

Combined Utility System Fund
For the period ending June 30, 2014
(amounts expressed in thousands)

	FY2013 Actual	FY2014				Controller's Projection	Finance Projection
		Adopted Budget	Current Budget	YTD			
Operating Revenues							
Water Sales	\$ 485,485	\$ 520,454	\$ 520,454	\$ 512,225	\$ 520,454	\$ 520,454	
Sewer Sales	426,888	444,996	444,996	441,775	444,996	444,996	
Penalties	9,456	9,000	9,000	22,109	9,000	9,000	
Other	9,474	10,762	10,762	10,458	10,762	10,762	
Total Operating Revenues	<u>931,303</u>	<u>985,212</u>	<u>985,212</u>	<u>986,567</u>	<u>985,212</u>	<u>985,212</u>	
Operating Expenses							
Personnel	152,069	170,089	166,589	158,629	158,682	158,682	
Supplies	41,047	49,119	47,319	42,102	41,829	41,829	
Electricity and Gas	58,498	48,469	48,469	46,814	47,213	47,213	
Contracts & Other Payments	125,233	141,638	157,789	125,689	139,011	139,011	
Non-Capital Equipment	2,520	3,140	3,089	2,316	2,679	2,679	
Total Operating Expenses	<u>379,367</u>	<u>412,455</u>	<u>423,255</u>	<u>375,550</u>	<u>389,414</u>	<u>389,414</u>	
Operating Income (Loss)	<u>551,936</u>	<u>572,757</u>	<u>561,957</u>	<u>611,017</u>	<u>595,798</u>	<u>595,798</u>	
Non-Operating Revenues (Expenses)							
Interest Income	6,059	5,729	5,729	4,957	5,729	5,729	
Sale of Property, Mains and Scrap	1,292	400	400	2,588	400	400	
Other	16,223	13,717	13,717	13,843	13,717	13,717	
Impact Fees	17,382	17,500	17,500	27,238	27,238	27,238	
CWA & TRA Contracts (P & I)	(19,663)	(18,875)	(18,875)	(18,875)	(18,875)	(18,875)	
Total Non-Operating Rev (Exp)	<u>21,293</u>	<u>18,471</u>	<u>18,471</u>	<u>29,751</u>	<u>28,209</u>	<u>28,209</u>	
Income (Loss) Before Operating Transfers	<u>573,229</u>	<u>591,228</u>	<u>580,428</u>	<u>640,768</u>	<u>624,007</u>	<u>624,007</u>	
Operating Transfers							
Debt Service Transfer	399,144	439,574	429,574	395,626	395,775	395,775	
Interfund Transfer	0	800	800	631	800	800	
Transfer to PIB - Water & Sewer	15,807	13,094	13,094	13,094	13,094	13,094	
Transfer to Capital Project Fund	55,212	65,000	110,000	110,000	110,000	110,000	
Pension Liability Interest	3,814	4,724	4,724	3,452	4,724	4,724	
Equipment Acquisition	11,715	26,792	23,601	15,273	15,525	15,525	
Transfer to Stormwater	38,774	45,557	28,949	25,781	28,029	28,029	
Total Operating Transfers	<u>524,466</u>	<u>595,541</u>	<u>610,741</u>	<u>563,857</u>	<u>567,947</u>	<u>567,947</u>	
Net Current Activity							
Operating Fund Only	<u>\$ 48,763</u>	<u>\$ (4,313)</u>	<u>\$ (30,313)</u>	<u>\$ 76,911</u>	<u>\$ 56,060</u>	<u>\$ 56,060</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, receives 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.