

ADOPTED BUDGET CERTIFICATE
CERTIFICATION

TO: Muscatine, Iowa, City Council

At the November 26, 2013, meeting of the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, the proposed budget for calendar year 2014 was adopted as summarized and attached hereto.

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

By: Jerry Govey
Jerry Govey
Board Secretary

Record of Public Hearing and Adoption of Budget

On November 26, 2013, 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 2014 budget as published. Notice of time and place of hearing had been published on November 14, 2013, 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 2014.

The Board adopted the following budget resolution:

A Resolution Adopting The Annual Budget for Calendar Year 2014. Be It Resolved by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa: The annual budget for calendar year 2014, as set forth in the Utility's Revised 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 26, 2013, by the following vote: (List Names)

Ayes:	<u>Steven Bradford</u>	Nays:	_____
	<u>Joan Axel</u>		_____
	<u>Warren Heidbreder</u>		_____
	<u>Tracy McGinnis</u>		_____
	_____		_____

Tracy McGinnis
Tracy McGinnis, Acting Chairperson

Jerry Govey
Jerry Govey, Board Secretary

ADOPTED BUDGET SUMMARY

<u>Muscatine Power and Water</u>		<u>Calendar</u>		<u>YEAR</u>			
NAME OF ENTERPRISE		<i>(specify fiscal or calendar year budget)</i>		<u>2014</u>			
		<u>Budget</u>	<u>Re-Estimated</u>	<u>Actual</u>			
		<u>2014</u>	<u>2013</u>	<u>2012</u>			
		<i>(specify budget years)</i>					
REVENUES & OTHER FINANCING SOURCES							
Use of Money and Property	(line 398)	241	1,422,353	271	1,372,764	301	1,372,414
Charges for Services*	(line 414)	243	106,333,194	273	102,494,201	303	91,016,903
Miscellaneous	(line 416)	245	1,665,987	275	2,199,146	305	2,140,853
Operating Transfers In	(line 417)	247		277		307	
Proceeds of Long Term Debt	(line 418)	248	6,860,000	278	0	308	
Proceeds of Fixed Asset Sales	(line 419)	249		279		309	
Total Revenues & Other Financing Sources		250	116,281,534	280	106,066,111	310	94,530,170
EXPENDITURES & TRANSFERS OUT							
Expenditures	(line 386)	255	117,767,826	285	98,712,558	315	88,119,558
Transfers Out	(line 387)	259		289		319	
Total Expenditures & Transfers Out		260	117,767,826	290	98,712,558	320	88,119,558
Excess of Revenues & Other Sources							
Over (Under) Expenditures & Transfers Out		261	-1,486,292	291	7,353,553	321	6,410,612
BEGINNING Fund Balance	(line 390)	262	29,335,447	292	21,981,894	322	15,571,282
ENDING Fund Balance	(line 388)	263	27,849,155	293	29,335,447	323	21,981,894

*Includes wholesale energy sales in the Midwest ISO market.

RESOURCES DETAIL

Calendar

(specify if budget is fiscal or calendar year)

	(specify budget years)	Budget 2014	Re-Estimated 2013	Actual 2012
Beginning Fund Balance	390	29,335,447	21,981,894	15,571,282
Use of Money & Property	398	1,422,353	1,372,764	1,372,414
Charges for Services:				
Communications¹	411	12,707,110	12,173,080	11,853,908
Water	404	5,033,363	5,220,666	4,550,442
Sewer	405			
Electric²	406	88,592,721	85,500,455	74,612,553
Gas	407			
Total Charges for Services	414	106,333,194	102,894,201	91,016,903
Miscellaneous	416	1,665,987	1,799,146	2,140,853
Other Financing Sources:				
Operating Transfers In	417			
Proceeds of Long Term Debt	418	6,860,000	-	
Proceeds of Fixed Asset Sales	419			
Total Resources	421	145,616,981	128,048,005	110,101,452

REQUIREMENTS DETAIL

	(specify budget years)	Budget 2014	Re-Estimated 2013	Actual 2012
Expenditures:				
Communications¹	338	13,694,598	13,229,837	12,580,152
Water	360	11,840,135	5,676,389	4,528,055
Sewer	357			
Electric	361	92,233,093	79,806,332	71,011,351
Gas	362			
Total Expenditures:	386	117,767,826	98,712,558	88,119,558
Transfers Out	387			
Ending Fund Balance	388	27,849,155	29,335,447	21,981,894
Total Requirements	389	145,616,981	128,048,005	110,101,452

¹Communications inserted in place of Hospital.

²Includes wholesale energy sales in the Midwest ISO market.

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
Budget Estimate

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:

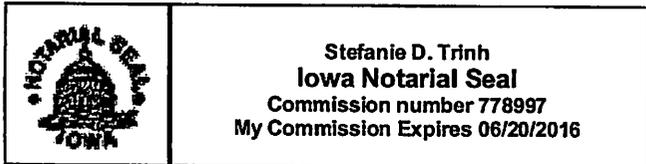
November 14, 2013

Jeff Lee


**STATE OF IOWA
MUSCATINE COUNTY**

14th day of November 2013

Stefanie D. Trinh
Stefanie D. Trinh, Notary Public



**NOTICE OF PUBLIC HEARING
BUDGET ESTIMATE**

Calendar Year 2014

The Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, will conduct a public hearing on the proposed 2014 budget at the Administration Building, 3205 Cedar Street, Muscatine, Iowa, on November 26, 2013, 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 2014 budget may be obtained or reviewed at the said 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/ Jerry Govey
Secretary

**BUDGET ESTIMATE SUMMARY
COMBINED WATER, ELECTRIC, AND COMMUNICATIONS UTILITIES
For Current Proprietary Operations
Modified Cash and Accrual Basis**

	<u>2014 Proposed</u>	<u>2013 Actual Re-estimated</u>	<u>2012 Actual</u>
Revenues:			
Use of Money & Property	1,422,353	1,372,764	1,372,414
Charges for Services	106,333,194	102,494,201	91,016,903
Miscellaneous	1,665,987	1,799,146	2,140,853
Other Financing Sources	<u>6,860,000</u>	<u>400,000</u>	=
Total Revenues	116,281,534	106,066,111	94,530,170
Expenditures & Transfers Out:			
Expenditures	117,881,826	98,712,558	88,119,558
Transfers Out	=	=	=
Total Expenditures & Transfers Out	<u>117,881,826</u>	<u>98,712,558</u>	<u>88,119,558</u>
Excess of Revenues Over/Under	-1,600,292	7,353,553	6,410,612
Expenditures			
Beginning Balance Jan. 1	<u>29,335,447</u>	<u>21,981,894</u>	<u>15,571,282</u>
Ending Balance Dec. 31	<u>27,735,155</u>	<u>29,335,447</u>	<u>21,981,894</u>