

Combined Utility System Fund
For the period ended February 28, 2010
(amounts expressed in thousands)

	FY2009 Actual	FY2010				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 351,656	\$ 395,779	\$ 395,779	\$ 248,170	\$ 379,720	\$ 379,720
Sewer Sales	323,301	334,500	334,500	219,195	332,161	332,161
Penalties	6,651	7,600	7,600	6,048	8,581	8,581
Other	5,855	5,794	5,794	4,222	6,606	6,606
Total Operating Revenues	<u>687,463</u>	<u>743,673</u>	<u>743,673</u>	<u>477,635</u>	<u>727,068</u>	<u>727,068</u>
Operating Expenses						
Personnel	133,721	150,906	150,982	98,655	147,856	147,856
Supplies	39,084	46,475	44,156	27,008	44,188	44,188
Sale of Inventory (Intrafund)	0	0	0	0	0	0
Electricity and Gas	67,997	74,370	74,247	44,572	73,734	73,734
Contracts & Other Payments	104,199	117,965	120,625	59,043	120,019	120,019
Non-Capital Equipment	1,150	2,829	2,829	1,023	2,838	2,838
Total Operating Expenses	<u>346,151</u>	<u>392,545</u>	<u>392,838</u>	<u>230,301</u>	<u>388,635</u>	<u>388,635</u>
Operating Income (Loss)	<u>341,312</u>	<u>351,128</u>	<u>350,835</u>	<u>247,334</u>	<u>338,433</u>	<u>338,433</u>
Nonoperating Revenues (Expenses)						
Interest Income	15,738	9,950	9,950	8,997	12,640	12,640
Sale of Property, Mains and Scrap	392	6,189	6,189	4,542	4,572	4,572
Other	9,908	9,291	9,291	6,048	9,472	9,472
Impact Fees	16,303	12,000	12,000	5,239	9,825	9,825
HAWC	0	0	0	0	0	0
CWA & TRA Contracts (P & I)	<u>(28,103)</u>	<u>(23,817)</u>	<u>(23,817)</u>	<u>(20,966)</u>	<u>(23,817)</u>	<u>(23,817)</u>
Total Nonoperating Rev (Exp)	<u>14,238</u>	<u>13,613</u>	<u>13,613</u>	<u>3,860</u>	<u>12,692</u>	<u>12,692</u>
Income (Loss) Before Operating Transfers	<u>355,550</u>	<u>364,741</u>	<u>364,448</u>	<u>251,194</u>	<u>351,125</u>	<u>351,125</u>
Operating Transfers						
Debt Service Transfer	305,016	378,103	378,103	167,603	378,103	378,103
Transfer to PIB - Water & Sewer	28,419	26,878	26,878	23,468	26,878	26,878
Discretionary Debt-Stormwater	0	0	0	0	0	0
Pension Liability Interest	4,303	3,814	3,814	479	3,814	3,814
Equipment Acquisition	14,073	17,209	17,216	3,359	13,113	13,113
Transfer to Stormwater	39,129	40,591	40,291	23,474	32,990	32,990
Total Operating Transfers	<u>390,940</u>	<u>466,595</u>	<u>466,302</u>	<u>218,383</u>	<u>454,898</u>	<u>454,898</u>
Net Current Activity						
Operating Fund Only	<u>\$ (35,390)</u>	<u>\$ (101,854)</u>	<u>\$ (101,854)</u>	<u>\$ 32,811</u>	<u>\$ (103,773)</u>	<u>\$ (103,773)</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.