

Muscatine Power and Water
Water Utility
Operating Statements and Balance Sheets
November 2009

**Muscatine Power and Water
Water Utility**

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Muscatine Power and Water - Water Utility
Classification of Water Distribution
Current Month - November 2009

	<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	635,295	(7.2)	589,786	(5.4)	623,731
Power Plants	78,826	(39.4)	47,743	(52.3)	100,141
Residential	40,935	(12.9)	35,654	(3.4)	36,921
Commercial	33,508	(24.0)	25,454	(14.8)	29,889
Total Metered Customers	788,564	(11.4)	698,637	(11.6)	790,682
Rated Customers - Estimate	---	---	26	18.2	22
City Use, Line Loss, Cycle Billing	47,314	(11.4)	41,918	(11.6)	47,441
Total Water Pumped	835,878	(11.4)	740,581	(11.6)	838,145

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	7,606,588	(15.5)	6,431,015	(9.7)	7,121,976
Power Plants	957,555	(8.7)	874,415	(25.3)	1,169,987
Residential	491,696	(11.5)	435,165	(2.7)	447,025
Commercial	409,286	(17.2)	339,048	(9.0)	372,383
Total Metered Customers	9,465,125	(14.6)	8,079,643	(11.3)	9,111,371
Rated Customers - Estimate	---	---	228	(18.9)	281
City Use, Line Loss, Cycle Billing	567,908	(14.6)	484,779	(11.3)	546,682
Total Water Pumped	10,033,033	(14.6)	8,564,650	(11.3)	9,658,334

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Assets
Current Month - November 2009

	<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	\$186,065	(10.4)	\$166,680	(3.6)	\$172,950
Power Plants	27,590	(14.5)	23,587	(23.8)	30,963
Residential	117,483	(12.1)	103,323	(2.6)	106,048
Commercial	36,189	(14.4)	30,983	(6.2)	33,033
	<u>367,327</u>	(11.6)	<u>324,573</u>	(5.4)	<u>342,994</u>
<u>Other Revenue</u>					
Penalty Revenue	545	(12.8)	475	(2.7)	488
Merchandise & Job Sales-Net	1,092	(55.2)	489	(60.4)	1,234
Miscellaneous Revenue	1,341	(1.1)	1,326	(8.2)	1,444
	<u>2,978</u>	(23.1)	<u>2,290</u>	(27.7)	<u>3,166</u>
Total Other Revenue	<u>2,978</u>	(23.1)	<u>2,290</u>	(27.7)	<u>3,166</u>
Operating Revenue	<u>370,305</u>	(11.7)	<u>326,863</u>	(5.6)	<u>346,160</u>
<u>Operating Expense</u>					
Operation	257,241	(2.1)	251,802	14.3	220,326
Maintenance	36,855	30.2	47,986	62.7	29,502
Depreciation	49,429	(20.2)	39,457	(15.8)	46,878
	<u>343,525</u>	(1.2)	<u>339,245</u>	14.3	<u>296,706</u>
Total Operating Expense	<u>343,525</u>	(1.2)	<u>339,245</u>	14.3	<u>296,706</u>
Operating Income (Loss)	26,780	---	(12,382)	---	49,454
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	3,854	(93.9)	236	(94.8)	4,530
Interest Expense	(8,828)	---	(75)	---	---
	<u>(4,974)</u>	---	<u>161</u>	(96.4)	<u>4,530</u>
Net Nonoperating Revenues (Expenses)	<u>(4,974)</u>	---	<u>161</u>	(96.4)	<u>4,530</u>
Net Income before Capital Contributions	21,806	---	(12,221)	---	53,984
Capital Contributions	---	---	5,767	---	---
Change in Net Assets	21,806	---	(6,454)	---	53,984
Beginning Net Assets	<u>13,251,721</u>		<u>13,106,879</u>		<u>12,773,736</u>
Ending Net Assets	<u>\$13,273,527</u>		<u>\$13,100,425</u>		<u>\$12,827,720</u>
Percent to Total Income	5.8		(1.9)		15.4

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Assets
Calendar Year-to-Date - November 2009

	Budget Estimate	%Increase (Decrease) From Budget	This Year	%Increase (Decrease) Fr. Last Yr.	Last Year
<u>Sales of Water</u>					
Contract Customers	\$2,098,651	(11.2)	\$1,862,880	(4.1)	\$1,942,171
Power Plants	322,827	(2.2)	315,817	(10.2)	351,842
Residential	1,278,474	(4.7)	1,218,433	1.9	1,195,566
Commercial	<u>420,245</u>	(11.2)	<u>373,030</u>	(4.3)	<u>389,654</u>
Water Sales	<u>4,120,197</u>	(8.5)	<u>3,770,160</u>	(2.8)	<u>3,879,233</u>
<u>Other Revenue</u>					
Penalty Revenue	5,450	10.8	6,036	3.0	5,858
Merchandise & Job Sales-Net	5,755	(37.9)	3,576	(41.8)	6,146
Miscellaneous Revenue	<u>7,564</u>	24.4	<u>9,408</u>	(3.8)	<u>9,777</u>
Total Other Revenue	<u>18,769</u>	1.3	<u>19,020</u>	(12.7)	<u>21,781</u>
Operating Revenue	<u>4,138,966</u>	(8.5)	<u>3,789,180</u>	(2.9)	<u>3,901,014</u>
<u>Operating Expense</u>					
Operation	2,852,755	(3.0)	2,767,270	3.2	2,681,234
Maintenance	498,651	14.2	569,299	40.2	406,120
Depreciation	<u>543,713</u>	(20.2)	<u>434,027</u>	(15.8)	<u>515,658</u>
Total Operating Expense	<u>3,895,119</u>	(3.2)	<u>3,770,596</u>	4.7	<u>3,603,012</u>
Operating Income	<u>243,847</u>	(92.4)	<u>18,584</u>	(93.8)	<u>298,002</u>
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	69,798	(72.8)	19,019	(67.6)	58,663
Interest Expense	<u>(97,106)</u>	---	<u>(75)</u>	---	<u>---</u>
Net Nonoperating Revenues (Expenses)	<u>(27,308)</u>	---	<u>18,944</u>	(67.7)	<u>58,663</u>
Net Income (Loss) before Capital Contributions	216,539	(82.7)	37,528	(89.5)	356,665
Capital Contributions	<u>115,079</u>	5.1	<u>120,988</u>	(33.9)	<u>183,116</u>
Change in Net Assets	331,618	(52.2)	158,516	(70.6)	539,781
Beginning Net Assets	<u>12,941,909</u>		<u>12,941,909</u>		<u>12,287,939</u>
Ending Net Assets	<u>\$13,273,527</u>		<u>\$13,100,425</u>		<u>\$12,827,720</u>
Percent to Total Income	7.7		4.0		13.0

Muscatine Power and Water - Water Utility
Balance Sheets
November 2009

ASSETS

	<u>2009</u>	<u>2008</u>
Current Assets:		
Cash - interest bearing	265,524	136,794
Investments	251,000	1,677,000
Receivables:		
Consumer Accounts	445,810	421,327
Interest	1,007	26,410
Intercompanies	27,535	---
Inventories	287,387	270,046
Prepaid Pension	---	3,393
Prepaid Expenses	24,284	12,867
	<hr/>	<hr/>
Total Current Assets	1,302,547	2,547,837
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Property and Equipment:		
At Cost	23,455,005	21,692,865
Less Accumulated Depreciation	9,009,447	8,802,162
	<hr/>	<hr/>
Net Property and Equipment	14,445,558	12,890,703
	<hr/>	<hr/>
Other Assets:		
Unamortized Cost of Issuing Debt	8,318	---
	<hr/>	<hr/>
Total Other Assets	8,318	---
	<hr/>	<hr/>
TOTAL ASSETS	<u><u>\$15,756,423</u></u>	<u><u>\$15,438,540</u></u>

Muscatine Power and Water - Water Utility
Balance Sheets
November 2009

LIABILITIES AND NET ASSETS

	<u>2009</u>	<u>2008</u>
Current Liabilities:		
<u>Restricted</u>		
Accrued Interest	\$67	---
<u>Unrestricted</u>		
Accounts Payable	140,471	\$172,445
Pension Provision	62,473	---
Health & Dental Insurance Provision	19,760	19,120
Intercompanies Payable	---	740
Retained Percentage on Contracts	65,189	19,944
Consumer Advances for Construction	27,929	150,372
Accrued Payroll	61,559	58,780
Accrued Vacation	73,105	74,734
Miscellaneous Accrued Expenses	31,545	37,098
Miscellaneous Deferred Credits	7,600	10,000
Total Current Unrestricted Liabilities	489,631	543,233
Non-Current Liabilities:		
State Revolving Loan	3,730	---
Health & Dental Insurance Provision	171,716	141,800
Consumer Advances for Construction	1,990,854	1,925,787
Total Non-Current Liabilities	2,166,300	2,067,587
Net Assets:		
Invested in capital assets	12,431,296	10,814,544
Unrestricted	669,129	2,013,176
Total Net Assets	13,100,425	12,827,720
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$15,756,423</u>	 <u>\$15,438,540</u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
November 2009

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Water sales	\$327,654	\$3,762,512
Miscellaneous sources	1,229	26,631
FEMA	---	7,096
Cash paid to/for:		
Suppliers	(133,522)	(1,271,661)
Employees payroll, taxes and benefits	(173,021)	(1,752,630)
Net cash flows from operating activities	<u>22,340</u>	<u>771,948</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	<u>(217,111)</u>	<u>(2,014,946)</u>
Net cash flows from capital and related financing activities	<u>(217,111)</u>	<u>(2,014,946)</u>
Cash flows from investing activities:		
Interest received on investments	<u>62</u>	<u>47,025</u>
Net cash flows from investing activities	<u>62</u>	<u>47,025</u>
Net decrease in cash and investments	<u>(194,709)</u>	<u>(1,195,973)</u>
Cash and investments at beginning of period	<u>711,233</u>	<u>1,712,497</u>
Cash and investments at end of period	<u><u>\$516,524</u></u>	<u><u>\$516,524</u></u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
November 2009

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	(\$12,382)	\$18,584
Noncash item in operating income:		
Depreciation of utility plant	39,457	434,027
Changes in assets and liabilities:		
Consumer accounts receivable	2,864	44,582
Inventories	22,704	65,098
Prepaid and deferred expenses	4,614	(10,578)
Accounts payable	(16,147)	96,624
Pension provision	5,679	62,473
Health & dental insurance provision	3,873	23,963
Intercompany payable	(35,496)	(43,148)
Retained percentage	---	41,726
Accrued payroll	7,824	45,226
Accrued vacation	317	3,801
Miscellaneous accrued expenses	1,433	(8,030)
Miscellaneous deferred credits	(2,400)	(2,400)
	<u>\$22,340</u>	<u>\$771,948</u>
Net cash flows from operating activities	<u>\$22,340</u>	<u>\$771,948</u>

Muscatine Power and Water - Water Utility

Summary of Expenses

Current Month - November 2009

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Source of Supply</u>						
Operation Supervision	\$2,252		\$2,159		\$1,727	
Operation Labor and Expenses	1,372		1,130		975	
Miscellaneous Expense	52		---		---	
Maintenance of Wells	---		---		---	
Maintenance of Supply Mains	1,163		1,039		839	
Depreciation	5,407		5,208		4,587	
Total Source of Supply Expense	10,246	2.8	9,536	2.9	8,128	2.3
<u>Pumping</u>						
Operation Supervision	2,632		2,506		2,031	
Fuel or Power Purchased	64,950		63,162		65,295	
Pumping Labor and Expenses	4,645		3,435		4,083	
Miscellaneous Expense	309		1,094		266	
Maintenance of Structures	25		204		89	
Maintenance of Pumping Equipment	5,337		8,866		3,692	
Depreciation	3,936		4,126		3,675	
Total Pumping Expense	81,834	22.1	83,393	25.5	79,131	22.9
<u>Water Treatment</u>						
Operation Supervision	2,692		2,613		2,158	
Chemicals	21,667		19,775		12,378	
Operation Labor and Expenses	9,202		12,109		10,445	
Miscellaneous Expense	680		702		559	
Maintenance of Structures	974		847		153	
Maintenance of Purification Equip.	1,918		1,371		291	
Depreciation	2,341		2,340		2,340	
Total Water Treatment Expense	39,474	10.7	39,757	12.2	28,324	8.2
<u>Distribution</u>						
Operation Supervision	2,806		2,564		1,633	
Storage Facilities Expense	982		1,168		1,187	
Trans. & Distr. Lines Expense	5,630		3,134		817	
Meter Expense	12,252		9,950		10,490	
Consumer Installation Expense	4,374		4,645		4,798	
Miscellaneous Expense	4,738		7,798		4,257	
Vehicle Expense	3,479		2,922		3,196	
Maintenance:						
Supervision	4,319		3,989		2,669	
Structures	154		52		25	
Reservoirs and Standpipes	49		1		---	
Mains	9,161		14,157		14,099	
Valves	6,593		8,317		1,478	
Meters	1,392		2,225		538	
Hydrants	2,246		1,929		3,148	
Miscellaneous Plant	2,318		2,143		1,460	
Vacation, Holiday, Sick Leave	18,287		16,685		19,435	
Depreciation	27,471		27,783		26,430	
Total Distribution Expense	\$106,251	28.7	\$109,462	33.5	\$95,660	27.6

Muscatine Power and Water - Water Utility
Summary of Expenses
Calendar Year-to-Date - November 2009

<u>Source of Supply</u>	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
Operation Supervision	\$24,052		\$25,268		\$23,966	
Operation Labor and Expenses	15,115		12,577		12,334	
Miscellaneous Expense	13,186		15,414		14,350	
Maintenance of Wells	85,000		82,770		25,657	
Maintenance of Supply Mains	12,795		13,546		16,680	
Depreciation	59,472		57,288		50,457	
Total Source of Supply Expense	209,620	5.1	206,863	5.5	143,444	3.7
<u>Pumping</u>						
Operation Supervision	28,318		29,074		27,939	
Fuel or Power Purchased	726,915		685,931		751,479	
Pumping Labor and Expenses	50,141		41,776		45,208	
Miscellaneous Expense	3,403		3,828		3,258	
Maintenance of Structures	1,648		1,084		1,498	
Maintenance of Pumping Equipment	65,861		61,910		63,791	
Depreciation	43,292		45,386		40,425	
Total Pumping Expense	919,578	22.2	868,989	22.9	933,598	23.9
<u>Water Treatment</u>						
Operation Supervision	29,358		30,104		29,383	
Chemicals	238,334		226,839		162,685	
Operation Labor and Expenses	115,530		123,242		124,311	
Miscellaneous Expense	10,142		10,127		6,742	
Maintenance of Structures	14,120		4,786		10,046	
Maintenance of Purification Equip.	39,386		10,660		38,426	
Depreciation	25,745		25,740		25,740	
Total Water Treatment Expense	472,615	11.4	431,498	11.4	397,333	10.2
<u>Distribution</u>						
Operation Supervision	31,013		25,217		23,546	
Storage Facilities Expense	22,501		25,840		29,024	
Trans. & Distr. Lines Expense	64,134		68,851		61,279	
Meter Expense	125,046		116,252		119,277	
Consumer Installation Expense	48,323		53,906		46,943	
Miscellaneous Expense	71,753		86,978		65,308	
Vehicle Expense	40,876		36,155		42,640	
Maintenance:						
Supervision	47,581		37,033		36,764	
Structures	1,693		5,711		10,378	
Reservoirs and Standpipes	1,344		150		107	
Mains	71,418		218,294		76,079	
Valves	73,922		45,341		56,129	
Meters	16,270		29,667		14,427	
Hydrants	24,970		17,494		19,160	
Miscellaneous Plant	26,700		16,968		24,150	
Vacation, Holiday, Sick Leave	134,394		116,171		126,902	
Depreciation	302,187		305,613		290,730	

Total Distribution Expense

\$1,104,105 22.7 \$1,000,000 22.7

Muscatine Power and Water - Water Utility
Summary of Expenses
Current Month - November 2009

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	<u>\$2,660</u>	0.7	<u>\$1,525</u>	0.5	<u>\$1,594</u>	0.5
<u>Consumer Accounts</u>						
Supervision	889		900		552	
Meter Reading Expense	3,181		2,861		2,628	
Consumer Records and Collection	12,252		12,120		8,595	
Uncollectible Accounts Expense	217		217		267	
Vacation, Holiday, Sick Leave	<u>2,657</u>		<u>2,626</u>		<u>2,432</u>	
Total Consumer Accounts Expense	<u>19,196</u>	5.2	<u>18,724</u>	5.7	<u>14,474</u>	4.2
<u>Administrative and General</u>						
Administrative and General Salaries	14,884		13,472		11,467	
Office Supplies and Expenses	1,410		1,313		1,519	
Outside Services Employed	1,025		339		626	
Property Insurance	833		854		697	
Casualty Ins, Injuries & Damages	2,687		5,469		(633)	
Employee Pensions and Benefits	40,909		38,163		36,545	
Fringe Benefits Charged to Constr.	(4,093)		(592)		(4,360)	
Miscellaneous General Expense	5,811		5,830		4,783	
Rents	5,707		5,702		5,043	
Maintenance of General Plant	1,206		2,846		1,021	
Vacation, Holiday, Sick Leave	3,211		3,452		2,841	
Depreciation	<u>10,274</u>		<u>---</u>		<u>9,846</u>	
Total Administrative and General	<u>83,864</u>	22.6	<u>76,848</u>	23.5	<u>69,395</u>	20.0
Total Operating Expense	<u><u>\$343,525</u></u>		<u><u>\$339,245</u></u>		<u><u>\$296,706</u></u>	
Percent to Operating Revenue		92.8		103.8		85.7

Muscatine Power and Water - Water Utility
Summary of Expenses
Calendar Year-to-Date - November 2009

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	<u>\$41,079</u>	1.0	<u>\$12,892</u>	0.3	<u>\$23,521</u>	0.6
<u>Consumer Accounts</u>						
Supervision	9,885		9,864		9,592	
Meter Reading Expense	37,988		33,547		33,920	
Customer Records and Collection	131,248		129,661		114,179	
Uncollectible Accounts Expense	2,383		2,383		2,935	
Vacation, Holiday, Sick Leave	<u>18,860</u>		<u>18,337</u>		<u>18,101</u>	
Total Consumer Accounts Expense	<u>200,364</u>	4.8	<u>193,792</u>	5.1	<u>178,727</u>	4.6
<u>Administrative and General</u>						
Administrative and General Salaries	162,064		159,369		147,144	
Office Supplies and Expenses	16,673		16,644		15,824	
Outside Services Employed	37,223		19,568		27,764	
Property Insurance	8,757		8,925		7,621	
Casualty Ins, Injuries & Damages	29,526		35,546		32,020	
Employee Pensions and Benefits	449,421		454,561		410,566	
Fringe Benefits Charged to Constr.	(50,173)		(36,542)		(40,139)	
Miscellaneous General Expense	78,773		81,300		84,033	
Rents	62,777		62,722		55,473	
Maintenance of General Plant	15,943		23,885		12,828	
Vacation, Holiday, Sick Leave	23,737		24,943		22,106	
Depreciation	<u>113,017</u>		<u>---</u>		<u>108,306</u>	
Total Administrative and General	<u>947,738</u>	22.9	<u>850,921</u>	22.5	<u>883,546</u>	22.6
Total Operating Expense	<u>\$3,895,119</u>		<u>\$3,770,596</u>		<u>\$3,603,012</u>	
Percent to Operating Revenue		94.1		99.5		92.4

Muscatine Power and Water - Water Utility
Statistical Data
Current Month - November 2009

	<u>2009</u>		<u>2008</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.438	0.465	0.409	0.434
Cost Per 1,000 Gallons	<u>0.458</u>	<u>0.486</u>	<u>0.354</u>	<u>0.375</u>
Margin	<u>(0.020)</u>	<u>(0.021)</u>	<u>0.055</u>	<u>0.059</u>
	<u>2009</u>	<u>2008</u>		
Maximum Daily Water Pumped (1,000 gallons)	27,304	31,204		
Date of Maximum	11/03	11/20		

Calendar Year-to-Date

	<u>2009</u>		<u>2008</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.440	0.467	0.402	0.426
Cost Per 1,000 Gallons	<u>0.440</u>	<u>0.467</u>	<u>0.373</u>	<u>0.395</u>
Margin	<u>(0.000)</u>	<u>(0.000)</u>	<u>0.029</u>	<u>0.030</u>
	<u>2009</u>	<u>2008</u>		
Maximum Daily Water Pumped (1,000 gallons)	32,414	36,410		
Date of Maximum	09/10	08/18		

Services

Contract Customers	2	2
Power Plants	2	2
Residential	8,496	8,489
Commercial	<u>1,082</u>	<u>1,096</u>
Total	<u><u>9,582</u></u>	<u><u>9,589</u></u>