

Muscatine Power and Water

Water Utility

Statement of Revenues, Expenses and Changes in Net Position

April 2013

**Muscatine Power and Water
Water Utility**

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Muscatine Power and Water - Water Utility
Classification of Water Distribution
Current Month - April 2013

	<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	608,124	(0.7)	603,867	13.9	530,247
Power Plants	76,272	(6.0)	71,722	17.1	61,264
Residential	35,206	(1.5)	34,679	(3.3)	35,865
Commercial	27,154	11.8	30,360	1.2	29,990
Total Metered Customers	746,756	(0.8)	740,628	12.7	657,366
Rated Customers - Estimate	---	---	7	---	7
City Use, Line Loss, Cycle Billing	44,805	(0.8)	44,438	12.7	39,442
Total Water Pumped	791,561	(0.8)	785,072	12.7	696,815

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	2,374,152	(3.9)	2,281,482	3.3	2,207,882
Power Plants	288,483	(0.6)	286,783	0.6	285,072
Residential	140,353	(0.8)	139,208	(3.9)	144,835
Commercial	110,802	6.8	118,303	5.3	112,357
Total Metered Customers	2,913,790	(3.0)	2,825,776	2.8	2,750,146
Rated Customers - Estimate	---	---	52	73.3	30
City Use, Line Loss, Cycle Billing	174,827	(3.0)	169,547	2.8	165,009
Total Water Pumped	3,088,617	(3.0)	2,995,374	2.8	2,915,185

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - April 2013

	<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	\$195,689	(1.4)	\$192,914	6.2	\$181,643
Power Plants	30,889	(3.0)	29,961	10.7	27,071
Residential	125,798	3.6	130,384	7.3	121,472
Commercial	<u>36,536</u>	16.9	<u>42,711</u>	10.8	<u>38,560</u>
Water Sales	<u>388,912</u>	1.8	<u>395,970</u>	7.4	<u>368,746</u>
<u>Other Revenue</u>					
Penalty Revenue	625	15.2	720	13.2	636
Merchandise & Job Sales-Net	914	(31.9)	622	---	---
Miscellaneous Revenue	<u>804</u>	(2.7)	<u>782</u>	(2.0)	<u>798</u>
Total Other Revenue	<u>2,343</u>	(9.3)	<u>2,124</u>	48.1	<u>1,434</u>
Operating Revenue	<u>391,255</u>	1.7	<u>398,094</u>	7.5	<u>370,180</u>
<u>Operating Expense</u>					
Operation	282,932	(1.8)	277,952	11.5	249,251
Maintenance	110,423	(20.6)	87,642	(32.9)	130,667
Depreciation	<u>56,506</u>	(7.4)	<u>52,340</u>	6.6	<u>49,083</u>
Total Operating Expense	<u>449,861</u>	(7.1)	<u>417,934</u>	(2.6)	<u>429,001</u>
Operating Loss	<u>(58,606)</u>	(66.1)	<u>(19,840)</u>	(66.3)	<u>(58,821)</u>
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	82	(65.9)	28	1.5X	11
Interest Expense	<u>(3,885)</u>	(82.8)	<u>(669)</u>	(6.3)	<u>(714)</u>
Net Nonoperating Revenues (Expenses)	<u>(3,803)</u>	(83.1)	<u>(641)</u>	(8.8)	<u>(703)</u>
Net Income before Capital Contributions	<u>(62,409)</u>	(67.2)	<u>(20,481)</u>	(65.6)	<u>(59,524)</u>
Capital Contributions	<u>---</u>	---	<u>---</u>	---	<u>---</u>
Change in Net Position	<u>(62,409)</u>	(67.2)	<u>(20,481)</u>	(65.6)	<u>(59,524)</u>
Beginning Net Position	<u>14,015,722</u>		<u>14,198,305</u>		<u>13,751,624</u>
Ending Net Position	<u>\$13,953,313</u>		<u>\$14,177,824</u>		<u>\$13,692,100</u>
Net Income (Loss) to Operating Revenue	(16.0)		(5.1)		(16.1)
Debt Service Coverage	(0.08)		10.84		(3.28)

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - April 2013

	<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	\$748,100	(4.4)	\$715,415	0.2	\$714,265
Power Plants	114,641	1.8	116,687	5.6	110,477
Residential	470,971	4.6	492,516	4.6	470,905
Commercial	<u>143,622</u>	9.2	<u>156,851</u>	9.5	<u>143,234</u>
Water Sales	<u>1,477,334</u>	0.3	<u>1,481,469</u>	3.0	<u>1,438,881</u>
<u>Other Revenue</u>					
Penalty Revenue	2,500	(16.9)	2,077	19.2	1,742
Merchandise & Job Sales-Net	3,382	(63.5)	1,234	14.4	1,079
Miscellaneous Revenue	<u>4,467</u>	1.3X	<u>10,302</u>	2.6X	<u>2,832</u>
Total Other Revenue	<u>10,349</u>	31.5	<u>13,613</u>	1.4X	<u>5,653</u>
Operating Revenue	<u>1,487,683</u>	0.5	<u>1,495,082</u>	3.5	<u>1,444,534</u>
<u>Operating Expense</u>					
Operation	1,156,990	(8.7)	1,056,422	7.1	986,588
Maintenance	290,472	(28.1)	208,877	(15.3)	246,707
Depreciation	<u>226,023</u>	(7.4)	<u>209,360</u>	6.6	<u>196,332</u>
Total Operating Expense	<u>1,673,485</u>	(11.9)	<u>1,474,659</u>	3.1	<u>1,429,627</u>
Operating Income (Loss)	<u>(185,802)</u>	-1.1X	<u>20,423</u>	37.0	<u>14,907</u>
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	137	(38.0)	85	1.2X	39
Interest Expense	<u>(21,108)</u>	(87.3)	<u>(2,676)</u>	(7.7)	<u>(2,899)</u>
Net Nonoperating Revenues (Expenses)	<u>(20,971)</u>	(87.6)	<u>(2,591)</u>	(9.4)	<u>(2,860)</u>
<u>Net Income (Loss) before Capital Contributions</u>	<u>(206,773)</u>	-1.1X	<u>17,832</u>	48.0	<u>12,047</u>
Capital Contributions	<u>52,597</u>	(0.2)	<u>52,503</u>	---	<u>---</u>
<u>Change in Net Position</u>	<u>(154,176)</u>	-1.5X	<u>70,335</u>	4.8X	<u>12,047</u>
<u>Beginning Net Position</u>	<u>14,107,489</u>		<u>14,107,489</u>		<u>13,680,053</u>
<u>Ending Net Position</u>	<u>\$13,953,313</u>		<u>\$14,177,824</u>		<u>\$13,692,100</u>
Net Income (Loss) to Operating Revenue	(13.9)		1.2		0.8
Debt Service Coverage	0.41		19.14		17.76

Muscatine Power and Water - Water Utility
Statements of Net Position
April 2013

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
Cash - interest bearing	\$594,137	\$797,702
Receivables:		
Consumer Accounts	521,827	481,962
Interest	3	3
Inventories	295,615	300,288
Prepaid Expenses	<u>45,610</u>	<u>43,033</u>
Total Current Assets	<u>1,457,192</u>	<u>1,622,988</u>
Property and Equipment:		
At Cost	25,122,774	24,086,399
Less Accumulated Depreciation	<u>9,695,089</u>	<u>9,211,068</u>
Net Property and Equipment	<u>15,427,685</u>	<u>14,875,331</u>
 TOTAL ASSETS	 <u><u>\$16,884,877</u></u>	 <u><u>\$16,498,319</u></u>

Muscatine Power and Water - Water Utility
Statements of Net Position
April 2013

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
<u>Restricted</u>		
State Revolving Loan	\$28,000	\$34,000
Accrued Interest	3,654	4,092
	<hr/>	<hr/>
Total Current Restricted Liabilities	31,654	38,092
	<hr/>	<hr/>
<u>Unrestricted</u>		
Accounts Payable	289,720	214,299
Pension provision	40,150	38,472
Health & Dental Insurance Provision	17,316	19,578
Intercompanies Payable	40	7,707
Consumer Advances for Construction	1,116,021	338,326
Accrued Payroll	12,176	62,963
Accrued Vacation	102,957	86,378
Miscellaneous Accrued Expenses	63,439	45,590
Miscellaneous Deferred Credits	---	5,200
	<hr/>	<hr/>
Total Current Unrestricted Liabilities	1,641,819	818,513
	<hr/>	<hr/>
Non-Current Liabilities:		
State Revolving Loan	219,000	240,000
Health & Dental Insurance Provision	166,391	127,250
Post-Employment Health Benefit Provision	15,411	14,722
Consumer Advances for Construction	632,778	1,567,642
	<hr/>	<hr/>
Total Non-Current Liabilities	1,033,580	1,949,614
	<hr/>	<hr/>
Net Position:		
Net Investment in Capital Assets	13,431,886	12,695,363
Unrestricted	745,938	996,737
	<hr/>	<hr/>
Total Net Position	14,177,824	13,692,100
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$16,884,877</u></u>	<u><u>\$16,498,319</u></u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
April 2013

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Water sales	\$379,886	\$1,457,125
Miscellaneous sources	825	12,823
Cash paid to/for:		
Suppliers	(107,793)	(596,007)
Employees payroll, taxes and benefits	<u>(210,266)</u>	<u>(692,755)</u>
Net cash flows from operating activities	<u>62,652</u>	<u>181,186</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	<u>(21,976)</u>	<u>(234,104)</u>
Net cash flows from capital and related financing activities	<u>(21,976)</u>	<u>(234,104)</u>
Cash flows from investing activities:		
Interest received on investments	<u>29</u>	<u>85</u>
Net cash flows from investing activities	<u>29</u>	<u>85</u>
Net increase (decrease) in cash and investments	<u>40,705</u>	<u>(52,833)</u>
Cash and investments at beginning of period	<u>553,432</u>	<u>646,970</u>
Cash and investments at end of period	<u><u>\$594,137</u></u>	<u><u>\$594,137</u></u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
April 2013

	<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)	(\$19,840)	\$20,423
Noncash item in operating income:		
Depreciation of utility plant	52,340	209,360
Changes in assets and liabilities:		
Consumer accounts receivable	(16,640)	(19,669)
Inventories	(24,342)	(3,746)
Prepaid and deferred expenses	4,878	(26,285)
Accounts payable	106,595	(21,240)
Pension provision	10,037	40,150
Health & dental insurance provision	2,519	2,429
Other post-employment benefit provision	206	826
Intercompany payable	(186)	(8,453)
Retained Percentage	(9,749)	(8,234)
Accrued payroll	(48,717)	(22,247)
Accrued vacation	1,396	17,310
Miscellaneous accrued expenses	4,155	5,761
Miscellaneous deferred credits	0	(5,199)
	<u>0</u>	<u>(5,199)</u>
Net cash flows from operating activities	<u><u>\$62,652</u></u>	<u><u>\$181,186</u></u>

Muscatine Power and Water - Water Utility
Summary of Expenses
Current Month - April 2013

<u>Source of Supply</u>	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
Operation Supervision	\$2,345		\$2,644		\$2,353	
Operation Labor and Expenses	1,096		1,204		819	
Miscellaneous Expense	388		27		350	
Maintenance of Wells	40,000		32,720		30,864	
Maintenance of Supply Mains	735		---		110	
Depreciation	5,962		5,958		5,911	
Total Source of Supply Expense	50,526	12.9	42,553	10.7	40,407	10.9
<u>Pumping</u>						
Operation Supervision	2,756		3,043		2,736	
Fuel or Power Purchased	60,500		59,422		50,598	
Pumping Labor and Expenses	3,699		3,544		3,674	
Miscellaneous Expense	217		275		503	
Maintenance of Structures	221		---		---	
Maintenance of Pumping Equipment	25,355		34,696		31,252	
Depreciation	5,498		5,498		5,498	
Total Pumping Expense	98,246	25.1	106,478	26.7	94,261	25.5
<u>Water Treatment</u>						
Operation Supervision	2,811		3,074		2,756	
Chemicals	16,916		18,559		15,095	
Operation Labor and Expenses	13,093		11,195		9,295	
Miscellaneous Expense	132		728		1,485	
Maintenance of Structures	1,322		169		352	
Maintenance of Purification Equip.	1,106		1,721		607	
Depreciation	2,352		2,338		2,338	
Total Water Treatment Expense	37,732	9.6	37,784	9.5	31,928	8.6
<u>Distribution</u>						
Operation Supervision	2,801		3,003		2,683	
Storage Facilities Expense	4,455		4,273		6,189	
Trans. & Distr. Lines Expense	17,089		19,913		23,900	
Meter Expense	10,455		9,611		9,129	
Consumer Installation Expense	5,097		4,677		2,866	
Miscellaneous Expense	10,411		10,628		5,063	
Vehicle Expense	5,211		4,243		3,920	
Maintenance:						
Supervision	4,424		4,848		4,179	
Structures	86		1,064		97	
Reservoirs and Standpipes	27		65		14	
Mains	25,262		3,438		51,341	
Valves	2,068		2,451		4,456	
Meters	4,481		1,648		2,582	
Hydrants	868		1,115		933	
Miscellaneous Plant	2,582		1,895		1,494	
Vacation, Holiday, Sick Leave	9,124		8,591		11,742	
Depreciation	31,526		31,035		30,533	
Total Distribution Expense	\$135,967	34.8	\$112,498	28.3	\$161,121	43.5

Muscatine Power and Water - Water Utility
Summary of Expenses
Calendar Year-to-Date - April 2013

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Source of Supply</u>						
Operation Supervision	\$9,600		\$9,520		\$9,925	
Operation Labor and Expenses	5,337		5,717		3,905	
Miscellaneous Expense	828		1,235		492	
Maintenance of Wells	63,000		32,849		30,864	
Maintenance of Supply Mains	2,938		4,287		4,126	
Depreciation	23,849		23,832		23,644	
Total Source of Supply Expense	105,552	7.1	77,440	5.2	72,956	5.1
<u>Pumping</u>						
Operation Supervision	11,274		11,030		11,524	
Fuel or Power Purchased	233,600		225,273		203,867	
Pumping Labor and Expenses	15,351		11,845		14,624	
Miscellaneous Expense	867		1,363		1,906	
Maintenance of Structures	6,646		49		---	
Maintenance of Pumping Equipment	55,053		46,069		53,528	
Depreciation	21,991		21,992		21,992	
Total Pumping Expense	344,782	23.2	317,621	21.2	307,441	21.3
<u>Water Treatment</u>						
Operation Supervision	11,312		11,142		11,647	
Chemicals	67,666		62,117		60,833	
Operation Labor and Expenses	65,613		54,032		47,432	
Miscellaneous Expense	11,251		4,920		5,271	
Maintenance of Structures	7,293		8,504		1,571	
Maintenance of Purification Equip.	4,232		13,913		5,139	
Depreciation	9,407		9,352		9,352	
Total Water Treatment Expense	176,774	11.9	163,980	11.0	141,245	9.8
<u>Distribution</u>						
Operation Supervision	11,320		11,035		11,480	
Storage Facilities Expense	15,654		16,188		18,496	
Trans. & Distr. Lines Expense	35,630		34,088		43,108	
Meter Expense	40,447		43,640		39,517	
Consumer Installation Expense	21,762		15,228		15,003	
Miscellaneous Expense	44,829		44,476		32,502	
Vehicle Expense	20,597		15,803		18,654	
Maintenance:						
Supervision	17,741		17,966		18,026	
Structures	5,503		1,513		1,341	
Reservoirs and Standpipes	106		1,081		5,408	
Mains	66,499		34,409		69,221	
Valves	16,001		16,101		14,363	
Meters	18,116		5,106		12,773	
Hydrants	7,936		8,034		13,289	
Miscellaneous Plant	10,329		11,698		9,756	
Vacation, Holiday, Sick Leave	45,163		51,517		43,275	
Depreciation	126,105		124,140		122,132	
Total Distribution Expense	\$503,738	33.9	\$452,023	30.2	\$488,344	33.8

Muscatine Power and Water - Water Utility
Summary of Expenses
Current Month - April 2013

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	<u>\$3,854</u>	1.0	<u>\$552</u>	0.1	<u>\$748</u>	0.2
<u>Consumer Accounts</u>						
Supervision	1,227		1,478		1,017	
Meter Reading Expense	4,010		4,275		3,884	
Consumer Records and Collection	13,194		16,661		10,538	
Uncollectible Accounts Expense	569		569		480	
Vacation, Holiday, Sick Leave	<u>1,410</u>		<u>1,211</u>		<u>2,235</u>	
Total Consumer Accounts Expense	<u>20,410</u>	5.2	<u>24,194</u>	6.1	<u>18,154</u>	4.9
<u>Administrative and General</u>						
Administrative and General Salaries	15,761		16,577		14,282	
Office Supplies and Expenses	1,839		1,495		1,374	
Outside Services Employed	7,245		527		648	
Property Insurance	1,575		1,560		971	
Casualty Ins, Injuries & Damages	3,148		3,816		2,412	
Employee Pensions and Benefits	48,039		46,709		43,749	
Fringe Benefits Charged to Constr.	(2,324)		(2,584)		(1,336)	
Miscellaneous General Expense	7,194		9,131		5,086	
Rents	5,579		5,579		5,754	
Maintenance of General Plant	1,886		1,812		2,386	
Vacation, Holiday, Sick Leave	2,016		1,742		2,253	
Depreciation	<u>11,168</u>		<u>7,511</u>		<u>4,803</u>	
Total Administrative and General	<u>103,126</u>	26.4	<u>93,875</u>	23.6	<u>82,382</u>	22.3
Total Operating Expense	<u><u>\$449,861</u></u>		<u><u>\$417,934</u></u>		<u><u>\$429,001</u></u>	
Percent to Operating Revenue		115.0		105.0		115.9

Muscatine Power and Water - Water Utility
Summary of Expenses
Calendar Year-to-Date - April 2013

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	<u>\$11,720</u>	0.8	<u>\$3,432</u>	0.2	<u>\$4,589</u>	0.3
 <u>Consumer Accounts</u>						
Supervision	4,863		5,290		3,917	
Meter Reading Expense	15,012		16,600		17,110	
Customer Records and Collection	55,289		54,078		44,425	
Uncollectible Accounts Expense	2,276		2,276		1,920	
Vacation, Holiday, Sick Leave	<u>6,944</u>		<u>8,004</u>		<u>7,214</u>	
 Total Consumer Accounts Expense	<u>84,384</u>	5.7	<u>86,248</u>	5.8	<u>74,586</u>	5.2
 <u>Administrative and General</u>						
Administrative and General Salaries	63,053		59,498		52,639	
Office Supplies and Expenses	8,123		6,025		5,387	
Outside Services Employed	56,469		4,739		4,988	
Property Insurance	5,509		4,473		3,397	
Casualty Ins, Injuries & Damages	12,594		10,519		12,616	
Employee Pensions and Benefits	190,311		186,490		178,315	
Fringe Benefits Charged to Constr.	(8,346)		(6,261)		(3,583)	
Miscellaneous General Expense	32,832		37,775		29,164	
Rents	22,316		22,316		23,016	
Maintenance of General Plant	9,079		7,298		7,302	
Vacation, Holiday, Sick Leave	9,924		10,999		8,013	
Depreciation	<u>44,671</u>		<u>30,044</u>		<u>19,212</u>	
 Total Administrative and General	<u>446,535</u>	30.0	<u>373,915</u>	25.0	<u>340,466</u>	23.6
 Total Operating Expense	<u><u>\$1,673,485</u></u>		<u><u>\$1,474,659</u></u>		<u><u>\$1,429,627</u></u>	
 Percent to Operating Revenue		112.5		98.6		99.0

Muscatine Power and Water - Water Utility
Statistical Data
Current Month - April 2013

	<u>2013</u>		<u>2012</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.504	0.535	0.529	0.561
Cost Per 1,000 Gallons	<u>0.532</u>	<u>0.564</u>	<u>0.616</u>	<u>0.653</u>
Margin	<u>(0.028)</u>	<u>(0.030)</u>	<u>(0.086)</u>	<u>(0.092)</u>
	<u>2013</u>		<u>2012</u>	
Maximum Daily Water Pumped (1,000 gallons)	30,947		28,576	
Date of Maximum	04/30		04/03	

Calendar Year-to-Date

	<u>2013</u>		<u>2012</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.495	0.524	0.494	0.523
Cost Per 1,000 Gallons	<u>0.492</u>	<u>0.522</u>	<u>0.490</u>	<u>0.520</u>
Margin	<u>0.002</u>	<u>0.002</u>	<u>0.003</u>	<u>0.003</u>

	<u>2013</u>		<u>2012</u>	
Maximum Daily Water Pumped (1,000 gallons)	30,947		28,576	
Date of Maximum	04/30		04/03	

Services

Contract Customers	2	2
Power Plants	4	2
Residential	8,600	8,555
Commercial	<u>1,091</u>	<u>1,091</u>
Total	<u>9,697</u>	<u>9,650</u>