

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	<u>33,508</u>	(24.0)	<u>25,454</u>	(14.8)	<u>29,889</u>
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	<u>47,314</u>	(11.4)	<u>41,918</u>	(11.6)	<u>47,441</u>
Total Water Pumped	<u>835,878</u>	(11.4)	<u>740,581</u>	(11.6)	<u>838,145</u>

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	<u>409,286</u>	(17.2)	<u>339,048</u>	(9.0)	<u>372,383</u>
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	<u>567,908</u>	(14.6)	<u>484,779</u>	(11.3)	<u>546,682</u>
Total Water Pumped	<u>10,033,033</u>	(14.6)	<u>8,564,650</u>	(11.3)	<u>9,658,334</u>

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	<u>36,189</u>	(14.4)	<u>30,983</u>	(6.2)	<u>33,033</u>
Water Sales	<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	<u>1,341</u>	(1.1)	<u>1,326</u>	(8.2)	<u>1,444</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	<u>49,429</u>	(20.2)	<u>39,457</u>	(15.8)	<u>46,878</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	<u>(8,828)</u>	---	<u>(75)</u>	---	<u>---</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

	<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	\$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>
<u>Net Income (Loss) before Capital Contributions</u>					
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
 Property and Equipment:		
At Cost	23,455,005	21,692,865
Less Accumulated Depreciation	<hr/>	<hr/>
	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	<hr/>	<hr/>
	8,318	---
	<hr/>	<hr/>
Total Other Assets	8,318	---
	<hr/>	<hr/>
 TOTAL ASSETS	<hr/> <hr/>	<hr/> <hr/>
	\$15,756,423	\$15,438,540

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	<u>\$67</u>	---
<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	<u>7,600</u>	<u>10,000</u>
 Total Current Unrestricted Liabilities	 <u>489,631</u>	 <u>543,233</u>
Non-Current Liabilities:		
State Revolving Loan	3,730	---
Health & Dental Insurance Provision	171,716	141,800
Consumer Advances for Construction	<u>1,990,854</u>	<u>1,925,787</u>
 Total Non-Current Liabilities	 <u>2,166,300</u>	 <u>2,067,587</u>
Net Assets:		
Invested in capital assets	12,431,296	10,814,544
Unrestricted	<u>669,129</u>	<u>2,013,176</u>
 Total Net Assets	 <u>13,100,425</u>	 <u>12,827,720</u>
 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	<u>(173,021)</u>	<u>(1,752,630)</u>
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>\$516,524</u>	<u>\$516,524</u>

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

	<u>Current Month</u>	<u>Year- 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	<u>(2,400)</u>	<u>(2,400)</u>
Net cash flows from operating activities	<u><u>\$22,340</u></u>	<u><u>\$771,948</u></u>

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

<u>Source of Supply</u>	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</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
 <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
 <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
 <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	<u>59,472</u>	<u>57,288</u>	<u>50,457</u>
 Total Source of Supply Expense	<u>209,620</u>	<u>206,863</u>	<u>143,444</u>
	5.1	5.5	3.7
 Pumping			
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	<u>43,292</u>	<u>45,386</u>	<u>40,425</u>
 Total Pumping Expense	<u>919,578</u>	<u>868,989</u>	<u>933,598</u>
	22.2	22.9	23.9
 Water Treatment			
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	<u>25,745</u>	<u>25,740</u>	<u>25,740</u>
 Total Water Treatment Expense	<u>472,615</u>	<u>431,498</u>	<u>397,333</u>
	11.4	11.4	10.2
 Distribution			
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	<u>302,187</u>	<u>305,613</u>	<u>290,730</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>Customer Service Expense</u>				
Customer Information Expense	\$2,660	0.7	\$1,525	0.5
	<u><u>\$1,594</u></u>	<u><u>0.5</u></u>		
<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><u>19,196</u></u>	<u><u>5.2</u></u>	<u><u>18,724</u></u>	<u><u>5.7</u></u>
	<u><u>14,474</u></u>	<u><u>4.2</u></u>		
<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><u>83,864</u></u>	<u><u>22.6</u></u>	<u><u>76,848</u></u>	<u><u>23.5</u></u>
	<u><u>69,395</u></u>	<u><u>20.0</u></u>		
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>
Maximum Daily Water Pumped (1,000 gallons)	<u>2009</u>		<u>2008</u>	
	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>
Maximum Daily Water Pumped (1,000 gallons)	<u>2009</u>		<u>2008</u>	
	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>9,582</u>	<u>9,589</u>