

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

	<u>Budget</u>	<u>% Increase</u>	<u>This</u>	<u>% Increase</u>	<u>Last</u>
	<u>Estimate</u>	<u>(Decrease)</u>	<u>Year</u>	<u>(Decrease)</u>	<u>Year</u>
		<u>From Budget</u>		<u>Fr. Last Yr.</u>	
<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	911,127	(14.8)	776,116	(8.2)	845,291

Calendar Year-to-Date

	<u>Budget</u>	<u>% Increase</u>	<u>This</u>	<u>% Increase</u>	<u>Last</u>
	<u>Estimate</u>	<u>(Decrease)</u>	<u>Year</u>	<u>(Decrease)</u>	<u>Year</u>
		<u>From Budget</u>		<u>Fr. Last Yr.</u>	
<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	4,403,205	(14.4)	3,769,729	(9.1)	4,148,446

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Assets
Current Month - May 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	\$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
	<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	615	23.9	762	0.0	762
	<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	49,429	(20.2)	39,457	(15.8)	46,878
	<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	(8,828)	---	---	---	---
	<u>(2,027)</u>	(167.2)	<u>1,362</u>	---	<u>6,017</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 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	\$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	<u>247,142</u>	(20.2)	<u>197,285</u>	(15.8)	<u>234,390</u>
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>
Net Income (Loss) before Capital Contributions					
Contributions	(52,086)	23.1	(64,125)	---	99,018
Capital Contributions	<u>51,380</u>	0.4	<u>51,569</u>	---	<u>---</u>
Change in Net Assets	(706)	---	(12,556)	---	99,018
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	29,962	25,264
	<u>2,519,020</u>	<u>2,933,459</u>
Property and Equipment:		
At Cost	22,534,330	20,894,083
Less Accumulated Depreciation	8,807,381	8,534,811
	<u>13,726,949</u>	<u>12,359,272</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	10,000	10,000
	<hr/>	<hr/>
Total Current Liabilities	1,128,684	778,219
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Non-Current Liabilities:		
Health & Dental Insurance Provision	160,907	125,863
Consumer Advances for Construction	2,027,025	2,001,692
	<hr/>	<hr/>
Total Non-Current Liabilities	2,187,932	2,127,555
	<hr/>	<hr/>
Net Assets:		
Invested in capital assets	11,600,996	10,079,017
Unrestricted	1,328,357	2,307,940
	<hr/>	<hr/>
Total Net Assets	12,929,353	12,386,957
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 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	(143,414)	(785,408)
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><u>\$1,538,526</u></u>	<u><u>\$1,538,526</u></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	8,448	7,508
	<hr/>	<hr/>
Net cash flows from operating activities	<u>(\$117,600)</u>	<u>\$270,784</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	5,407		5,208		4,587	
Total Source of Supply Expense	11,939	3.2	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	3,936		4,126		3,675	
Total Pumping Expense	82,814	21.9	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	2,340		2,340		2,340	
Total Water Treatment Expense	39,865	10.6	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	27,472		27,783		26,430	
Total Distribution Expense	\$104,103	27.6	\$109,114	31.3	\$92,595	26.3

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

<u>Source of Supply</u>	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</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	27,033		26,040		22,935	
Total Source of Supply Expense	140,398	7.8	136,372	8.1	75,403	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	19,678		20,630		18,375	
Total Pumping Expense	410,288	22.8	385,124	22.8	416,087	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	11,702		11,700		11,700	
Total Water Treatment Expense	237,043	13.2	193,713	11.5	196,278	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	137,358		138,915		132,150	
Total Distribution Expense	\$507,191	28.2	\$578,071	34.2	\$460,959	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	<u>\$2,840</u>	0.8	<u>\$575</u>	0.2	<u>\$521</u>	0.1
<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>15,376</u>	4.4
<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	<u>79,021</u>	22.4
Total Operating Expense	<u><u>\$351,870</u></u>		<u><u>\$358,205</u></u>		<u><u>\$320,899</u></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	\$15,664	0.9	\$5,350	0.3	\$6,270	0.4
<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	8,347		8,059		7,842	
Total Consumer Accounts Expense	92,334	5.1	87,313	5.2	82,765	4.9
<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	51,371		---		49,230	
Total Administrative and General	442,204	24.6	379,777	22.5	396,007	23.3
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>