>Year</u>	<u>%Increase</u> <u>(Decrease)</u> <u>Fr. Last Yr.</u>	<u>Last</u> <u>Year</u>
<u>Sales of Water</u>					
Contract Customers	\$165,891	6.4	\$176,492	2.9	\$171,546
Power Plants	30,208	(7.7)	27,888	(1.6)	28,337
Residential	114,075	(0.2)	113,902	2.4	111,184
Commercial	35,023	(0.1)	35,002	9.4	31,987
	<u>345,197</u>	2.3	<u>353,284</u>	3.0	<u>343,054</u>
<u>Other Revenue</u>					
Penalty Revenue	545	12.7	614	6.4	577
Merchandise & Job Sales-Net	783	(41.8)	456	---	(653)
Miscellaneous Revenue	921	(34.4)	604	(25.8)	814
	<u>2,249</u>	(25.6)	<u>1,674</u>	---	<u>738</u>
Total Other Revenue	<u>2,249</u>	(25.6)	<u>1,674</u>	---	<u>738</u>
Operating Revenue	<u>347,446</u>	2.2	<u>354,958</u>	3.2	<u>343,792</u>
<u>Operating Expense</u>					
Operation	245,367	8.4	266,085	8.7	244,690
Maintenance	38,374	(41.2)	22,559	(78.1)	102,875
Depreciation	42,975	1.0	43,404	10.0	39,457
	<u>326,716</u>	1.6	<u>332,048</u>	(14.2)	<u>387,022</u>
Total Operating Expense	<u>326,716</u>	1.6	<u>332,048</u>	(14.2)	<u>387,022</u>
Operating Income (Loss)	20,730	10.5	22,910	---	(43,230)
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	492	(77.0)	113	(96.7)	3,471
Interest Expense	(1,062)	(30.4)	(739)	---	---
	<u>(570)</u>	9.8	<u>(626)</u>	---	<u>3,471</u>
Net Nonoperating Revenues (Expenses)	<u>(570)</u>	9.8	<u>(626)</u>	---	<u>3,471</u>
Net Income before Capital Contributions	20,160	10.5	22,284	---	(39,759)
Capital Contributions	---	---	---	---	---
Change in Net Assets	20,160	10.5	22,284	---	(39,759)
Beginning Net Assets	<u>13,112,129</u>		<u>13,177,458</u>		<u>12,926,261</u>
Ending Net Assets	<u>\$13,132,289</u>		<u>\$13,199,742</u>		<u>\$12,886,502</u>
Percent to Total Income	5.8		6.3		(11.4)

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Assets
Calendar Year-to-Date - April 2010

	<u>Budget Estimate</u>	<u>%Increase (Decrease) From Budget</u>	<u>This Year</u>	<u>%Increase (Decrease) Fr. Last Yr.</u>	<u>Last Year</u>
<u>Sales of Water</u>					
Contract Customers	\$647,041	2.7	\$664,332	1.7	\$653,037
Power Plants	113,687	(4.4)	108,680	(12.1)	123,580
Residential	448,449	(1.9)	439,991	1.7	432,786
Commercial	137,344	(4.6)	130,993	4.8	125,030
Water Sales	<u>1,346,521</u>	<u>(0.2)</u>	<u>1,343,996</u>	<u>0.7</u>	<u>1,334,433</u>
<u>Other Revenue</u>					
Penalty Revenue	1,635	5.6	1,727	4.2	1,658
Merchandise & Job Sales-Net	3,150	(3.7)	3,032	---	1,405
Miscellaneous Revenue	<u>3,684</u>	<u>(25.7)</u>	<u>2,737</u>	<u>(4.9)</u>	<u>2,878</u>
Total Other Revenue	<u>8,469</u>	<u>(11.5)</u>	<u>7,496</u>	<u>26.2</u>	<u>5,941</u>
Operating Revenue	<u>1,354,990</u>	<u>(0.3)</u>	<u>1,351,492</u>	<u>0.8</u>	<u>1,340,374</u>
<u>Operating Expense</u>					
Operation	978,404	1.3	990,778	(0.3)	993,867
Maintenance	159,531	(23.3)	122,282	(52.2)	255,820
Depreciation	<u>171,900</u>	<u>1.0</u>	<u>173,615</u>	<u>10.0</u>	<u>157,828</u>
Total Operating Expense	<u>1,309,835</u>	<u>(1.8)</u>	<u>1,286,675</u>	<u>(8.6)</u>	<u>1,407,515</u>
Operating Income (Loss)	<u>45,155</u>	<u>43.5</u>	<u>64,817</u>	<u>---</u>	<u>(67,141)</u>
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	1,686	(75.0)	421	(96.4)	11,734
Interest Expense	<u>(3,997)</u>	<u>(53.4)</u>	<u>(1,862)</u>	<u>---</u>	<u>---</u>
Net Nonoperating Revenues (Expenses)	<u>(2,311)</u>	<u>(37.6)</u>	<u>(1,441)</u>	<u>---</u>	<u>11,734</u>
<u>Net Income (Loss) before Capital Contributions</u>					
Contributions	42,844	47.9	63,376	---	(55,407)
Capital Contributions	<u>---</u>	<u>---</u>	<u>46,923</u>	<u>---</u>	<u>---</u>
Change in Net Assets	42,844	---	110,299	---	(55,407)
Beginning Net Assets	<u>13,089,443</u>		<u>13,089,443</u>		<u>12,941,909</u>
Ending Net Assets	<u>\$13,132,287</u>		<u>\$13,199,742</u>		<u>\$12,886,502</u>
Percent to Total Income	3.2		7.9		(4.1)

Muscatine Power and Water - Water Utility
Statements of Net Assets
April 2010

ASSETS

	<u>2010</u>	<u>2009</u>
Current Assets:		
Cash - interest bearing	285,637	261,199
Investments	307,431	1,452,000
Receivables:		
Consumer Accounts	464,648	448,353
Interest	41	39,898
Other	---	5,601
Inventories	283,285	316,482
Prepaid Expenses	44,138	32,011
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Total Current Assets	1,385,180	2,555,544
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Property and Equipment:		
At Cost	23,203,835	22,329,756
Less Accumulated Depreciation	8,440,097	8,767,924
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Net Property and Equipment	14,763,738	13,561,832
	<hr/>	<hr/>
Other Assets:		
Unamortized Cost of Issuing Debt	6,956	---
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Total Other Assets	6,956	---
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TOTAL ASSETS	<u>\$16,155,874</u>	<u>\$16,117,376</u>

Muscatine Power and Water - Water Utility
Statements of Net Assets
April 2010

LIABILITIES AND NET ASSETS

	<u>2010</u>	<u>2009</u>
Current Liabilities:		
<u>Restricted</u>		
Accrued Interest	\$1,663	---
<u>Unrestricted</u>		
Accounts Payable	261,474	\$622,819
Pension Provision	30,124	\$21,760
Health & Dental Insurance Provision	23,460	19,760
Intercompanies Payable	3,965	14,439
Retained Percentage on Contracts	83,792	43,298
Consumer Advances for Construction	28,129	144,329
Accrued Payroll	54,951	48,469
Accrued Vacation	79,126	77,208
Miscellaneous Accrued Expenses	36,387	38,634
Miscellaneous Deferred Credits	7,600	10,000
Total Current Unrestricted Liabilities	609,008	1,040,716
Non-Current Liabilities:		
State Revolving Loan	195,100	---
Health & Dental Insurance Provision	161,832	156,755
Consumer Advances for Construction	1,988,529	2,033,403
Total Non-Current Liabilities	2,345,461	2,190,158
Net Assets:		
Invested in capital assets, net of related debt	12,557,273	11,384,100
Unrestricted	642,469	1,502,402
Total Net Assets	13,199,742	12,886,502
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$16,155,874</u></u>	 <u><u>\$16,117,376</u></u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
April 2010

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Water sales	\$327,499	\$1,322,364
Miscellaneous sources	2,681	8,193
Cash paid to/for:		
Suppliers	(113,433)	(452,402)
Employees payroll, taxes and benefits	(148,692)	(587,356)
Net cash flows from operating activities	<u>68,055</u>	<u>290,799</u>
Cash flows from capital and related financing activities:		
State revolving loan	---	187,693
Capital expenditures, net	848	(343,115)
Net cash flows from capital and related financing activities	<u>848</u>	<u>(155,422)</u>
Cash flows from investing activities:		
Interest received on investments	261	1,558
Accrued interest purchased	---	---
Amortization/accretion of investments	---	---
Mark to market	7	10
Net cash flows from investing activities	<u>268</u>	<u>1,568</u>
Net increase in cash and investments	<u>69,171</u>	<u>136,945</u>
Cash and investments at beginning of period	<u>523,897</u>	<u>456,123</u>
Cash and investments at end of period	<u><u>\$593,068</u></u>	<u><u>\$593,068</u></u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
April 2010

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$22,910	\$64,817
Noncash item in operating income:		
Depreciation of utility plant	43,404	173,615
Changes in assets and liabilities:		
Consumer accounts receivable	(30,384)	(25,985)
Inventories	16,332	3,828
Prepaid and deferred expenses	1,614	(18,184)
Accounts payable	(2,827)	18,723
Pension provision	7,531	30,124
Health & dental insurance provision	(4,766)	(13,044)
Intercompany payable	41	(7,819)
Retained percentage	---	18,603
Accrued payroll	10,517	33,320
Accrued vacation	1,717	6,286
Miscellaneous accrued expenses	1,966	6,515
Miscellaneous deferred credits	---	---
	<hr/>	<hr/>
Net cash flows from operating activities	<u>\$68,055</u>	<u>\$290,799</u>

Muscatine Power and Water - Water Utility
Summary of Expenses
Current Month - April 2010

<u>Source of Supply</u>	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
Operation Supervision	\$2,238		\$2,296		\$2,289	
Operation Labor and Expenses	819		1,165		1,042	
Miscellaneous Expense	1,073		800		230	
Maintenance of Wells	---		---		48,231	
Maintenance of Supply Mains	1,571		208		2,194	
Depreciation	5,645		5,207		5,208	
Total Source of Supply Expense	11,346	3.3	9,676	2.7	59,194	17.2
<u>Pumping</u>						
Operation Supervision	2,646		2,689		2,617	
Fuel or Power Purchased	59,636		64,662		61,156	
Pumping Labor and Expenses	3,558		3,397		2,756	
Miscellaneous Expense	254		279		243	
Maintenance of Structures	171		---		---	
Maintenance of Pumping Equipment	5,705		4,673		4,442	
Depreciation	4,810		4,356		4,126	
Total Pumping Expense	76,780	22.1	80,056	22.6	75,340	21.9
<u>Water Treatment</u>						
Operation Supervision	2,663		2,708		2,682	
Chemicals	16,333		19,449		20,452	
Operation Labor and Expenses	8,038		10,095		11,675	
Miscellaneous Expense	611		1,055		313	
Maintenance of Structures	514		442		381	
Maintenance of Purification Equip.	1,134		2,274		955	
Depreciation	2,350		2,340		2,340	
Total Water Treatment Expense	31,643	9.1	38,363	10.8	38,798	11.3
<u>Distribution</u>						
Operation Supervision	2,841		2,553		2,223	
Storage Facilities Expense	1,923		2,389		1,250	
Trans. & Distr. Lines Expense	6,300		17,012		7,996	
Meter Expense	9,859		8,425		8,875	
Consumer Installation Expense	4,900		5,839		4,393	
Miscellaneous Expense	5,504		4,837		7,578	
Vehicle Expense	3,796		3,057		3,359	
Maintenance:						
Supervision	4,338		4,110		3,043	
Structures	444		106		1,112	
Reservoirs and Standpipes	46		2,424		12	
Mains	9,760		1,627		33,281	
Valves	6,878		663		1,263	
Meters	1,570		1,088		2,671	
Hydrants	2,619		1,654		1,544	
Miscellaneous Plant	2,255		1,242		2,482	
Vacation, Holiday, Sick Leave	12,148		12,634		10,505	
Depreciation	29,287		29,223		27,783	
Total Distribution Expense	\$104,468	30.1	\$98,883	27.9	\$119,370	34.7

Muscatine Power and Water - Water Utility
Summary of Expenses
Calendar Year-to-Date - April 2010

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Source of Supply</u>						
Operation Supervision	\$9,094		\$9,439		\$9,198	
Operation Labor and Expenses	3,318		5,102		4,113	
Miscellaneous Expense	2,341		800		3,495	
Maintenance of Wells	---		5		48,231	
Maintenance of Supply Mains	5,653		1,997		5,968	
Depreciation	22,582		20,828		20,832	
Total Source of Supply Expense	42,988	3.2	38,171	2.8	91,837	6.9
<u>Pumping</u>						
Operation Supervision	10,762		11,033		10,574	
Fuel or Power Purchased	229,716		248,604		243,386	
Pumping Labor and Expenses	14,013		15,397		14,896	
Miscellaneous Expense	1,016		1,350		1,060	
Maintenance of Structures	683		---		844	
Maintenance of Pumping Equipment	23,978		17,568		21,690	
Depreciation	19,239		17,424		16,504	
Total Pumping Expense	299,407	22.1	311,376	23.0	308,954	23.0
<u>Water Treatment</u>						
Operation Supervision	10,713		11,125		10,856	
Chemicals	65,333		75,443		77,580	
Operation Labor and Expenses	40,224		45,826		51,165	
Miscellaneous Expense	2,443		4,072		3,716	
Maintenance of Structures	2,415		3,083		1,321	
Maintenance of Purification Equip.	10,389		14,735		4,926	
Depreciation	9,401		9,360		9,360	
Total Water Treatment Expense	140,918	10.4	163,644	12.1	158,924	11.9
<u>Distribution</u>						
Operation Supervision	11,388		10,332		8,916	
Storage Facilities Expense	5,909		6,686		5,878	
Trans. & Distr. Lines Expense	25,481		26,788		33,002	
Meter Expense	37,656		40,322		44,879	
Consumer Installation Expense	21,289		20,215		17,571	
Miscellaneous Expense	25,933		16,439		26,649	
Vehicle Expense	14,917		15,865		11,925	
Maintenance:						
Supervision	17,358		16,487		12,500	
Structures	1,774		1,780		2,431	
Reservoirs and Standpipes	183		2,744		44	
Mains	39,040		22,048		124,299	
Valves	26,866		6,730		6,715	
Meters	6,201		6,700		7,969	
Hydrants	10,477		14,211		7,455	
Miscellaneous Plant	9,006		7,464		6,418	
Vacation, Holiday, Sick Leave	40,974		41,571		41,175	
Depreciation	117,148		116,892		111,132	
Total Distribution Expense	\$411,600	30.4	\$373,274	27.6	\$468,958	35.0

Muscatine Power and Water - Water Utility
Summary of Expenses
Current Month - April 2010

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	<u>\$1,768</u>	0.5	<u>\$1,223</u>	0.3	<u>(\$514)</u>	-0.1
<u>Consumer Accounts</u>						
Supervision	930		1,066		920	
Meter Reading Expense	3,446		3,510		3,142	
Consumer Records and Collection	12,420		13,149		11,812	
Uncollectible Accounts Expense	267		267		217	
Vacation, Holiday, Sick Leave	<u>1,937</u>		<u>1,853</u>		<u>1,954</u>	
Total Consumer Accounts Expense	<u>19,000</u>	5.5	<u>19,845</u>	5.6	<u>18,045</u>	5.2
<u>Administrative and General</u>						
Administrative and General Salaries	14,772		14,882		14,264	
Office Supplies and Expenses	1,657		1,291		1,352	
Outside Services Employed	1,469		553		3,124	
Property Insurance	905		854		854	
Casualty Ins, Injuries & Damages	3,284		3,481		3,253	
Employee Pensions and Benefits	44,022		44,188		40,561	
Fringe Benefits Charged to Constr.	(1,793)		(1,424)		(3,337)	
Miscellaneous General Expense	6,223		7,162		7,082	
Rents	6,298		6,298		5,702	
Maintenance of General Plant	1,369		2,048		1,264	
Vacation, Holiday, Sick Leave	2,622		2,391		2,670	
Depreciation	<u>883</u>		<u>2,278</u>		<u>---</u>	
Total Administrative and General	<u>81,711</u>	23.5	<u>84,002</u>	23.7	<u>76,789</u>	22.3
Total Operating Expense	<u>\$326,716</u>		<u>\$332,048</u>		<u>\$387,022</u>	
Percent to Operating Revenue		94.0		93.5		112.6

Muscatine Power and Water - Water Utility
Summary of Expenses
Calendar Year-to-Date - April 2010

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	<u>\$6,874</u>	0.5	<u>\$2,326</u>	0.2	<u>\$4,775</u>	0.4
<u>Consumer Accounts</u>						
Supervision	3,722		3,774		3,391	
Meter Reading Expense	12,865		15,666		13,187	
Customer Records and Collection	50,067		50,737		47,464	
Uncollectible Accounts Expense	1,068		1,068		867	
Vacation, Holiday, Sick Leave	<u>6,455</u>		<u>6,312</u>		<u>6,400</u>	
Total Consumer Accounts Expense	<u>74,177</u>	5.5	<u>77,557</u>	5.7	<u>71,309</u>	5.3
<u>Administrative and General</u>						
Administrative and General Salaries	59,286		58,144		57,527	
Office Supplies and Expenses	6,745		5,255		6,019	
Outside Services Employed	8,638		3,574		11,523	
Property Insurance	3,468		3,417		2,944	
Casualty Ins, Injuries & Damages	13,087		13,061		8,643	
Employee Pensions and Benefits	174,583		168,886		169,278	
Fringe Benefits Charged to Constr.	(7,405)		(5,989)		(12,215)	
Miscellaneous General Expense	32,417		24,065		22,068	
Rents	25,192		25,192		22,808	
Maintenance of General Plant	5,508		6,730		5,009	
Vacation, Holiday, Sick Leave	8,822		8,881		9,154	
Depreciation	<u>3,530</u>		<u>9,111</u>		<u>---</u>	
Total Administrative and General	<u>333,871</u>	24.6	<u>320,327</u>	23.7	<u>302,758</u>	22.6
Total Operating Expense	<u>\$1,309,835</u>		<u>\$1,286,675</u>		<u>\$1,407,515</u>	
Percent to Operating Revenue		96.7		95.2		105.0

Muscatine Power and Water - Water Utility
Statistical Data
Current Month - April 2010

	<u>2010</u>		<u>2009</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.435	0.461	0.452	0.479
Cost Per 1,000 Gallons	<u>0.409</u>	<u>0.433</u>	<u>0.509</u>	<u>0.540</u>
Margin	<u>0.026</u>	<u>0.028</u>	<u>(0.058)</u>	<u>(0.061)</u>

	<u>2010</u>	<u>2009</u>
Maximum Daily Water Pumped (1,000 gallons)	31,786	30,453
Date of Maximum	04/20	04/16

Calendar Year-to-Date

	<u>2010</u>		<u>2009</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.442	0.468	0.446	0.473
Cost Per 1,000 Gallons	<u>0.423</u>	<u>0.448</u>	<u>0.470</u>	<u>0.498</u>
Margin	<u>0.019</u>	<u>0.020</u>	<u>(0.024)</u>	<u>(0.026)</u>

	<u>2010</u>	<u>2009</u>
Maximum Daily Water Pumped (1,000 gallons)	31,786	30,453
Date of Maximum	04/20	04/16

Services

Contract Customers	2	2
Power Plants	2	2
Residential	8,469	8,488
Commercial	<u>1,084</u>	<u>1,075</u>
Total	<u>9,557</u>	<u>9,567</u>