

Combined Utility System Fund
For the period ending May 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	\$ 441,666	\$ 470,640	\$ 470,640
Sewer Sales	410,941	412,465	412,465	383,353	418,751	418,751
Penalties	9,871	8,000	8,000	9,112	8,390	8,390
Other	3,949	3,830	3,830	5,629	5,915	5,915
Total Operating Revenues	<u>884,022</u>	<u>875,317</u>	<u>875,317</u>	<u>839,760</u>	<u>903,696</u>	<u>903,696</u>
Operating Expenses						
Personnel	141,322	152,873	142,649	135,634	148,618	148,618
Supplies	39,905	50,837	51,808	40,765	49,115	49,115
Electricity and Gas	58,391	60,521	60,046	58,324	63,652	63,652
Contracts & Other Payments	96,805	133,178	161,921	104,521	136,791	136,791
Non-Capital Equipment	1,627	3,389	4,234	2,170	3,449	3,449
Total Operating Expenses	<u>338,050</u>	<u>400,798</u>	<u>420,658</u>	<u>341,414</u>	<u>401,625</u>	<u>401,625</u>
Operating Income (Loss)	<u>545,972</u>	<u>474,519</u>	<u>454,659</u>	<u>498,346</u>	<u>502,071</u>	<u>502,071</u>
Non-Operating Revenues (Expenses)						
Interest Income	10,175	11,600	11,600	7,765	7,813	7,813
Sale of Property, Mains and Scrap	850	308	308	726	458	458
Other	15,266	7,920	7,920	8,428	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)	(19,861)	(20,414)	(20,414)
Total Non-Operating Rev (Exp)	<u>14,254</u>	<u>9,797</u>	<u>9,797</u>	<u>13,709</u>	<u>13,015</u>	<u>13,015</u>
Income (Loss) Before Operating Transfers	<u>560,226</u>	<u>484,316</u>	<u>464,456</u>	<u>512,055</u>	<u>515,086</u>	<u>515,086</u>
Operating Transfers						
Debt Service Transfer	359,115	416,682	396,682	369,183	383,307	383,307
Transfer to PIB - Water & Sewer	21,744	21,163	21,163	21,163	21,163	21,163
Transfer to Capital Project Fund	0	110,000	150,000	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	20,756	10,793	15,753	15,753
Transfer to Stormwater	54,848	50,116	50,083	40,625	44,263	44,263
Total Operating Transfers	<u>451,639</u>	<u>622,358</u>	<u>642,498</u>	<u>494,306</u>	<u>518,300</u>	<u>518,300</u>
Net Current Activity						
Operating Fund Only	<u>\$ 108,587</u>	<u>\$ (138,042)</u>	<u>\$ (178,042)</u>	<u>\$ 17,749</u>	<u>\$ (3,214)</u>	<u>\$ (3,214)</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.