

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

**Muscatine Power and Water
Water Utility**

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

	Budget	% Increase (Decrease)	This Year	% Increase (Decrease)	Last Year
	Estimate	From Budget		Fr. Last Yr.	
<u>Water Distribution - 1,000 Gallons</u>					
Contract Customers	717,089	(14.3)	614,606	(4.3)	642,517
Power Plants	59,004	(17.3)	48,819	(41.9)	84,002
Residential	44,521	(12.8)	38,821	(3.1)	40,083
Commercial	38,940	(23.2)	29,921	(2.9)	30,824
 Total Metered Customers	 859,554	 (14.8)	 732,167	 (8.2)	 797,426
Rated Customers - Estimate	---	---	19	---	19
City Use, Line Loss, Cycle Billing	51,573	(14.8)	43,930	(8.2)	47,846
 Total Water Pumped	 <u>911,127</u>	 (14.8)	 <u>776,116</u>	 (8.2)	 <u>845,291</u>

Calendar Year-to-Date

	Budget	% Increase (Decrease)	This Year	% Increase (Decrease)	Last Year
	Estimate	From Budget		Fr. Last Yr.	
<u>Water Distribution - 1,000 Gallons</u>					
Contract Customers	3,412,274	(18.1)	2,795,709	(9.2)	3,079,255
Power Plants	381,831	12.8	430,533	(13.2)	495,926
Residential	200,466	(4.2)	191,967	0.9	190,326
Commercial	159,396	(13.4)	138,037	(6.7)	148,008
 Total Metered Customers	 4,153,967	 (14.4)	 3,556,246	 (9.1)	 3,913,515
Rated Customers - Estimate	---	---	108	(10.0)	120
City Use, Line Loss, Cycle Billing	249,238	(14.4)	213,375	(9.1)	234,811
 Total Water Pumped	 <u>4,403,205</u>	 (14.4)	 <u>3,769,729</u>	 (9.1)	 <u>4,148,446</u>

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

	<u>Budget Estimate</u>	% Increase (Decrease) From Budget	This Year	% Increase (Decrease) Fr. Last Yr.	Last Year
<u>Sales of Water</u>					
Contract Customers	\$194,257	(8.8)	\$177,175	(0.2)	\$177,481
Power Plants	25,538	(4.6)	24,376	(15.1)	28,712
Residential	116,645	(4.7)	111,176	1.7	109,369
Commercial	40,108	(15.3)	33,961	0.4	33,809
Water Sales	<u>376,548</u>	(7.9)	<u>346,688</u>	(0.8)	<u>349,371</u>
<u>Other Revenue</u>					
Penalty Revenue	545	(18.0)	447	(33.3)	670
Merchandise & Job Sales-Net	---	---	228	(84.5)	1,467
Miscellaneous Revenue	<u>615</u>	23.9	<u>762</u>	0.0	<u>762</u>
Total Other Revenue	<u>1,160</u>	23.9	<u>1,437</u>	(50.4)	<u>2,899</u>
Operating Revenue	<u>377,708</u>	(7.8)	<u>348,125</u>	(1.2)	<u>352,270</u>
<u>Operating Expense</u>					
Operation	267,211	(8.7)	243,990	4.0	234,567
Maintenance	35,230	---	74,758	89.5	39,454
Depreciation	<u>49,429</u>	(20.2)	<u>39,457</u>	(15.8)	<u>46,878</u>
Total Operating Expense	<u>351,870</u>	1.8	<u>358,205</u>	11.6	<u>320,899</u>
Operating Income (Loss)	25,838	---	(10,080)	---	31,371
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	6,801	(80.0)	1,362	(77.4)	6,017
Interest Expense	<u>(8,828)</u>	---	<u>---</u>	---	<u>---</u>
Net Nonoperating Revenues (Expenses)	<u>(2,027)</u>	(167.2)	<u>1,362</u>	---	<u>6,017</u>
Net Income (Loss) before Capital Contributions	23,811	---	(8,718)	---	37,388
Capital Contributions	<u>51,380</u>	0.4	<u>51,569</u>	---	<u>---</u>
Change in Net Assets	75,191	(43.0)	42,851	14.6	37,388
Beginning Net Assets	<u>12,866,007</u>		<u>12,886,502</u>		<u>12,349,569</u>
Ending Net Assets	<u>\$12,941,198</u>		<u>\$12,929,353</u>		<u>\$12,386,957</u>
Percent to Total Income	17.3		10.7		10.4

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

	<u>Budget</u> <u>Estimate</u>	<u>% Increase</u> <u>(Decrease)</u> <u>From Budget</u>	<u>This</u> <u>Year</u>	<u>% Increase</u> <u>(Decrease)</u> <u>Fr. Last Yr.</u>	<u>Last</u> <u>Year</u>
<u>Sales of Water</u>					
Contract Customers	\$929,972	(10.7)	\$830,212	(3.2)	\$857,736
Power Plants	138,838	6.6	147,956	(4.1)	154,324
Residential	548,229	(0.8)	543,962	4.4	520,906
Commercial	171,650	(7.4)	158,990	(1.0)	160,677
Water Sales	<u>1,788,689</u>	(6.0)	<u>1,681,120</u>	(0.7)	<u>1,693,643</u>
<u>Other Revenue</u>					
Penalty Revenue	2,180	(3.4)	2,105	(6.0)	2,240
Merchandise & Job Sales-Net	3,921	(58.4)	1,632	(59.8)	4,057
Miscellaneous Revenue	<u>3,077</u>	18.4	<u>3,642</u>	19.2	<u>3,056</u>
Total Other Revenue	<u>9,178</u>	(19.6)	<u>7,379</u>	(21.1)	<u>9,353</u>
Operating Revenue	<u>1,797,867</u>	(6.1)	<u>1,688,499</u>	(0.9)	<u>1,702,996</u>
<u>Operating Expense</u>					
Operation	1,306,530	(5.3)	1,237,859	3.4	1,196,778
Maintenance	291,450	13.4	330,576	63.2	202,601
Depreciation	247,142	(20.2)	197,285	(15.8)	234,390
Total Operating Expense	<u>1,845,122</u>	(4.3)	<u>1,765,720</u>	8.1	<u>1,633,769</u>
Operating Income (Loss)	<u>(47,255)</u>	63.4	<u>(77,221)</u>	---	<u>69,227</u>
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	39,307	(66.7)	13,096	(56.0)	29,791
Interest Expense	<u>(44,138)</u>	---	<u>---</u>	---	<u>---</u>
Net Nonoperating Revenues (Expenses)	<u>(4,831)</u>	---	<u>13,096</u>	(56.0)	<u>29,791</u>
<u>Net Income (Loss) before Capital Contributions</u>					
Capital Contributions	<u>(52,086)</u>	23.1	<u>(64,125)</u>	---	<u>99,018</u>
Capital Contributions	<u>51,380</u>	0.4	<u>51,569</u>	---	<u>---</u>
Change in Net Assets	<u>(706)</u>	---	<u>(12,556)</u>	---	<u>99,018</u>
Beginning Net Assets	<u>12,941,909</u>		<u>12,941,909</u>		<u>12,287,939</u>
Ending Net Assets	<u>\$12,941,203</u>		<u>\$12,929,353</u>		<u>\$12,386,957</u>
Percent to Total Income	(0.0)		(0.7)		5.7

Muscatine Power and Water - Water Utility
Balance Sheets
May 2009

ASSETS

	<u>2009</u>	<u>2008</u>
Current Assets:		
Cash - interest bearing	891,526	498,437
Investments	647,000	1,760,554
Receivables:		
Consumer Accounts	625,787	421,974
Interest	9,632	11,004
Other	5,601	---
Inventories	309,512	216,226
Prepaid Expenses	<u>29,962</u>	<u>25,264</u>
Total Current Assets	<u>2,519,020</u>	<u>2,933,459</u>
Property and Equipment:		
At Cost	22,534,330	20,894,083
Less Accumulated Depreciation	<u>8,807,381</u>	<u>8,534,811</u>
Net Property and Equipment	<u>13,726,949</u>	<u>12,359,272</u>
TOTAL ASSETS	<u><u>\$16,245,969</u></u>	<u><u>\$15,292,731</u></u>

Muscatine Power and Water - Water Utility
Balance Sheets
May 2009

LIABILITIES AND NET ASSETS

	<u>2009</u>	<u>2008</u>
Current Liabilities:		
Accounts Payable	\$733,908	\$268,040
Pension Provision	27,200	18,313
Health & Dental Insurance Provision	19,760	19,120
Intercompanies Payable	11,723	10,325
Retained Percentage on Contracts	49,462	6,548
Consumer Advances for Construction	98,928	278,563
Accrued Payroll	52,903	54,246
Accrued Vacation	77,718	77,567
Miscellaneous Accrued Expenses	47,082	35,497
Miscellaneous Deferred Credits	<u>10,000</u>	<u>10,000</u>
Total Current Liabilities	<u>1,128,684</u>	<u>778,219</u>
Non-Current Liabilities:		
Health & Dental Insurance Provision	160,907	125,863
Consumer Advances for Construction	<u>2,027,025</u>	<u>2,001,692</u>
Total Non-Current Liabilities	<u>2,187,932</u>	<u>2,127,555</u>
Net Assets:		
Invested in capital assets	11,600,996	10,079,017
Unrestricted	<u>1,328,357</u>	<u>2,307,940</u>
Total Net Assets	<u>12,929,353</u>	<u>12,386,957</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$16,245,969</u></u>	<u><u>\$15,292,731</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Water sales	\$168,990	\$1,494,076
Miscellaneous sources	865	19,915
Cash paid to/for:		
Suppliers	(144,041)	(457,799)
Employees payroll, taxes and benefits	<u>(143,414)</u>	<u>(785,408)</u>
Net cash flows from operating activities	<u>(117,600)</u>	<u>270,784</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	<u>(88,701)</u>	<u>(478,128)</u>
Net cash flows from capital and related financing activities	<u>(88,701)</u>	<u>(478,128)</u>
Cash flows from investing activities:		
Interest received on investments	<u>31,628</u>	<u>32,477</u>
Net cash flows from investing activities	<u>31,628</u>	<u>32,477</u>
Cash flows from nonoperating activities:		
FEMA	<u>---</u>	<u>896</u>
Net cash flows from nonoperating activities	<u>---</u>	<u>896</u>
Net decrease in cash and investments	<u>(174,673)</u>	<u>(173,971)</u>
Cash and investments at beginning of period	<u>1,713,199</u>	<u>1,712,497</u>
Cash and investments at end of period	<u>\$1,538,526</u>	<u>\$1,538,526</u>

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

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
Reconciliation of operating loss to net cash flows from operating activities		
Operating loss	(\$10,080)	(\$77,221)
Noncash item in operating income:		
Depreciation of utility plant	39,457	197,285
Changes in assets and liabilities:		
Consumer accounts receivable	(177,434)	(141,892)
Inventories	6,970	42,973
Prepaid and deferred expenses	2,049	(16,256)
Accounts payable	(4,994)	150,940
Pension provision	5,440	27,200
Health & dental insurance provision	4,152	13,154
Intercompany payable	(2,716)	(3,890)
Retained percentage	6,164	25,999
Accrued payroll	4,434	36,570
Accrued vacation	510	8,414
Miscellaneous accrued expenses	<u>8,448</u>	<u>7,508</u>
Net cash flows from operating activities	<u><u>(\$117,600)</u></u>	<u><u>\$270,784</u></u>

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

	<u>Budget Est.</u>	<u>This Year</u>	<u>Last Year</u>
<u>Source of Supply</u>			
Operation Supervision	\$2,176	\$2,230	\$2,193
Operation Labor and Expenses	1,372	1,220	1,093
Miscellaneous Expense	1,821	2,328	2,453
Maintenance of Wells	---	33,549	---
Maintenance of Supply Mains	1,163	---	3,826
Depreciation	<u>5,407</u>	<u>5,208</u>	<u>4,587</u>
Total Source of Supply Expense	<u>11,939</u>	<u>3.2</u>	<u>14,152</u>
		44,535	12.8
		14,152	4.0
<u>Pumping</u>			
Operation Supervision	2,583	2,506	2,539
Fuel or Power Purchased	64,599	61,902	65,291
Pumping Labor and Expenses	4,587	2,967	3,490
Miscellaneous Expense	309	243	393
Maintenance of Structures	125	---	---
Maintenance of Pumping Equipment	6,675	4,426	2,711
Depreciation	<u>3,936</u>	<u>4,126</u>	<u>3,675</u>
Total Pumping Expense	<u>82,814</u>	<u>21.9</u>	<u>78,099</u>
		76,170	21.9
		78,099	22.2
<u>Water Treatment</u>			
Operation Supervision	2,601	2,571	2,656
Chemicals	21,667	19,939	14,844
Operation Labor and Expenses	8,587	8,879	10,913
Miscellaneous Expense	831	442	297
Maintenance of Structures	1,832	380	49
Maintenance of Purification Equip.	2,007	238	10,036
Depreciation	<u>2,340</u>	<u>2,340</u>	<u>2,340</u>
Total Water Treatment Expense	<u>39,865</u>	<u>10.6</u>	<u>41,135</u>
		34,789	10.0
		41,135	11.7
<u>Distribution</u>			
Operation Supervision	2,798	2,166	2,076
Storage Facilities Expense	2,967	4,470	3,082
Trans. & Distr. Lines Expense	5,855	1,606	2,411
Meter Expense	12,382	9,557	9,577
Consumer Installation Expense	4,330	5,578	4,988
Miscellaneous Expense	7,088	9,466	6,910
Vehicle Expense	5,474	2,762	3,040
Maintenance:			
Supervision	4,220	2,861	3,266
Structures	154	---	25
Reservoirs and Standpipes	449	---	6
Mains	4,353	21,939	2,308
Valves	6,593	4,753	9,204
Meters	1,418	2,183	875
Hydrants	2,507	1,438	3,202
Miscellaneous Plant	2,318	1,678	2,765
Vacation, Holiday, Sick Leave	13,725	10,874	12,430
Depreciation	<u>27,472</u>	<u>27,783</u>	<u>26,430</u>
Total Distribution Expense	<u>\$104,103</u>	<u>27.6</u>	<u>\$92,595</u>
		\$109,114	31.3
		\$92,595	26.3

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

	<u>Budget Est.</u>	<u>This Year</u>	<u>Last Year</u>
<u>Source of Supply</u>			
Operation Supervision	\$10,752	\$11,428	\$10,892
Operation Labor and Expenses	6,884	5,334	6,144
Miscellaneous Expense	4,913	5,823	5,008
Maintenance of Wells	85,000	81,779	21,189
Maintenance of Supply Mains	5,816	5,968	9,235
Depreciation	<u>27,033</u>	<u>26,040</u>	<u>22,935</u>
Total Source of Supply Expense	<u>140,398</u>	7.8	<u>136,372</u> 8.1
			<u>75,403</u> 4.4
<u>Pumping</u>			
Operation Supervision	12,812	13,081	12,735
Fuel or Power Purchased	322,266	305,288	335,586
Pumping Labor and Expenses	22,645	17,863	19,713
Miscellaneous Expense	1,547	1,303	1,508
Maintenance of Structures	1,474	844	552
Maintenance of Pumping Equipment	29,866	26,115	27,618
Depreciation	<u>19,678</u>	<u>20,630</u>	<u>18,375</u>
Total Pumping Expense	<u>410,288</u>	22.8	<u>385,124</u> 22.8
			<u>416,087</u> 24.4
<u>Water Treatment</u>			
Operation Supervision	13,103	13,426	13,299
Chemicals	108,334	97,519	69,950
Operation Labor and Expenses	62,942	60,045	61,235
Miscellaneous Expense	5,979	4,158	4,196
Maintenance of Structures	8,464	1,701	6,893
Maintenance of Purification Equip.	26,519	5,164	29,005
Depreciation	<u>11,702</u>	<u>11,700</u>	<u>11,700</u>
Total Water Treatment Expense	<u>237,043</u>	13.2	<u>193,713</u> 11.5
			<u>196,278</u> 11.5
<u>Distribution</u>			
Operation Supervision	13,978	11,082	11,000
Storage Facilities Expense	8,894	10,348	12,172
Trans. & Distr. Lines Expense	29,171	34,608	31,652
Meter Expense	50,138	54,436	47,803
Consumer Installation Expense	22,079	23,148	17,192
Miscellaneous Expense	38,176	36,115	32,602
Vehicle Expense	19,623	14,687	19,447
Maintenance:			
Supervision	21,265	15,361	17,361
Structures	769	2,431	1,689
Reservoirs and Standpipes	1,047	44	52
Mains	40,059	146,238	22,549
Valves	32,964	11,468	27,092
Meters	7,447	10,152	6,981
Hydrants	11,493	8,893	14,171
Miscellaneous Plant	12,791	8,096	12,554
Vacation, Holiday, Sick Leave	59,939	52,049	54,492
Depreciation	<u>137,358</u>	<u>138,915</u>	<u>132,150</u>
Total Distribution Expense	<u>\$507,191</u>	28.2	<u>\$578,071</u> 34.2
			<u>\$460,959</u> 27.1

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

	<u>Budget Est.</u>	<u>This Year</u>	<u>Last Year</u>	
<u>Customer Service Expense</u>				
Customer Information Expense	\$2,840	0.8	<u>\$575</u>	0.2
<u>Consumer Accounts</u>				
Supervision	900	782	884	
Meter Reading Expense	4,579	2,651	2,816	
Consumer Records and Collection	11,715	10,696	9,863	
Uncollectible Accounts Expense	217	217	267	
Vacation, Holiday, Sick Leave	<u>1,932</u>	<u>1,659</u>	<u>1,546</u>	
Total Consumer Accounts Expense	<u>19,343</u>	5.1	<u>16,005</u>	4.6
<u>Administrative and General</u>				
Administrative and General Salaries	14,434	12,784	13,680	
Office Supplies and Expenses	1,473	1,578	982	
Outside Services Employed	9,025	2,715	669	
Property Insurance	833	854	697	
Casualty Ins, Injuries & Damages	2,687	12,523	2,729	
Employee Pensions and Benefits	41,281	41,127	37,279	
Fringe Benefits Charged to Constr.	(4,863)	(8,508)	(4,210)	
Miscellaneous General Expense	6,336	4,264	8,994	
Rents	5,707	5,702	5,043	
Maintenance of General Plant	1,416	1,313	1,181	
Vacation, Holiday, Sick Leave	2,363	2,665	2,131	
Depreciation	<u>10,274</u>	<u>---</u>	<u>9,846</u>	
Total Administrative and General	<u>90,966</u>	24.1	<u>77,017</u>	22.1
Total Operating Expense	<u>\$351,870</u>		<u>\$358,205</u>	
Percent to Operating Revenue		93.2	102.9	91.1

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

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>
<u>Customer Service Expense</u>					
Customer Information Expense	<u>\$15,664</u>	0.9	<u>\$5,350</u>	0.3	<u>\$6,270</u>
<u>Consumer Accounts</u>					
Supervision	4,499		4,173		4,322
Meter Reading Expense	18,905		15,838		15,657
Customer Records and Collection	59,500		58,160		53,609
Uncollectible Accounts Expense	1,083		1,083		1,335
Vacation, Holiday, Sick Leave	<u>8,347</u>		<u>8,059</u>		<u>7,842</u>
Total Consumer Accounts Expense	<u>92,334</u>	5.1	<u>87,313</u>	5.2	<u>82,765</u>
<u>Administrative and General</u>					
Administrative and General Salaries	72,966		70,311		66,820
Office Supplies and Expenses	7,654		7,598		6,376
Outside Services Employed	24,951		14,238		4,601
Property Insurance	3,757		3,799		3,441
Casualty Ins, Injuries & Damages	13,401		21,166		12,790
Employee Pensions and Benefits	207,162		210,404		189,747
Fringe Benefits Charged to Constr.	(22,561)		(20,723)		(12,047)
Miscellaneous General Expense	37,840		26,333		34,160
Rents	28,535		28,510		25,215
Maintenance of General Plant	6,476		6,322		5,660
Vacation, Holiday, Sick Leave	10,652		11,819		10,014
Depreciation	<u>51,371</u>		<u>---</u>		<u>49,230</u>
Total Administrative and General	<u>442,204</u>	24.6	<u>379,777</u>	22.5	<u>396,007</u>
Total Operating Expense	<u>\$1,845,122</u>		<u>\$1,765,720</u>		<u>\$1,633,769</u>
Percent to Operating Revenue		102.6		104.6	
					95.9

Muscatine Power and Water - Water Utility
Statistical Data
Current Month - May 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	0.447	0.474	0.413	0.438
Cost Per 1,000 Gallons	<u>0.462</u>	<u>0.489</u>	<u>0.380</u>	<u>0.402</u>
Margin	<u>(0.015)</u>	<u>(0.016)</u>	<u>0.034</u>	<u>0.036</u>

	<u>2009</u>		<u>2008</u>	
Maximum Daily Water Pumped (1,000 gallons)	29,025		33,038	
Date of Maximum	05/27		05/23	

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	0.446	0.473	0.408	0.433
Cost Per 1,000 Gallons	<u>0.468</u>	<u>0.497</u>	<u>0.394</u>	<u>0.417</u>
Margin	<u>(0.022)</u>	<u>(0.024)</u>	<u>0.014</u>	<u>0.015</u>

	<u>2009</u>		<u>2008</u>	
Maximum Daily Water Pumped (1,000 gallons)	30,453		33,688	
Date of Maximum	04/16		04/25	

Services

Contract Customers	2	2
Power Plants	2	2
Residential	8,484	8,482
Commercial	<u>1,078</u>	<u>1,107</u>
Total	<u><u>9,566</u></u>	<u><u>9,593</u></u>