

Combined Utility System Fund
For the period ending March 31, 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	\$ 367,783	\$ 470,640	\$ 470,640
Sewer Sales	410,941	412,465	412,465	314,775	418,751	418,751
Penalties	9,871	8,000	8,000	7,681	8,390	8,390
Other	3,949	3,830	3,830	4,102	5,915	5,915
Total Operating Revenues	<u>884,022</u>	<u>875,317</u>	<u>875,317</u>	<u>694,341</u>	<u>903,696</u>	<u>903,696</u>
Operating Expenses						
Personnel	141,322	152,873	143,499	111,278	149,914	149,914
Supplies	39,905	50,837	48,837	33,419	50,350	50,350
Electricity and Gas	58,391	60,521	60,521	47,885	62,626	62,626
Contracts & Other Payments	96,805	133,178	144,552	86,414	141,620	141,620
Non-Capital Equipment	1,627	3,389	3,389	1,486	3,051	3,051
Total Operating Expenses	<u>338,050</u>	<u>400,798</u>	<u>400,798</u>	<u>280,482</u>	<u>407,561</u>	<u>407,561</u>
Operating Income (Loss)	<u>545,972</u>	<u>474,519</u>	<u>474,519</u>	<u>413,859</u>	<u>496,135</u>	<u>496,135</u>
Non-Operating Revenues (Expenses)						
Interest Income	10,175	11,600	11,600	6,452	7,813	7,813
Sale of Property, Mains and Scrap	850	308	308	494	458	458
Other	15,266	7,920	7,920	6,320	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)	(18,755)	(20,414)	(20,414)
Total Non-Operating Rev (Exp)	<u>14,254</u>	<u>9,797</u>	<u>9,797</u>	<u>11,162</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>425,021</u>	<u>509,150</u>	<u>509,150</u>
Operating Transfers						
Debt Service Transfer	359,115	416,682	416,682	215,773	391,411	391,411
Transfer to PIB - Water & Sewer	21,744	21,163	21,163	21,163	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	2,542	3,814	3,814
Equipment Acquisition	12,273	20,583	20,616	8,795	16,948	16,948
Transfer to Stormwater	54,848	50,116	50,083	36,083	46,454	46,454
Total Operating Transfers	<u>451,639</u>	<u>522,358</u>	<u>522,358</u>	<u>334,356</u>	<u>529,790</u>	<u>529,790</u>
Net Current Activity						
Operating Fund Only	<u>\$ 108,587</u>	<u>\$ (38,042)</u>	<u>\$ (38,042)</u>	<u>\$ 90,665</u>	<u>\$ (20,640)</u>	<u>\$ (20,640)</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.