

Combined Utility System Fund
For the period ending September 30, 2013
(amounts expressed in thousands)

	Unaudited Preliminary FY2013	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 486,018	\$ 520,454	\$ 520,454	\$ 150,529	\$ 520,454	\$ 520,454
Sewer Sales	426,888	444,996	444,996	124,627	444,996	444,996
Penalties	9,456	9,000	9,000	4,410	9,000	9,000
Other	9,474	10,762	10,762	2,554	10,762	10,762
Total Operating Revenues	<u>931,836</u>	<u>985,212</u>	<u>985,212</u>	<u>282,120</u>	<u>985,212</u>	<u>985,212</u>
Operating Expenses						
Personnel	152,069	170,089	170,089	40,634	166,510	166,510
Supplies	41,047	49,119	49,119	11,339	49,119	49,119
Electricity and Gas	58,498	48,469	48,469	12,953	48,469	48,469
Contracts & Other Payments	125,469	141,638	141,638	21,139	141,638	141,638
Non-Capital Equipment	2,520	3,140	3,140	354	3,140	3,140
Total Operating Expenses	<u>379,603</u>	<u>412,455</u>	<u>412,455</u>	<u>86,419</u>	<u>408,876</u>	<u>408,876</u>
Operating Income (Loss)	<u>552,233</u>	<u>572,757</u>	<u>572,757</u>	<u>195,701</u>	<u>576,336</u>	<u>576,336</u>
Non-Operating Revenues (Expenses)						
Interest Income	6,059	5,729	5,729	1,227	5,729	5,729
Sale of Property, Mains and Scrap	1,292	400	400	1,436	400	400
Other	16,458	13,717	13,717	3,627	13,717	13,717
Impact Fees	17,382	17,500	17,500	11,166	17,500	17,500
CWA & TRA Contracts (P & I)	(19,663)	(18,875)	(18,875)	(8,172)	(18,875)	(18,875)
Total Non-Operating Rev (Exp)	<u>21,528</u>	<u>18,471</u>	<u>18,471</u>	<u>9,284</u>	<u>18,471</u>	<u>18,471</u>
Income (Loss) Before Operating Transfers	<u>573,761</u>	<u>591,228</u>	<u>591,228</u>	<u>204,985</u>	<u>594,807</u>	<u>594,807</u>
Operating Transfers						
Debt Service Transfer	399,144	439,574	439,574	6,399	439,574	439,574
Interfund Transfer	0	800	800	0	800	800
Transfer to PIB - Water & Sewer	15,807	13,094	13,094	1,590	13,094	13,094
Transfer to Capital Project Fund	55,212	65,000	65,000	65,000	65,000	65,000
Pension Liability Interest	3,814	4,724	4,724	636	4,724	4,724
Equipment Acquisition	11,715	26,792	26,950	4,142	24,941	24,941
Transfer to Stormwater	38,774	45,557	45,399	11,113	45,557	45,557
Total Operating Transfers	<u>524,466</u>	<u>595,541</u>	<u>595,541</u>	<u>88,880</u>	<u>593,690</u>	<u>593,690</u>
Net Current Activity						
Operating Fund Only	\$ <u>49,295</u>	\$ <u>(4,313)</u>	\$ <u>(4,313)</u>	\$ <u>116,105</u>	\$ <u>1,117</u>	\$ <u>1,117</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.