

Combined Utility System Fund  
For the period ended April 30, 2009  
(amounts expressed in thousands)

	FY2008 Actual	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
Water Sales	\$ 328,607	\$ 355,401	\$ 355,401	\$ 286,967	\$ 350,683	\$ 350,683
Sewer Sales	305,748	328,731	328,731	259,542	318,477	318,477
Penalties	7,759	8,400	8,400	5,539	7,045	7,045
Other	6,523	6,956	6,956	4,831	5,812	5,812
Total Operating Revenues	<u>648,637</u>	<u>699,488</u>	<u>699,488</u>	<u>556,879</u>	<u>682,017</u>	<u>682,017</u>
<b>Operating Expenses</b>						
Personnel	154,299	146,182	142,217	115,816	138,124	138,124
Supplies	36,614	34,467	41,478	37,163	44,127	44,127
Electricity and Gas	65,446	71,679	71,683	60,625	72,384	72,384
Contracts & Other Payments	102,479	97,626	103,330	77,102	110,565	110,565
Non-Capital Equipment	1,384	2,648	2,601	740	2,169	2,169
Total Operating Expenses	<u>360,222</u>	<u>352,602</u>	<u>361,309</u>	<u>291,446</u>	<u>367,369</u>	<u>367,369</u>
Operating Income (Loss)	<u>288,415</u>	<u>346,886</u>	<u>338,179</u>	<u>265,433</u>	<u>314,648</u>	<u>314,648</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	24,674	22,000	22,000	13,566	17,000	17,000
Sale of Property, Mains and Scrap	7,614	12,009	12,009	449	563	563
Other	8,216	8,171	8,171	9,025	11,016	11,016
Impact Fees	27,134	25,000	25,000	16,303	16,303	16,303
HAWC	0	0	0	0	0	0
CWA & TRA Contracts (P & I)	(32,642)	(28,103)	(28,103)	(26,095)	(28,103)	(28,103)
Total Nonoperating Rev (Exp)	<u>34,996</u>	<u>39,077</u>	<u>39,077</u>	<u>13,248</u>	<u>16,779</u>	<u>16,779</u>
Income (Loss) Before Operating Transfers	<u>323,411</u>	<u>385,963</u>	<u>377,256</u>	<u>278,681</u>	<u>331,427</u>	<u>331,427</u>
<b>Operating Transfers</b>						
Debt Service Transfer	270,779	309,155	309,334	181,941	313,550	313,550
Transfer to PIB - Water & Sewer	25,804	28,419	28,419	28,419	28,419	28,419
Discretionary Debt-Stormwater	0	0	0	0	0	0
Pension Liability Interest	4,564	4,566	2,946	2,876	2,876	2,876
Equipment Acquisition	9,428	23,965	18,972	4,047	9,057	9,057
Transfer to Stormwater	36,540	39,437	39,437	33,026	38,548	38,548
Total Operating Transfers	<u>347,115</u>	<u>405,542</u>	<u>399,108</u>	<u>250,309</u>	<u>392,450</u>	<u>392,450</u>
Net Current Activity						
Operating Fund Only	\$ <u>(23,704)</u>	\$ <u>(19,579)</u>	\$ <u>(21,852)</u>	\$ <u>28,372</u>	\$ <u>(61,023)</u>	\$ <u>(61,023)</u>

**About the Fund:**

The Combined Utility System Fund 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.