

Combined Utility System Fund
For the period ended November 30, 2010
(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	\$ 191,943	\$ 443,094	\$ 443,094
Sewer Sales	320,722	406,529	406,529	171,617	399,126	399,126
Penalties	8,391	8,000	8,000	4,527	8,649	8,649
Other	6,883	6,661	6,661	1,626	5,916	5,916
Total Operating Revenues	<u>692,083</u>	<u>873,148</u>	<u>873,148</u>	<u>369,713</u>	<u>856,785</u>	<u>856,785</u>
Operating Expenses						
Personnel	147,600	155,513	155,513	59,440	152,502	152,502
Supplies	35,694	47,841	47,696	15,972	45,781	45,781
Electricity and Gas	63,786	63,219	63,219	23,645	63,219	63,219
Contracts & Other Payments	107,012	126,443	126,676	24,696	127,756	127,756
Non-Capital Equipment	1,871	3,189	3,229	494	3,229	3,229
Total Operating Expenses	<u>355,963</u>	<u>396,205</u>	<u>396,333</u>	<u>124,247</u>	<u>392,487</u>	<u>392,487</u>
Operating Income (Loss)	<u>336,120</u>	<u>476,943</u>	<u>476,815</u>	<u>245,466</u>	<u>464,298</u>	<u>464,298</u>
Nonoperating Revenues (Expenses)						
Interest Income	12,574	12,500	12,500	4,510	12,500	12,500
Sale of Property, Mains and Scrap	4,939	363	363	252	363	363
Other	9,530	8,553	8,553	3,249	8,553	8,553
Impact Fees	9,825	9,298	9,298	5,100	9,298	9,298
CWA & TRA Contracts (P & I)	(23,117)	(21,368)	(21,368)	(14,605)	(21,368)	(21,368)
Total Nonoperating Rev (Exp)	<u>13,751</u>	<u>9,346</u>	<u>9,346</u>	<u>(1,494)</u>	<u>9,346</u>	<u>9,346</u>
Income (Loss) Before Operating Transfers	<u>349,871</u>	<u>486,289</u>	<u>486,161</u>	<u>243,972</u>	<u>473,644</u>	<u>473,644</u>
Operating Transfers						
Debt Service Transfer	342,317	427,523	427,523	161,569	390,696	390,696
Transfer to PIB - Water & Sewer	26,828	21,744	21,744	2,709	21,744	21,744
Pension Liability Interest	3,812	3,814	3,814	481	3,814	3,814
Equipment Acquisition	8,171	19,514	20,386	2,629	19,350	19,350
Transfer to Stormwater	28,845	36,637	35,637	12,681	35,837	35,837
Total Operating Transfers	<u>409,973</u>	<u>509,232</u>	<u>509,104</u>	<u>180,069</u>	<u>471,441</u>	<u>471,441</u>
Net Current Activity						
Operating Fund Only	<u>\$ (60,102)</u>	<u>\$ (22,943)</u>	<u>\$ (22,943)</u>	<u>\$ 63,903</u>	<u>\$ 2,203</u>	<u>\$ 2,203</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.