

Muscatine Power and Water

Water Utility

Statement of Revenues, Expenses and Changes in Net Position

January 2014

**Muscatine Power and Water
Water Utility**

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Muscatine Power and Water - Water Utility
Classification of Water Distribution
Current Month - January 2014

	<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	567,877	0.7	571,877	3.4	552,889
Power Plants	86,977	(7.1)	80,838	0.2	80,705
Residential	39,265	2.6	40,285	8.0	37,312
Commercial	<u>28,802</u>	13.6	<u>32,732</u>	10.8	<u>29,553</u>
Total Metered Customers	722,921	0.4	725,732	3.6	700,459
Rated Customers - Estimate	---	---	11	(42.1)	19
City Use, Line Loss, Cycle Billing	<u>43,375</u>	0.4	<u>43,544</u>	3.6	<u>42,028</u>
Total Water Pumped	<u><u>766,296</u></u>	0.4	<u><u>769,287</u></u>	3.6	<u><u>742,506</u></u>

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - January 2014

	Budget Estimate	%Increase (Decrease) From Budget	This Year	%Increase (Decrease) Fr. Last Yr.	Last Year
<u>Sales of Water</u>					
Contract Customers	\$186,842	3.2	\$192,808	11.4	\$173,036
Power Plants	32,841	(6.4)	30,725	0.5	30,587
Residential	135,445	0.2	135,694	9.6	123,819
Commercial	39,151	13.1	44,279	15.8	38,248
Water Sales	394,279	2.3	403,506	10.3	365,690
<u>Other Revenue</u>					
Penalty Revenue	683	---	---	---	187
Merchandise & Job Sales-Net	1,023	19.0	1,217	13.7X	83
Miscellaneous Revenue	800	1.1X	1,675	(74.6)	6,595
Total Other Revenue	2,506	15.4	2,892	(57.9)	6,865
Operating Revenue	396,785	2.4	406,398	9.1	372,555
<u>Operating Expense</u>					
Operation	286,684	5.3	301,870	14.0	264,890
Maintenance	41,383	(16.2)	34,673	(28.3)	48,363
Depreciation	60,090	0.1	60,159	14.9	52,340
Total Operating Expense	388,157	2.2	396,702	8.5	365,593
Operating Income	8,628	12.4	9,696	39.3	6,962
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	116	(77.6)	26	36.8	19
Interest Expense	(625)	0.6	(629)	(6.0)	(669)
Net Nonoperating Revenues (Expenses)	(509)	18.5	(603)	(7.2)	(650)
Net Income (Loss) before Capital Contributions	8,119	12.0	9,093	44.1	6,312
Capital Contributions	---	---	---	---	52,503
Change in Net Position	8,119	12.0	9,093	(84.5)	58,815
Beginning Net Position	15,614,434		15,614,434		14,107,489
Ending Net Position	\$15,622,553		\$15,623,527		\$14,166,304
Net Income (Loss) to Operating Revenue	2.0		2.2		1.7
Debt Service Coverage	1.19		1.22		19.76

Muscatine Power and Water - Water Utility
Statements of Net Position
January 2014

ASSETS

	<u>2014</u>	<u>2013</u>
Current Assets:		
Cash - interest bearing	\$646,915	\$495,554
Receivables:		
Consumer Accounts	544,189	502,346
Interest	2	2
Inventories	347,578	293,585
Prepaid Expenses	<u>43,407</u>	<u>38,374</u>
Total Current Assets	<u>1,582,091</u>	<u>1,329,861</u>
Property and Equipment:		
At Cost	26,462,374	24,994,757
Less Accumulated Depreciation	<u>10,101,605</u>	<u>9,542,546</u>
Net Property and Equipment	<u>16,360,769</u>	<u>15,452,211</u>
 TOTAL ASSETS	 <u><u>\$17,942,860</u></u>	 <u><u>\$16,782,072</u></u>

Muscatine Power and Water - Water Utility
Statements of Net Position
January 2014

LIABILITIES AND NET POSITION

	<u>2014</u>	<u>2013</u>
Current Liabilities:		
State Revolving Loan	\$29,000	\$28,000
Notes Payable to Electric Utility	650,000	---
Accrued Interest	1,496	1,647
Accounts Payable	392,373	186,754
Pension Provision	10,427	10,037
Health & Dental Insurance Provision	23,200	17,316
Retained Percentage on Contracts	---	9,842
Consumer Advances for Construction	227,702	1,119,121
Accrued Payroll	63,287	53,766
Accrued Vacation	100,833	94,906
Accrued Property Taxes	856	---
Miscellaneous Accrued Expenses	62,409	58,595
Economic Development Reserves	---	5,200
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Total Current Liabilities	1,561,583	1,585,184
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Non-Current Liabilities:		
State Revolving Loan	190,000	219,000
Health & Dental Insurance Provision	140,203	166,268
Post-Employment Health Benefit Provision	31,311	14,792
Consumer Advances for Construction	396,236	630,524
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Total Non-Current Liabilities	757,750	1,030,584
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Net Position:		
Net Investment in Capital Assets	14,867,831	13,455,566
Unrestricted	755,696	710,738
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Total Net Position	15,623,527	14,166,304
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TOTAL LIABILITIES AND NET POSITION	<u>\$17,942,860</u>	<u>\$16,782,072</u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
January 2014

	<u>Current Month</u>
Cash flows from operating activities:	
Cash received from:	
Water sales	\$398,421
Miscellaneous sources	267
Cash paid to/for:	
Suppliers	(318,902)
Employees payroll, taxes and benefits	<u>(182,624)</u>
Net cash flows from operating activities	<u>(102,838)</u>
Cash flows from capital and related financing activities:	
State revolving loan fund principal payments	---
State revolving loan interest payments	---
Loan from electric utility	250,000
Loan from electric utility interest payments	(208)
Capital expenditures, net	<u>(67,991)</u>
Net cash flows from capital and related financing activities	<u>181,801</u>
Cash flows from investing activities:	
Interest received on investments	<u>26</u>
Net cash flows from investing activities	<u>26</u>
Net increase (decrease) in cash and investments	<u>78,989</u>
Cash and investments at beginning of period	<u>567,926</u>
Cash and investments at end of period	<u><u>\$646,915</u></u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
January 2014

	<u>Current Month</u>
Reconciliation of operating income to net cash flows from operating activities	
Operating income	\$9,696
Noncash item in operating income:	
Depreciation of utility plant	60,159
Changes in assets and liabilities:	
Consumer accounts receivable	(4,707)
Inventories	8,660
Prepaid and deferred expenses	(23,514)
Accounts payable	(189,141)
Pension provision	10,427
Health & dental insurance provision	(2,617)
Other post-employment benefit provision	833
Accrued payroll	19,103
Accrued vacation	5,653
Accrued property taxes	66
Miscellaneous accrued expenses	2,544
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Net cash flows from operating activities	<u><u>(\$102,838)</u></u>

Muscatine Power and Water - Water Utility
Summary of Expenses
Current Month - January 2014

<u>Source of Supply</u>	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
Operation Supervision	\$2,524		\$2,789		\$2,442	
Operation Labor and Expenses	1,584		942		2,205	
Miscellaneous Expense	66		15		432	
Maintenance of Wells	---		---		129	
Maintenance of Supply Mains	251		3,808		3,489	
Depreciation	6,717		6,546		5,958	
Total Source of Supply Expense	11,142	2.8	14,100	3.5	14,655	3.9
<u>Pumping</u>						
Operation Supervision	2,935		3,144		2,841	
Fuel or Power Purchased	60,400		66,860		55,406	
Pumping Labor and Expenses	3,558		4,235		3,092	
Miscellaneous Expense	216		264		304	
Maintenance of Structures	141		69		---	
Maintenance of Pumping Equipment	4,576		906		5,881	
Depreciation	5,498		5,670		5,498	
Total Pumping Expense	77,324	19.5	81,148	20.0	73,022	19.6
<u>Water Treatment</u>						
Operation Supervision	2,924		3,173		2,875	
Chemicals	18,193		15,295		15,690	
Operation Labor and Expenses	14,201		15,249		13,729	
Miscellaneous Expense	2,795		2,351		1,513	
Maintenance of Structures	836		519		5,550	
Maintenance of Purification Equip.	1,962		2,159		3,255	
Depreciation	3,205		3,229		2,338	
Total Water Treatment Expense	44,116	11.1	41,975	10.3	44,950	12.1
<u>Distribution</u>						
Operation Supervision	2,910		3,188		2,823	
Storage Facilities Expense	4,011		4,617		3,999	
Trans. & Distr. Lines Expense	5,536		2,064		2,581	
Meter Expense	10,223		11,251		8,147	
Consumer Installation Expense	4,903		4,396		2,891	
Miscellaneous Expense	10,523		19,092		13,209	
Vehicle Expense	4,899		6,902		4,356	
Maintenance:						
Supervision	4,531		4,915		4,649	
Structures	144		1,313		224	
Reservoirs and Standpipes	1		104		175	
Mains	11,244		13,919		12,800	
Valves	4,575		1,599		3,723	
Meters	4,804		896		1,385	
Hydrants	2,117		90		2,728	
Miscellaneous Plant	3,096		2,277		2,562	
Vacation, Holiday, Sick Leave	14,313		16,813		18,859	
Depreciation	32,396		32,462		31,035	
Total Distribution Expense	\$120,226	30.3	\$125,898	31.0	\$116,146	31.2

Muscatine Power and Water - Water Utility
Summary of Expenses
Current Month - January 2014

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	<u>\$1,692</u>	0.4	<u>\$846</u>	0.2	<u>\$462</u>	0.1
<u>Consumer Accounts</u>						
Supervision	1,267		1,463		1,399	
Meter Reading Expense	3,700		5,006		4,489	
Consumer Records and Collection	13,750		12,842		14,119	
Uncollectible Accounts Expense	735		735		569	
Vacation, Holiday, Sick Leave	<u>2,120</u>		<u>2,718</u>		<u>2,767</u>	
Total Consumer Accounts Expense	<u>21,572</u>	5.4	<u>22,764</u>	5.6	<u>23,343</u>	6.3
<u>Administrative and General</u>						
Administrative and General Salaries	18,372		20,863		15,361	
Office Supplies and Expenses	2,168		1,822		1,739	
Outside Services Employed	2,966		2,664		803	
Property Insurance	1,618		1,560		971	
Casualty Ins, Injuries & Damages	4,046		3,827		2,537	
Employee Pensions and Benefits	50,393		50,481		48,164	
Fringe Benefits Charged to Constr.	(1,134)		(1,308)		(1,446)	
Miscellaneous General Expense	9,084		6,040		5,721	
Rents	5,746		5,746		5,579	
Maintenance of General Plant	3,105		2,099		1,813	
Vacation, Holiday, Sick Leave	3,447		3,925		4,262	
Depreciation	<u>12,274</u>		<u>12,252</u>		<u>7,511</u>	
Total Administrative and General	<u>112,085</u>	28.2	<u>109,971</u>	27.1	<u>93,015</u>	25.0
Total Operating Expense	<u>\$388,157</u>		<u>\$396,702</u>		<u>\$365,593</u>	
Percent to Operating Revenue		97.8		97.6		98.1

**Muscatine Power and Water - Water Utility
Statistical Data
Current Month - January 2014**

	<u>2014</u>		<u>2013</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.525	0.556	0.493	0.522
Cost Per 1,000 Gallons	<u>0.516</u>	<u>0.547</u>	<u>0.492</u>	<u>0.522</u>
Margin	<u>0.009</u>	<u>0.009</u>	<u>0.000</u>	<u>0.000</u>

	<u>2014</u>	<u>2013</u>
Maximum Daily Water Pumped (1,000 gallons)	26,297	26,900
Date of Maximum	01/20	01/17

Services

Contract Customers	2	2
Power Plants	2	2
Residential	8,551	8,571
Commercial	<u>1,068</u>	<u>1,088</u>
Total	<u>9,623</u>	<u>9,663</u>