

Combined Utility System Fund
For the period ending February 29, 2012
(amounts expressed in thousands)

	FY2011 Actual	FY2012				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 459,261	\$ 451,022	\$ 451,022	\$ 336,536	\$ 470,640	\$ 470,640
Sewer Sales	410,941	412,465	412,465	285,127	418,751	418,751
Penalties	9,871	8,000	8,000	7,081	8,390	8,390
Other	3,949	3,830	3,830	3,393	5,915	5,915
Total Operating Revenues	<u>884,022</u>	<u>875,317</u>	<u>875,317</u>	<u>632,137</u>	<u>903,696</u>	<u>903,696</u>
Operating Expenses						
Personnel	141,322	152,873	148,499	98,557	148,235	148,235
Supplies	39,905	50,837	48,837	30,101	50,057	50,057
Electricity and Gas	58,391	60,521	60,521	41,955	62,875	62,875
Contracts & Other Payments	96,805	133,178	139,612	76,588	143,531	143,531
Non-Capital Equipment	1,627	3,389	3,329	1,305	3,378	3,378
Total Operating Expenses	<u>338,050</u>	<u>400,798</u>	<u>400,798</u>	<u>248,506</u>	<u>408,076</u>	<u>408,076</u>
Operating Income (Loss)	<u>545,972</u>	<u>474,519</u>	<u>474,519</u>	<u>383,631</u>	<u>495,620</u>	<u>495,620</u>
Non-Operating Revenues (Expenses)						
Interest Income	10,175	11,600	11,600	5,813	7,813	7,813
Sale of Property, Mains and Scrap	850	308	308	452	458	458
Other	15,266	7,920	7,920	6,064	8,507	8,507
Impact Fees	9,248	9,100	9,100	16,651	16,651	16,651
CWA & TRA Contracts (P & I)	(21,285)	(19,131)	(19,131)	(18,202)	(20,414)	(20,414)
Total Non-Operating Rev (Exp)	<u>14,254</u>	<u>9,797</u>	<u>9,797</u>	<u>10,778</u>	<u>13,015</u>	<u>13,015</u>
Income (Loss) Before Operating Transfers	<u>560,226</u>	<u>484,316</u>	<u>484,316</u>	<u>394,409</u>	<u>508,635</u>	<u>508,635</u>
Operating Transfers						
Debt Service Transfer	359,115	416,682	416,682	212,425	396,349	396,349
Transfer to PIB - Water & Sewer	21,744	21,163	21,163	2,303	21,163	21,163
Transfer to Capital Project Fund	0	10,000	10,000	50,000	50,000	50,000
Pension Liability Interest	3,659	3,814	3,814	636	3,814	3,814
Equipment Acquisition	12,273	20,583	20,616	8,192	17,064	17,064
Transfer to Stormwater	54,848	50,116	50,083	24,815	47,296	47,296
Total Operating Transfers	<u>451,639</u>	<u>522,358</u>	<u>522,358</u>	<u>298,371</u>	<u>535,686</u>	<u>535,686</u>
Net Current Activity						
Operating Fund Only	<u>\$ 108,587</u>	<u>\$ (38,042)</u>	<u>\$ (38,042)</u>	<u>\$ 96,038</u>	<u>\$ (27,051)</u>	<u>\$ (27,051)</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.