

Water and Sewer Operating Fund  
For the period ended January 31, 2004  
(amounts expressed in thousands)

	FY2003 CAFR	FY2004				
		Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
<b>Operating Revenues</b>						
Water Sales	\$ 267,125	\$ 275,057	\$ 275,057	\$ 161,149	\$ 268,057	\$ 268,057
Sewer Sales	264,159	272,618	272,618	155,218	265,618	265,618
Penalties	4,036	3,741	3,741	2,634	3,741	3,741
Other	3,997	2,758	2,758	2,655	2,758	2,758
Total Operating Revenues	<u>539,317</u>	<u>554,174</u>	<u>554,174</u>	<u>321,656</u>	<u>540,174</u>	<u>540,174</u>
<b>Operating Expenses</b>						
Personnel	112,510	116,360	116,360	67,814	115,723	115,723
Supplies	21,824	24,508	24,508	13,561	24,508	24,508
Service Contracts & Utilities	113,563	124,091	124,091	54,101	124,091	124,091
Uncollectibles	0	1,000	1,000	0	1,000	1,000
Total Operating Expenses	<u>247,897</u>	<u>265,959</u>	<u>265,959</u>	<u>135,476</u>	<u>265,322</u>	<u>265,322</u>
Operating Income (Loss)	<u>291,420</u>	<u>288,215</u>	<u>288,215</u>	<u>186,180</u>	<u>274,852</u>	<u>274,852</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	20,736	14,653	14,653	8,647	14,653	14,653
Sale of Property, Mains and Scrap	1,048	1,464	1,464	356	1,464	1,464
Other	8,790	20,118	20,118	64,454	67,992	67,992
CWA & TRA Contracts (P & I)	<u>(30,934)</u>	<u>(32,701)</u>	<u>(32,701)</u>	<u>(25,453)</u>	<u>(32,701)</u>	<u>(32,701)</u>
Total Nonoperating Rev (Exp)	<u>(360)</u>	<u>3,534</u>	<u>3,534</u>	<u>48,004</u>	<u>51,408</u>	<u>51,408</u>
Income (Loss) Before Operating Transfers	<u>291,060</u>	<u>291,749</u>	<u>291,749</u>	<u>234,184</u>	<u>326,260</u>	<u>326,260</u>
<b>Operating Transfers</b>						
Debt Service Principal	50,335	67,488	67,488	31,808	67,488	67,488
Debt Service Interest	155,344	150,854	150,854	109,485	171,291	171,291
Discretionary Debt	23,811	30,021	30,021	8,042	30,021	30,021
Equipment Acquisition	14,976	16,688	16,688	8,145	16,688	16,688
Renewal and Replacement*	0	26,698	26,698	0	40,772	40,772
Accumulated Unexpended (ALP)	10,000	0	0	0	0	0
Transfer for Street and Drainage	25,462	0	0	0	0	0
Total Operating Transfers	<u>279,928</u>	<u>291,749</u>	<u>291,749</u>	<u>157,480</u>	<u>326,260</u>	<u>326,260</u>
Net Current Activity						
Operating Fund Only	\$ <u>11,132</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>76,704</u>	\$ <u>0</u>	\$ <u>0</u>

\*Please refer to Page 30 for the current status of the Renewal and Replacement Fund No. 751.

**About the Fund:**

Public Utilities - Water and Sewer 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.