

Combined Utility System Fund
For the period ended November 30, 2009
(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	\$ 166,808	\$ 390,455	\$ 390,455
Sewer Sales	323,301	334,500	334,500	143,130	333,852	333,852
Penalties	6,651	7,600	7,600	3,973	8,407	8,407
Other	5,855	5,794	5,794	2,534	5,794	5,794
Total Operating Revenues	<u>687,463</u>	<u>743,673</u>	<u>743,673</u>	<u>316,445</u>	<u>738,508</u>	<u>738,508</u>
Operating Expenses						
Personnel	133,721	150,906	150,982	62,395	146,158	146,158
Supplies	39,084	46,475	46,478	17,454	43,456	43,456
Electricity and Gas	67,997	74,370	74,370	27,035	74,292	74,292
Contracts & Other Payments	111,649	119,319	120,805	37,327	123,560	123,560
Non-Capital Equipment	1,150	5,391	5,303	426	5,369	5,369
Total Operating Expenses	<u>353,601</u>	<u>396,461</u>	<u>397,938</u>	<u>144,637</u>	<u>392,835</u>	<u>392,835</u>
Operating Income (Loss)	<u>333,862</u>	<u>347,212</u>	<u>345,735</u>	<u>171,808</u>	<u>345,673</u>	<u>345,673</u>
Nonoperating Revenues (Expenses)						
Interest Income	15,738	9,950	9,950	6,244	9,950	9,950
Sale of Property, Mains and Scrap	392	6,189	6,189	135	6,189	6,189
Other	9,908	9,291	9,291	3,537	9,291	9,291
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)	(28,103)	(23,817)	(23,817)	(16,285)	(23,817)	(23,817)
Total Nonoperating Rev (Exp)	<u>14,238</u>	<u>13,613</u>	<u>13,613</u>	<u>(1,130)</u>	<u>11,438</u>	<u>11,438</u>
Income (Loss) Before Operating Transfers	<u>348,100</u>	<u>360,825</u>	<u>359,348</u>	<u>170,678</u>	<u>357,111</u>	<u>357,111</u>
Operating Transfers						
Debt Service Transfer	305,016	378,103	378,103	151,706	378,103	378,103
Transfer to PIB - Water & Sewer	28,419	26,878	26,878	3,666	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	6,623	13,293	12,045	1,014	12,062	12,062
Transfer to Stormwater	39,129	40,591	40,362	16,622	40,591	40,591
Total Operating Transfers	<u>383,490</u>	<u>462,679</u>	<u>461,202</u>	<u>173,487</u>	<u>461,448</u>	<u>461,448</u>
Net Current Activity						
Operating Fund Only	\$ <u>(35,390)</u>	\$ <u>(101,854)</u>	\$ <u>(101,854)</u>	\$ <u>(2,809)</u>	\$ <u>(104,337)</u>	\$ <u>(104,337)</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.