

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>766,296</u>	0.4	<u>769,287</u>	3.6	<u>742,506</u>

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Position
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>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	<u>39,151</u>	13.1	<u>44,279</u>	15.8	<u>38,248</u>
Water Sales	<u>394,279</u>	2.3	<u>403,506</u>	10.3	<u>365,690</u>
<u>Other Revenue</u>					
Penalty Revenue	683	--	--	--	187
Merchandise & Job Sales-Net	1,023	19.0	1,217	13.7X	83
Miscellaneous Revenue	<u>800</u>	1.1X	<u>1,675</u>	(74.6)	<u>6,595</u>
Total Other Revenue	<u>2,506</u>	15.4	<u>2,892</u>	(57.9)	<u>6,865</u>
Operating Revenue	<u>396,785</u>	2.4	<u>406,398</u>	9.1	<u>372,555</u>
<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	<u>60,090</u>	0.1	<u>60,159</u>	14.9	<u>52,340</u>
Total Operating Expense	<u>388,157</u>	2.2	<u>396,702</u>	8.5	<u>365,593</u>
Operating Income	<u>8,628</u>	12.4	<u>9,696</u>	39.3	<u>6,962</u>
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	116	(77.6)	26	36.8	19
Interest Expense	<u>(625)</u>	0.6	<u>(629)</u>	(6.0)	<u>(669)</u>
Net Nonoperating Revenues (Expenses)	<u>(509)</u>	18.5	<u>(603)</u>	(7.2)	<u>(650)</u>
<u>Net Income (Loss) before Capital Contributions</u>					
	8,119	12.0	9,093	44.1	6,312
Capital Contributions	---	---	--	---	<u>52,503</u>
Change in Net Position	8,119	12.0	9,093	(84.5)	58,815
Beginning Net Position	<u>15,614,434</u>		<u>15,614,434</u>		<u>14,107,489</u>
Ending Net Position	<u>\$15,622,553</u>		<u>\$15,623,527</u>		<u>\$14,166,304</u>
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>\$17,942,860</u>	<u>\$16,782,072</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
 Total Current Liabilities	 <u>1,561,583</u>	 <u>1,585,184</u>
 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	<u>396,236</u>	<u>630,524</u>
 Total Non-Current Liabilities	 <u>757,750</u>	 <u>1,030,584</u>
 Net Position:		
Net Investment in Capital Assets	14,867,831	13,455,566
Unrestricted	<u>755,696</u>	<u>710,738</u>
 Total Net Position	 <u>15,623,527</u>	 <u>14,166,304</u>
 TOTAL LIABILITIES AND NET POSITION	 <u><u>\$17,942,860</u></u>	 <u><u>\$16,782,072</u></u>

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

	Current Month
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>\$646,915</u>

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

	<u>Current</u> <u>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	<u>2,544</u>
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	<u>6,717</u>	<u>6,546</u>	<u>5,958</u>		
 Total Source of Supply Expense	<u>11,142</u>	<u>14,100</u>	<u>14,655</u>		
 <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	<u>5,498</u>	<u>5,670</u>	<u>5,498</u>		
 Total Pumping Expense	<u>77,324</u>	<u>81,148</u>	<u>73,022</u>		
 <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	<u>3,205</u>	<u>3,229</u>	<u>2,338</u>		
 Total Water Treatment Expense	<u>44,116</u>	<u>41,975</u>	<u>44,950</u>		
 <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	<u>32,396</u>	<u>32,462</u>	<u>31,035</u>		
 Total Distribution Expense	<u>\$120,226</u>	<u>30.3</u>	<u>\$125,898</u>		
			<u>31.0</u>	<u>\$116,146</u>	<u>31.2</u>

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>\$462</u>
	<u> </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>
	<u> </u>		
Total Consumer Accounts Expense	<u>21,572</u>	5.4	<u>23,343</u>
	<u> </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>
	<u> </u>		
Total Administrative and General	<u>112,085</u>	28.2	<u>93,015</u>
	<u> </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>
Maximum Daily Water Pumped (1,000 gallons)	<u>2014</u>		<u>2013</u>	
Date of Maximum	26,297		26,900	
	01/20		01/17	
Services				
Contract Customers	2		2	
Power Plants	2		2	
Residential	<u>8,551</u>		<u>8,571</u>	
Commercial	<u>1,068</u>		<u>1,088</u>	
Total	<u><u>9,623</u></u>		<u><u>9,663</u></u>	