

Combined Utility System Fund
For the period ending September 30, 2012
(amounts expressed in thousands)

	Unaudited Preliminary FY2012	FY2013				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 485,338	\$ 494,013	\$ 494,013	\$ 134,350	\$ 494,013	\$ 494,013
Sewer Sales	421,370	427,119	427,119	114,270	427,119	427,119
Penalties	10,004	9,000	9,000	2,521	9,000	9,000
Other	6,414	8,419	8,419	2,234	8,419	8,419
Total Operating Revenues	<u>923,126</u>	<u>938,551</u>	<u>938,551</u>	<u>253,375</u>	<u>938,551</u>	<u>938,551</u>
Operating Expenses						
Personnel	148,601	162,045	162,045	38,054	158,759	158,759
Supplies	48,003	46,397	46,397	9,435	46,397	46,397
Electricity and Gas	63,863	58,555	58,555	14,752	58,555	58,555
Contracts & Other Payments	132,112	133,721	133,621	14,649	134,648	134,648
Non-Capital Equipment	3,027	2,912	3,012	566	2,912	2,912
Total Operating Expenses	<u>395,606</u>	<u>403,630</u>	<u>403,630</u>	<u>77,456</u>	<u>401,271</u>	<u>401,271</u>
Operating Income (Loss)	<u>527,520</u>	<u>534,921</u>	<u>534,921</u>	<u>175,919</u>	<u>537,280</u>	<u>537,280</u>
Non-Operating Revenues (Expenses)						
Interest Income	8,310	7,598	7,598	1,793	7,598	7,598
Sale of Property, Mains and Scrap	876	400	400	154	400	400
Other	5,851	8,153	8,153	3,694	8,153	8,153
Impact Fees	16,651	13,000	13,000	0	13,000	13,000
CWA & TRA Contracts (P & I)	(20,389)	(19,663)	(19,663)	(8,369)	(19,663)	(19,663)
Total Non-Operating Rev (Exp)	<u>11,299</u>	<u>9,488</u>	<u>9,488</u>	<u>(2,728)</u>	<u>9,488</u>	<u>9,488</u>
Income (Loss) Before Operating Transfers	<u>538,819</u>	<u>544,409</u>	<u>544,409</u>	<u>173,191</u>	<u>546,768</u>	<u>546,768</u>
Operating Transfers						
Debt Service Transfer	381,710	428,560	428,560	33,489	426,534	426,534
Transfer to PIB - Water & Sewer	21,163	15,807	15,807	1,896	15,807	15,807
Transfer to Capital Project Fund	50,000	50,000	50,000	50,000	50,000	50,000
Pension Liability Interest	3,814	3,814	3,814	636	3,814	3,814
Equipment Acquisition	19,928	21,468	21,611	1,677	21,468	21,468
Transfer to Stormwater	44,369	43,799	43,656	12,927	43,575	43,575
Total Operating Transfers	<u>520,984</u>	<u>563,448</u>	<u>563,448</u>	<u>100,625</u>	<u>561,198</u>	<u>561,198</u>
Net Current Activity						
Operating Fund Only	<u>\$ 17,835</u>	<u>\$ (19,039)</u>	<u>\$ (19,039)</u>	<u>\$ 72,566</u>	<u>\$ (14,430)</u>	<u>\$ (14,430)</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.