

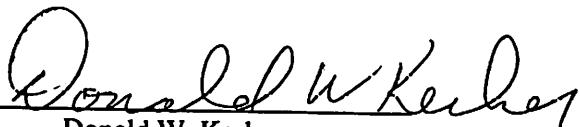
## ADOPTED BUDGET CERTIFICATE

CERTIFICATION

TO: Muscatine, Iowa, City Council

At the November 29, 2011, meeting of the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, the proposed budget for calendar year 2012 was adopted as summarized and attached hereto.

BOARD OF WATER, ELECTRIC AND  
COMMUNICATIONS TRUSTEES  
OF THE CITY OF MUSCATINE, IOWA

By:   
Donald W. Kerker  
Board Secretary

## Record of Public Hearing and Adoption of Budget

On November 29, 2011, the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, met for the purpose of conducting a public hearing on the proposed 2012 budget as published. Notice of time and place of hearing had been published on November 18, 2011, in the Muscatine Journal and the affidavit of publication was available to file with the City Council.

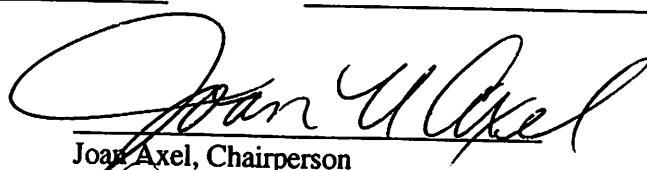
The hearing provided residents, taxpayers and consumers the opportunity to speak for or against the proposed budget for calendar year 2012.

The Board adopted the following budget resolution:

A Resolution Adopting The Annual Budget for Calendar Year 2012. Be It Resolved by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa: The annual budget for calendar year 2012, as set forth in the Utility's Budget Estimate Summary showing the revenue and expenditure estimates for said calendar year is adopted, and the Secretary is directed to file the same with the Clerk of the City of Muscatine, Iowa.

Passed and approved on November 29, 2011, by the following vote: (List Names)

Ayes: Scott Ingstad, Gary Carlson, Nayes: none  
Warren Heidbreder, Doyle  
Turner, Joan U. Axel

  
Joan Axel, Chairperson

  
Donald W. Kerker, Board Secretary

# ADOPTED BUDGET SUMMARY

Muscatine Power and Water  
**NAME OF ENTERPRISE**

**Calendar**  
(specify fiscal or calendar year budget)

**YEAR** 2012

	<i>(specify budget years)</i>	<b>Budget</b>		<b>Re-Estimated</b>		<b>Actual</b>	
		2012	2011	2011	2010	2010	2010
<b>REVENUES &amp; OTHER FINANCING SOURCES</b>							
Use of Money and Property	(line 398)	241	1,618,981	271	1,519,194	301	1,454,982
Charges for Services*	(line 414)	243	104,162,254	273	100,191,206	303	109,624,292
Miscellaneous	(line 416)	245	1,687,251	275	1,348,194	305	1,394,244
Operating Transfers In	(line 417)	247		277		307	
Proceeds of Long Term Debt	(line 418)	248	29,232,800	278	36,000	308	4,214,846
Proceeds of Fixed Asset Sales	(line 419)	249		279		309	
<b>Total Revenues &amp; Other Financing Sources</b>		<b>250</b>	<b>136,701,286</b>	<b>280</b>	<b>103,094,594</b>	<b>310</b>	<b>116,688,364</b>
<b>EXPENDITURES &amp; TRANSFERS OUT</b>							
Expenditures	(line 386)	255	106,403,462	285	120,116,412	315	114,295,119
Transfers Out	(line 387)	259		289		319	
<b>Total Expenditures &amp; Transfers Out</b>		<b>260</b>	<b>106,403,462</b>	<b>290</b>	<b>120,116,412</b>	<b>320</b>	<b>114,295,119</b>
<b>Excess of Revenues &amp; Other Sources</b>							
<b>Over (Under) Expenditures &amp; Transfers Out</b>		<b>261</b>	<b>30,297,824</b>	<b>291</b>	<b>-17,021,818</b>	<b>321</b>	<b>2,393,245</b>
<b>BEGINNING Fund Balance</b>	(line 390)	<b>262</b>	<b>13,201,035</b>	<b>292</b>	<b>30,222,853</b>	<b>322</b>	<b>27,829,608</b>
<b>ENDING Fund Balance</b>	(line 388)	<b>263</b>	<b>43,498,859</b>	<b>293</b>	<b>13,201,035</b>	<b>323</b>	<b>30,222,853</b>

\*Includes wholesale energy sales in the Midwest ISO market. Effective September 1, 2009.

## RESOURCES DETAIL

		Budget 2012	Re-Estimated 2011	Actual 2010
<b>Beginning Fund Balance</b>				
Use of Money & Property	390	13,201,035	30,222,853	27,829,608
Charges for Services:	398	1,618,981	1,519,194	1,454,982
Communications <sup>1</sup>	411	12,424,071	11,518,407	10,831,375
Water	404	4,574,419	4,411,536	4,207,885
Sewer	405			
Electric <sup>2</sup>	406	87,163,764	84,261,263	94,585,032
Gas	407			
Total Charges for Services	414	104,162,254	100,191,206	109,624,292
Miscellaneous	416	1,687,251	1,348,194	1,394,244
Other Financing Sources:				
Operating Transfers In	417			
Proceeds of Long Term Debt	418	29,232,800	36,000	4,214,846
Proceeds of Fixed Asset Sales	419			
<b>Total Resources</b>	421	149,902,321	133,317,447	144,517,972

## REQUIREMENTS DETAIL

		Budget 2012	Re-Estimated 2011	Actual 2010
<b>Expenditures:</b>				
Communications <sup>1</sup>	338	13,354,544	12,326,302	11,312,130
Water	360	6,226,965	4,584,249	4,664,413
Sewer	357			
Electric	361	86,821,953	103,205,861	98,318,576
Gas	362			
<b>Total Expenditures:</b>	386	106,403,462	120,116,412	114,295,119
Transfers Out	387			
<b>Ending Fund Balance</b>	388	43,498,859	13,201,035	30,222,853
<b>Total Requirements</b>	389	149,902,321	133,317,447	144,517,972

<sup>1</sup>Communications inserted in place of Hospital.

<sup>2</sup>Includes wholesale energy sales in the Midwest ISO market. Effective September 1, 2009.

## PROOF OF PUBLICATION

I, Jeff Lee, being duly sworn, on my oath, say that I am an advertising clerk at the *Muscatine Journal*, a newspaper of general circulation, published in the City of Muscatine, Muscatine County, Iowa; and that the following Notice:

Muscatine Power & Water  
Notice Of Public Hearing  
PO #113162

Of which the annexed printed slip is a true, correct and complete copy, was published in said *Muscatine Journal* one time having been made there in on:

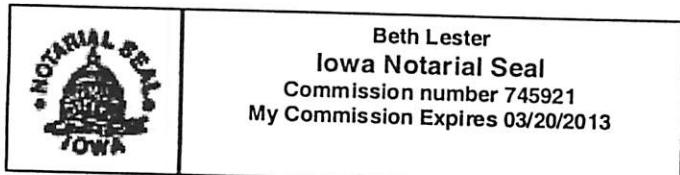
November 18, 2011

  
\_\_\_\_\_  
Jeff Lee

STATE OF IOWA  
MUSCATINE COUNTY

Subscribed and sworn to before me this  
29th day of November, 2011

  
\_\_\_\_\_  
Beth Lester, Notary Public



NOTICE OF PUBLIC HEARING		
BUDGET ESTIMATE		
Calendar Year 2012		
The Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, will conduct a public hearing on the proposed 2012 budget at the Administration Building, 3205 Cedar Street, Muscatine, Iowa, on November 29, 2011, beginning at 5:28 o'clock p.m.		
The Budget Estimate Summary of proposed revenue and expenditures is shown below. Copies of the detailed proposed 2012 budget may be obtained or reviewed at the Administration Building, or at the Office of the City Clerk, and at the City Library.		
At the public hearing, any resident, taxpayer or consumer may present objections to, or arguments in favor of, any part of the proposed budget.		
BOARD OF WATER, ELECTRIC AND COMMUNICATIONS TRUSTEES OF THE CITY OF MUSCATINE, IOWA By: /s/ Donald W. Kerber Secretary		
BUDGET ESTIMATE SUMMARY		
COMBINED WATER, ELECTRIC AND COMMUNICA- TIONS UTILITIES		
For Current Proprietary Operations Modified Cash and Accrual Basis		
2012	2011 Actual	2010 Actual
Proposed	Re-estimated	Actual
Revenues:		
Use of Money & Property		
1,518,981	1,519,194	1,454,982
Charges for Services		
104,162,254	100,191,206	
	109,242,292	
Miscellaneous		
1,687,251	1,348,194	1,394,244
Other Financing Sources		
29,232,800	36,000	4,214,846
Total Revenues		
136,701,286	103,094,594	
	116,688,364	
Expenditures & Transfers Out:		
Expenditures		
106,403,462	120,116,412	
	114,295,119	
Transfers Out		
106,403,462	120,116,412	
	114,295,119	
Excess of Revenues Over/Under Expenditures		
30,297,824	(17,021,818)	
	2,393,245	
Beginning Balance Jan. 1		
13,201,035	30,222,853	
	27,829,608	
Ending Balance Dec. 31		
43,498,859	13,201,035	
	30,222,853	