

Combined Utility System Fund
For the period ending April 30, 2011
(amounts expressed in thousands)

	FY2010 Actual	FY2011				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Operating Revenues						
Water Sales	\$ 356,087	\$ 451,958	\$ 451,958	\$ 356,777	\$ 422,925	\$ 422,925
Sewer Sales	320,722	406,529	406,529	324,650	395,719	395,719
Penalties	8,391	8,000	8,000	8,195	9,960	9,960
Other	6,883	6,661	6,661	3,231	3,583	3,583
Total Operating Revenues	<u>692,083</u>	<u>873,148</u>	<u>873,148</u>	<u>692,853</u>	<u>832,187</u>	<u>832,187</u>
Operating Expenses						
Personnel	147,600	155,513	155,513	118,618	144,688	144,688
Supplies	35,694	47,841	47,456	31,893	47,099	47,099
Electricity and Gas	63,786	63,219	62,810	48,208	61,819	61,819
Contracts & Other Payments	107,012	126,443	118,145	68,043	121,186	121,186
Non-Capital Equipment	1,871	3,189	3,245	1,407	3,363	3,363
Total Operating Expenses	<u>355,963</u>	<u>396,205</u>	<u>387,169</u>	<u>268,169</u>	<u>378,155</u>	<u>378,155</u>
Operating Income (Loss)	<u>336,120</u>	<u>476,943</u>	<u>485,979</u>	<u>424,684</u>	<u>454,032</u>	<u>454,032</u>
Nonoperating Revenues (Expenses)						
Interest Income	12,574	12,500	12,500	8,666	11,000	11,000
Sale of Property, Mains and Scrap	4,939	363	363	750	744	744
Other	9,530	8,553	8,553	8,877	10,954	10,954
Impact Fees	9,825	9,298	9,298	9,248	9,248	9,248
CWA & TRA Contracts (P & I)	(23,117)	(21,368)	(21,368)	(20,014)	(21,368)	(21,368)
Total Nonoperating Rev (Exp)	<u>13,751</u>	<u>9,346</u>	<u>9,346</u>	<u>7,527</u>	<u>10,578</u>	<u>10,578</u>
Income (Loss) Before Operating Transfers	<u>349,871</u>	<u>486,289</u>	<u>495,325</u>	<u>432,211</u>	<u>464,610</u>	<u>464,610</u>
Operating Transfers						
Debt Service Transfer	342,317	427,523	423,969	192,667	372,344	372,344
Transfer to PIB - Water & Sewer	26,828	21,744	21,744	21,744	21,744	21,744
Pension Liability Interest	3,812	3,814	3,814	2,388	3,814	3,814
Equipment Acquisition	8,171	19,514	20,550	8,295	12,906	12,906
Transfer to Stormwater	28,845	36,637	48,191	26,600	55,482	55,482
Total Operating Transfers	<u>409,973</u>	<u>509,232</u>	<u>518,268</u>	<u>251,694</u>	<u>466,290</u>	<u>466,290</u>
Net Current Activity						
Operating Fund Only	\$ <u>(60,102)</u>	\$ <u>(22,943)</u>	\$ <u>(22,943)</u>	\$ <u>180,517</u>	\$ <u>(1,680)</u>	\$ <u>(1,680)</u>

About the Fund:

The Combined Utility System Fund, which includes Fund 8300, Fund 8301, and Fund 8305, is an enterprise fund which accounts for operation of the City's water and wastewater facilities. The fund provides for the operation of the City's treated and untreated water, as well as, receive and process wastewater generated in a service area that includes the City, certain municipalities and unincorporated communities in the Houston metropolitan area. Some of the City's largest customers are other cities and water authorities which supply water to their own customers.