

Combined Utility System Fund
For the period ending September 30, 2016
(amounts expressed in thousands)

	Unaudited	FY2017				
	Preliminary FY2016	Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 530,399	\$ 542,300	\$ 542,300	\$ 152,999	\$ 542,300	\$ 542,300
Sewer Sales	463,359	476,474	476,474	131,939	476,474	476,474
Penalties	10,403	9,600	9,600	3,599	9,600	9,600
Other	9,461	9,222	9,222	1,886	9,222	9,222
Total Operating Revenues	<u>1,013,622</u>	<u>1,037,596</u>	<u>1,037,596</u>	<u>290,423</u>	<u>1,037,596</u>	<u>1,037,596</u>
Operating Expenses						
Personnel	169,512	187,465	187,465	44,403	184,500	184,500
Supplies	43,718	44,096	44,096	10,676	44,096	44,096
Electricity and Gas	48,099	45,976	45,976	8,598	45,976	45,976
Contracts & Other Payments	141,553	177,098	177,222	22,480	177,098	177,098
Non-Capital Equipment	3,402	2,559	2,559	130	2,559	2,559
Total Operating Expenses	<u>406,284</u>	<u>457,194</u>	<u>457,318</u>	<u>86,287</u>	<u>454,229</u>	<u>454,229</u>
Operating Income (Loss)	<u>607,338</u>	<u>580,402</u>	<u>580,278</u>	<u>204,136</u>	<u>583,367</u>	<u>583,367</u>
Non-Operating Revenues (Expenses)						
Interest Income	6,542	7,503	7,503	1,893	7,503	7,503
Sale of Property, Mains and Scrap	2,032	1,280	1,280	260	1,280	1,280
Other	17,370	15,622	15,622	3,939	15,622	15,622
Impact Fees	27,279	23,000	23,000	9,062	23,000	23,000
CWA & TRA Contracts (P & I)	(17,671)	(7,204)	(7,204)	(2,849)	(7,204)	(7,204)
Total Non-Operating Rev (Exp)	<u>35,552</u>	<u>40,201</u>	<u>40,201</u>	<u>12,305</u>	<u>40,201</u>	<u>40,201</u>
Income (Loss) Before Operating Transfers	<u>642,890</u>	<u>620,603</u>	<u>620,479</u>	<u>216,441</u>	<u>623,568</u>	<u>623,568</u>
Operating Transfers						
Debt Service Transfer	429,997	472,938	472,938	3,032	472,938	472,938
CWA & TRA Contracts (P & I) Luce Bayou	13	143	143	(13)	143	143
Transfer to PIB - Water & Sewer	9,891	9,149	9,149	890	9,149	9,149
Transfer to Capital Project Fund	65,000	70,000	70,000	70,000	70,000	70,000
Pension Liability Interest	2,763	4,745	4,745	605	4,745	4,745
Equipment Acquisition	13,912	41,741	42,956	3,129	41,741	41,741
Transfer to Stormwater	39,903	52,821	51,482	11,180	52,821	52,821
Total Operating Transfers	<u>561,479</u>	<u>651,537</u>	<u>651,413</u>	<u>88,823</u>	<u>651,537</u>	<u>651,537</u>
Net Current Activity						
Operating Fund Only	<u>\$ 81,411</u>	<u>\$ (30,934)</u>	<u>\$ (30,934)</u>	<u>\$ 127,618</u>	<u>\$ (27,969)</u>	<u>\$ (27,969)</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.