

**Muscatine Power and Water**

**Water Utility**

**Statement of Revenues, Expenses and Changes in Net Position**

**April 2015**

**Muscatine Power and Water  
Water Utility**

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**Muscatine Power and Water - Water Utility**  
**Classification of Water Distribution**  
**Current Month - April 2015**

	<b>Budget Estimate</b>	<b>%Increase (Decrease) From Budget</b>	<b>This Year</b>	<b>%Increase (Decrease) Fr. Last Yr.</b>	<b>Last Year</b>
<b><u>Water Distribution - 1,000 Gallons</u></b>					
Contract Customers	662,728	2.6	679,800	12.6	603,522
Power Plants	79,526	(9.1)	72,294	(18.6)	88,838
Residential	35,999	0.1	36,039	(0.9)	36,375
Commercial	30,356	(4.0)	29,147	(2.7)	29,955
Total Metered Customers	808,609	1.1	817,281	7.7	758,690
Rated Customers - Estimate	---	---	4	(63.6)	11
City Use, Line Loss, Cycle Billing	48,517	1.1	49,037	7.7	45,521
Total Water Pumped	857,126	1.1	866,322	7.7	804,222

**Calendar Year-to-Date**

	<b>Budget Estimate</b>	<b>%Increase (Decrease) From Budget</b>	<b>This Year</b>	<b>%Increase (Decrease) Fr. Last Yr.</b>	<b>Last Year</b>
<b><u>Water Distribution - 1,000 Gallons</u></b>					
Contract Customers	2,493,832	(1.3)	2,461,225	5.1	2,342,257
Power Plants	315,552	(7.7)	291,259	(10.2)	324,426
Residential	142,984	(2.8)	138,971	(3.1)	143,380
Commercial	118,223	(2.6)	115,182	(5.6)	121,957
Total Metered Customers	3,070,591	(2.1)	3,006,637	2.5	2,932,020
Rated Customers - Estimate	---	---	37	(24.5)	49
City Use, Line Loss, Cycle Billing	184,236	(2.1)	180,398	2.5	175,921
Total Water Pumped	3,254,827	(2.1)	3,187,072	2.5	3,107,990

**Muscatine Power and Water - Water Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Current Month - April 2015**

	Budget		% Increase (Decrease) from Budget	% Increase (Decrease) from Last Year		Last Year		
	Estimate	Avg. Price		This Year	Avg. Price	Last Year	Avg. Price	
<b><u>Sales of Water</u></b>								
Contract Customers	\$231,184	\$ 0.34884	4.0	\$240,347	\$ 0.35356	15.9	\$207,438	\$ 0.34371
Power Plants	31,324	0.39388	(2.5)	30,550	0.42258	(8.4)	33,341	0.37530
Residential	148,068	4.11311	(0.1)	147,972	4.10593	4.9	141,121	3.87962
Commercial	48,243	1.58924	(2.2)	47,181	1.61871	4.3	45,234	1.51007
Water Sales	458,819	0.56742	1.6	466,050	0.57024	9.1	427,134	0.56299
<b><u>Other Revenue</u></b>								
Penalty Revenue	767		(5.7)	723		(7.2)	779	
Merchandise & Job Sales-Net	493		4.7X	2,801		11.4X	226	
Miscellaneous Revenue	997		1.6X	2,574		2.3X	777	
Total Other Revenue	2,257		1.7X	6,098		2.4X	1,782	
Operating Revenue	461,076		2.4	472,148		10.1	428,916	
<b><u>Operating Expense</u></b>								
Operation	333,705		(9.0)	303,795		1.1	300,609	
Maintenance	95,446		(70.7)	27,924		(83.6)	170,471	
Depreciation	59,843		(1.9)	58,681		(2.5)	60,159	
Total Operating Expense	488,994		(20.2)	390,400		(26.5)	531,239	
Operating Income (Loss)	(27,918)		-3.9X	81,748		-1.8X	(102,323)	
<b><u>Nonoperating Revenues (Expenses)</u></b>								
Interest Income	124		(72.6)	34		21.4	28	
Interest Expense	(67,687)		(98.7)	(880)		27.7	(689)	
Net Nonoperating Revenues (Expenses)	(67,563)		(98.7)	(846)		28.0	(661)	
Net Income (Loss) before Capital Contributions	(95,481)		-1.8X	80,902		-1.8X	(102,984)	
Capital Contributions	---		---	---		---	---	
Change in Net Position	(95,481)		-1.8X	80,902		-1.8X	(102,984)	
Beginning Net Position	15,902,871			15,897,124			15,578,993	
Ending Net Position	\$15,807,390			\$15,978,026			\$15,476,009	
Net Income (Loss) to Operating Revenue	(20.7)			17.1			(24.0)	
Debt Service Coverage	2.58			42.62			0.74	

**Muscatine Power and Water - Water Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Calendar Year-to-Date - April 2015**

	Budget		% Increase (Decrease) from Budget	% Increase (Decrease) from Last Year		Last Year	Avg. Price
	Estimate	Avg. Price		This Year	Avg. Price		
<b><u>Sales of Water</u></b>							
Contract Customers	\$856,209	\$ 0.34333	(0.3)	\$853,446	\$ 0.34676	8.0	\$790,073 \$ 0.33731
Power Plants	121,425	0.38480	---	121,453	0.41699	(2.2)	124,215 0.38288
Residential	569,338	3.98183	(0.9)	564,301	4.06057	5.7	533,884 3.72356
Commercial	180,458	1.52642	(0.7)	179,279	1.55648	3.4	173,380 1.42165
Water Sales	1,727,430	0.56257	(0.5)	1,718,479	0.57156	6.0	1,621,552 0.55305
<b><u>Other Revenue</u></b>							
Penalty Revenue	3,067		(34.4)	2,013		(5.0)	2,119
Merchandise & Job Sales-Net	3,572		56.1	5,577		86.8	2,985
Miscellaneous Revenue	4,086		51.6	6,194		(12.8)	7,106
Total Other Revenue	10,725		28.5	13,784		12.9	12,210
Operating Revenue	1,738,155		(0.3)	1,732,263		6.0	1,633,762
<b><u>Operating Expense</u></b>							
Operation	1,239,074		(3.2)	1,199,565		2.6	1,169,305
Maintenance	259,361		(25.3)	193,689		(46.1)	359,648
Depreciation	239,370		(1.9)	234,729		(2.5)	240,636
Total Operating Expense	1,737,805		(6.3)	1,627,983		(8.0)	1,769,589
Operating Income (Loss)	350		296.9X	104,280		-1.8X	(135,827)
<b><u>Nonoperating Revenues (Expenses)</u></b>							
Interest Income	484		(46.1)	261		1.1X	125
Interest Expense	(70,356)		(95.1)	(3,427)		25.9	(2,723)
Net Nonoperating Revenues (Expenses)	(69,872)		(95.5)	(3,166)		21.9	(2,598)
Net Income (Loss) before Capital Contributions	(69,522)		-2.5X	101,114		-1.7X	(138,425)
Capital Contributions	---		---	---		---	---
Change in Net Position	(69,522)		-2.5X	101,114		-1.7X	(138,425)
Beginning Net Position	15,876,912			15,876,912			15,614,434
Ending Net Position	\$15,807,390			\$15,978,026			\$15,476,009
Net Income (Loss) to Operating Revenue	(4.0)			5.8			(8.5)
Debt Service Coverage	10.74			25.91			0.46

**Muscatine Power and Water - Water Utility**  
**Statements of Net Position**  
**April 2015**

**ASSETS**

	<u>2015</u>	<u>2014</u>
<b>Current Assets:</b>		
<u>Unrestricted Assets</u>		
Cash - interest bearing	\$621,184	\$453,501
Receivables:		
Consumer Accounts	606,841	554,805
Interest	1	1
Inventories	370,947	293,520
Prepaid Expenses	57,208	49,193
	<u>1,656,181</u>	<u>1,351,020</u>
Total Current Assets		
	<u>1,656,181</u>	<u>1,351,020</u>
<b>Property and Equipment:</b>		
At Cost	28,306,212	26,902,289
Less Accumulated Depreciation	10,120,395	10,282,458
	<u>18,185,817</u>	<u>16,619,831</u>
Net Property and Equipment		
	<u>18,185,817</u>	<u>16,619,831</u>
<b>TOTAL ASSETS</b>	<u><u>\$19,841,998</u></u>	<u><u>\$17,970,851</u></u>

**Muscatine Power and Water - Water Utility**  
**Statements of Net Position**  
**April 2015**

**LIABILITIES AND NET POSITION**

	<u>2015</u>	<u>2014</u>
<b>Current Liabilities:</b>		
<b><u>Payable from Unrestricted Assets</u></b>		
Accounts Payable	\$207,802	\$526,555
Pension Provision	47,320	41,708
Health & Dental Insurance Provision	29,360	23,200
Retained Percentage on Contracts	34,014	2,778
Consumer Advances for Construction	8,205	195,886
Accrued Payroll	24,756	19,356
Accrued Vacation	118,321	112,626
Accrued Property Taxes	675	659
Miscellaneous Accrued Expenses	41,853	71,128
	<hr/>	<hr/>
Total Payable from Unrestricted Assets	512,306	993,896
	<hr/>	<hr/>
<b><u>Payable from Restricted Assets</u></b>		
State Revolving Loan	29,000	29,000
Accrued Interest	4,179	3,590
	<hr/>	<hr/>
Total Payable from Restricted Assets	33,179	32,590
	<hr/>	<hr/>
Total Current Liabilities	545,485	1,026,486
	<hr/>	<hr/>
<b>Non-Current Liabilities:</b>		
State Revolving Loan	161,000	190,000
Notes Payable to Electric Utility	2,650,000	650,000
Health & Dental Insurance Provision	85,128	139,045
Post-Employment Health Benefit Provision	43,811	33,811
Consumer Advances for Construction	378,548	455,500
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Total Non-Current Liabilities	3,318,487	1,468,356
	<hr/>	<hr/>
<b>Net Position:</b>		
Net Investment in Capital Assets	17,609,064	15,749,445
Unrestricted	(1,631,038)	(273,436)
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Total Net Position	15,978,026	15,476,009
	<hr/>	<hr/>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$19,841,998</u>	<u>\$17,970,851</u>

**Muscatine Power and Water - Water Utility**  
**Statements of Cash Flows**  
**April 2015**

	<b><u>Current Month</u></b>	<b><u>Year- To-Date</u></b>
Cash flows from operating activities:		
Cash received from:		
Water sales	\$423,828	\$1,673,316
Miscellaneous sources	3,662	4,135
Cash paid to/for:		
Suppliers	(220,667)	(633,564)
Employees payroll, taxes and benefits	(185,949)	(771,307)
Net cash flows from operating activities	<u>20,874</u>	<u>272,580</u>
Cash flows from capital and related financing activities:		
State revolving loan fund principal payments	---	---
State revolving loan interest payments	---	---
Loan from electric utility	250,000	750,000
Loan from electric utility interest payments	---	(2,055)
Capital expenditures, net	(117,952)	(778,376)
Net cash flows from capital and related financing activities	<u>132,048</u>	<u>(30,431)</u>
Cash flows from investing activities:		
Interest received on investments	<u>34</u>	<u>261</u>
Net cash flows from investing activities	<u>34</u>	<u>261</u>
Net increase in cash and investments	<u>152,956</u>	<u>242,410</u>
Cash and investments at beginning of period	<u>468,228</u>	<u>378,774</u>
Cash and investments at end of period	<u><u>\$621,184</u></u>	<u><u>\$621,184</u></u>

**Muscatine Power and Water - Water Utility**  
**Statements of Cash Flows**  
**April 2015**

	<b><u>Current Month</u></b>	<b><u>Year- To-Date</u></b>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$81,748	\$104,280
Noncash item in operating income:		
Depreciation of utility plant	58,681	234,729
Changes in assets and liabilities:		
Consumer accounts receivable	(44,631)	(34,850)
Inventories	(30,120)	(33,004)
Prepaid and deferred expenses	(16,553)	(31,816)
Accounts payable	(46,993)	19,296
Pension provision	11,830	47,320
Health & dental insurance provision	(3,742)	(38,479)
Other post-employment benefit provision	833	3,333
Retained percentage	2,424	8,206
Accrued payroll	12,341	(24,739)
Accrued vacation	2,686	14,330
Accrued property taxes	66	(146)
Unearned revenue	(7,696)	5,224
Miscellaneous accrued expenses	---	(1,104)
	<hr/>	<hr/>
Net cash flows from operating activities	<u>\$20,874</u>	<u>\$272,580</u>

**Muscatine Power and Water - Water Utility**  
**Summary of Expenses**  
**Current Month - April 2015**

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Source of Supply</u></b>						
Operation Supervision	\$2,609		\$2,526		\$2,625	
Operation Labor and Expenses	1,711		1,236		892	
Miscellaneous Expense	305		---		---	
Maintenance of Wells	18,400		---		34,596	
Maintenance of Supply Mains	330		---		---	
Depreciation	8,943		8,261		6,546	
	<u>32,298</u>	7.0	<u>12,023</u>	2.5	<u>44,659</u>	10.4
<b><u>Pumping</u></b>						
Operation Supervision	3,021		2,811		3,009	
Fuel or Power Purchased	68,400		83,892		70,349	
Pumping Labor and Expenses	3,388		4,792		4,892	
Miscellaneous Expense	167		295		323	
Maintenance of Structures	142		---		---	
Maintenance of Pumping Equipment	35,172		7,954		112,962	
Depreciation	6,213		6,024		5,670	
	<u>116,503</u>	25.3	<u>105,768</u>	22.4	<u>197,205</u>	46.0
<b><u>Water Treatment</u></b>						
Operation Supervision	3,111		2,767		3,044	
Chemicals	18,679		17,940		16,674	
Operation Labor and Expenses	17,628		11,638		11,882	
Miscellaneous Expense	748		457		594	
Maintenance of Structures	1,686		794		2,018	
Maintenance of Purification Equip.	1,471		240		2,124	
Depreciation	3,248		3,229		3,229	
	<u>46,571</u>	10.1	<u>37,065</u>	7.9	<u>39,565</u>	9.2
<b><u>Distribution</u></b>						
Operation Supervision	3,149		2,970		3,040	
Storage Facilities Expense	4,881		4,989		4,469	
Trans. & Distr. Lines Expense	23,294		8,483		15,744	
Meter Expense	10,115		9,080		12,143	
Consumer Installation Expense	4,498		4,380		4,808	
Miscellaneous Expense	12,677		9,113		10,562	
Vehicle Expense	5,052		4,117		4,488	
Maintenance:						
Supervision	4,702		4,065		4,859	
Structures	93		30		83	
Reservoirs and Standpipes	30		15		14	
Mains	21,084		5,735		4,254	
Valves	3,492		838		2,031	
Meters	1,370		1,974		2,905	
Hydrants	684		1,119		462	
Miscellaneous Plant	2,951		3,149		2,066	
Vacation, Holiday, Sick Leave	15,308		15,021		14,899	
Depreciation	34,441		34,331		32,462	
	<u>\$147,821</u>	32.1	<u>\$109,409</u>	23.2	<u>\$119,289</u>	27.8

**Muscatine Power and Water - Water Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - April 2015**

<u>Source of Supply</u>	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
Operation Supervision	\$10,604		\$10,459		\$10,305	
Operation Labor and Expenses	6,920		4,308		3,574	
Miscellaneous Expense	1,004		293		206	
Maintenance of Wells	36,800		---		69,192	
Maintenance of Supply Mains	1,921		2,164		5,564	
Depreciation	<u>35,772</u>		<u>33,044</u>		<u>26,184</u>	
<b>Total Source of Supply Expense</b>	<u>93,021</u>	5.4	<u>50,268</u>	2.9	<u>115,025</u>	7.0
 <b><u>Pumping</u></b>						
Operation Supervision	12,356		11,861		11,786	
Fuel or Power Purchased	273,500		315,481		269,826	
Pumping Labor and Expenses	14,357		19,305		17,993	
Miscellaneous Expense	667		1,179		1,115	
Maintenance of Structures	567		98		120	
Maintenance of Pumping Equipment	63,445		87,127		174,231	
Depreciation	<u>24,852</u>		<u>24,096</u>		<u>22,680</u>	
<b>Total Pumping Expense</b>	<u>389,744</u>	22.4	<u>459,147</u>	26.5	<u>497,751</u>	30.5
 <b><u>Water Treatment</u></b>						
Operation Supervision	12,406		11,859		11,908	
Chemicals	74,728		69,130		63,832	
Operation Labor and Expenses	63,133		60,269		55,885	
Miscellaneous Expense	10,067		8,981		6,724	
Maintenance of Structures	6,042		3,583		4,086	
Maintenance of Purification Equip.	6,888		12,113		8,813	
Depreciation	<u>12,991</u>		<u>12,917</u>		<u>12,916</u>	
<b>Total Water Treatment Expense</b>	<u>186,255</u>	10.7	<u>178,852</u>	10.3	<u>164,164</u>	10.0
 <b><u>Distribution</u></b>						
Operation Supervision	12,449		12,094		11,890	
Storage Facilities Expense	15,409		21,163		18,057	
Trans. & Distr. Lines Expense	37,250		17,851		21,577	
Meter Expense	38,893		44,354		43,747	
Consumer Installation Expense	17,804		13,745		16,476	
Miscellaneous Expense	51,626		39,895		59,916	
Vehicle Expense	19,939		16,998		20,558	
Maintenance:						
Supervision	18,639		17,897		18,943	
Structures	552		758		1,769	
Reservoirs and Standpipes	150		451		1,684	
Mains	59,459		24,887		36,147	
Valves	22,337		3,596		6,099	
Meters	5,635		11,753		7,382	
Hydrants	6,947		4,133		4,718	
Miscellaneous Plant	11,802		12,920		9,442	
Vacation, Holiday, Sick Leave	51,321		49,694		57,829	
Depreciation	<u>137,763</u>		<u>137,326</u>		<u>129,848</u>	
<b>Total Distribution Expense</b>	<u>\$507,975</u>	29.2	<u>\$429,515</u>	24.8	<u>\$466,082</u>	28.5

**Muscatine Power and Water - Water Utility**  
**Summary of Expenses**  
**Current Month - April 2015**

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense	<u>\$1,975</u>	0.4	<u>\$1,453</u>	0.3	<u>\$821</u>	0.2
<b><u>Consumer Accounts</u></b>						
Supervision	1,332		1,503		766	
Meter Reading Expense	4,171		4,054		3,981	
Consumer Records and Collection	15,117		15,197		14,419	
Uncollectible Accounts Expense	678		678		735	
Vacation, Holiday, Sick Leave	<u>2,218</u>		<u>2,282</u>		<u>2,305</u>	
Total Consumer Accounts Expense	<u>23,516</u>	5.1	<u>23,714</u>	5.0	<u>22,206</u>	5.2
<b><u>Administrative and General</u></b>						
Administrative and General Salaries	20,847		20,278		20,203	
Office Supplies and Expenses	1,786		2,487		1,016	
Outside Services Employed	2,076		1,437		1,559	
Property Insurance	1,923		1,727		1,757	
Casualty Ins, Injuries & Damages	4,007		3,371		4,196	
Employee Pensions and Benefits	56,067		51,209		51,040	
Fringe Benefits Charged to Constr.	(1,706)		(7,293)		(4,387)	
Miscellaneous General Expense	14,794		8,891		8,168	
Rents	5,919		5,919		5,746	
Maintenance of General Plant	3,839		2,011		2,097	
Vacation, Holiday, Sick Leave	3,760		4,095		3,847	
Depreciation	<u>6,998</u>		<u>6,836</u>		<u>12,252</u>	
Total Administrative and General	<u>120,310</u>	26.1	<u>100,968</u>	21.4	<u>107,494</u>	25.1
Total Operating Expense	<u>\$488,994</u>		<u>\$390,400</u>		<u>\$531,239</u>	
Percent to Operating Revenue		106.1		82.7		123.9

**Muscatine Power and Water - Water Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - April 2015**

	<u>Budget Est.</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense	\$7,200	0.4	\$6,166	0.4	\$3,536	0.2
<b><u>Consumer Accounts</u></b>						
Supervision	5,279		5,834		4,981	
Meter Reading Expense	15,675		16,421		17,910	
Customer Records and Collection	60,157		54,799		53,285	
Uncollectible Accounts Expense	2,712		2,712		2,940	
Vacation, Holiday, Sick Leave	7,440		7,778		8,171	
Total Consumer Accounts Expense	<u>91,263</u>	5.3	<u>87,544</u>	5.1	<u>87,287</u>	5.3
<b><u>Administrative and General</u></b>						
Administrative and General Salaries	83,392		80,564		76,752	
Office Supplies and Expenses	7,177		8,525		5,725	
Outside Services Employed	10,473		8,044		13,692	
Property Insurance	7,540		6,998		6,436	
Casualty Ins, Injuries & Damages	15,747		19,076		18,097	
Employee Pensions and Benefits	215,194		200,224		194,920	
Fringe Benefits Charged to Constr.	(6,524)		(19,852)		(9,999)	
Miscellaneous General Expense	46,876		36,116		33,949	
Rents	23,675		23,675		22,985	
Maintenance of General Plant	18,177		12,209		11,458	
Vacation, Holiday, Sick Leave	12,628		13,566		12,721	
Depreciation	27,992		27,346		49,008	
Total Administrative and General	<u>462,347</u>	26.6	<u>416,491</u>	24.0	<u>435,744</u>	26.7
Total Operating Expense	<u>\$1,737,805</u>		<u>\$1,627,983</u>		<u>\$1,769,589</u>	
Percent to Operating Revenue		100.0		94.0		108.3

**Muscatine Power and Water - Water Utility  
Statistical Data  
Current Month - April 2015**

	<u>2015</u>		<u>2014</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.538	0.570	0.531	0.563
Cost Per 1,000 Gallons	<u>0.451</u>	<u>0.478</u>	<u>0.661</u>	<u>0.700</u>
Margin	<u>0.087</u>	<u>0.093</u>	<u>(0.129)</u>	<u>(0.137)</u>
	<u>2015</u>		<u>2014</u>	
Maximum Daily Water Pumped (1,000 gallons)	31,267		30,034	
Date of Maximum	04/18		04/24	

**Calendar Year-to-Date**

	<u>2015</u>		<u>2014</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.539	0.572	0.522	0.553
Cost Per 1,000 Gallons	<u>0.511</u>	<u>0.541</u>	<u>0.569</u>	<u>0.604</u>
Margin	<u>0.028</u>	<u>0.030</u>	<u>(0.048)</u>	<u>(0.050)</u>
	<u>2015</u>		<u>2014</u>	
Maximum Daily Water Pumped (1,000 gallons)	31,267		30,034	
Date of Maximum	04/18		04/24	

**Services**

Contract Customers	2	2
Power Plants	2	2
Residential	8,181	8,584
Commercial	<u>1,065</u>	<u>1,072</u>
Total	<u>9,250</u>	<u>9,660</u>