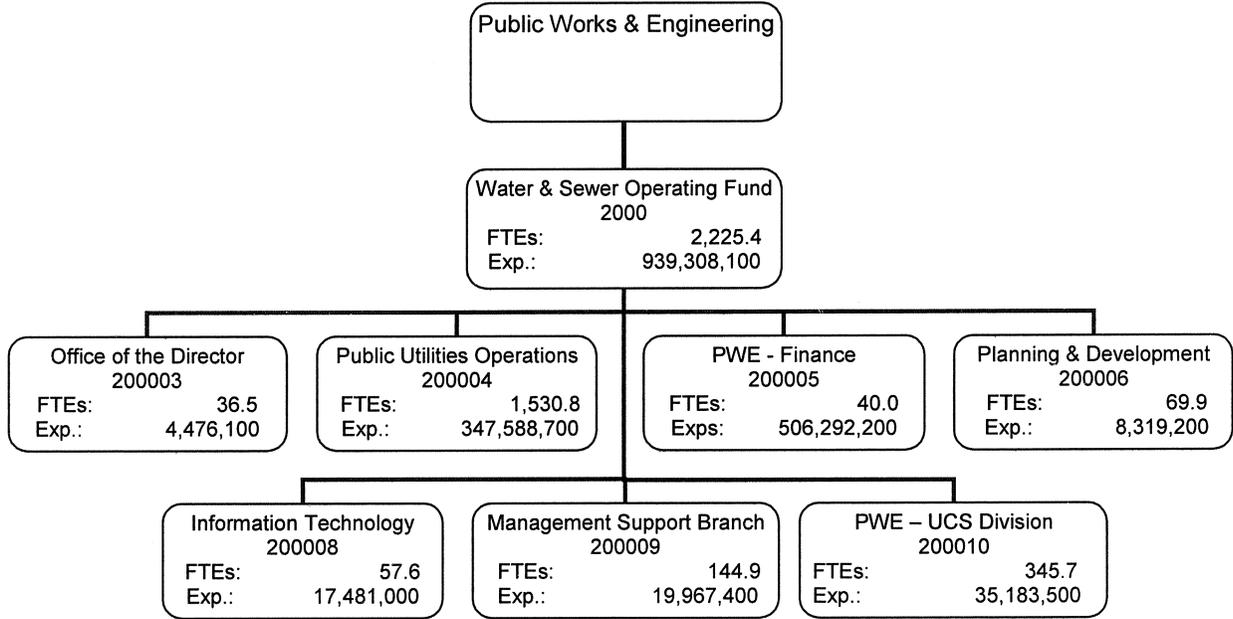


COMBINED UTILITY SYSTEM Department Organization



FISCAL YEAR 2018 BUDGET

Fund Summary

Fund Name : Water and Sewer Operating Fund
Business Area : Public Works & Engineering
Fund No./Bus. Area No. : 8300 / 2000

	FY2017	FY2017	FY2018
	Current Budget	Estimate	Budget
Beginning Fund Balance	38,647,408	38,647,408	221,111,060
Provision for Bad Debt	0	0	0
Current Revenues	1,072,122,400	1,061,039,183	1,113,451,300
Total Available Resources	<u>1,110,769,808</u>	<u>1,099,686,591</u>	<u>1,334,562,360</u>
Maintenance and Operations	463,768,900	438,677,836	470,980,800
Debt Services	0	0	0
Operating Transfers	440,564,000	439,897,695	468,327,300
Total Expenditures	<u>904,332,900</u>	<u>878,575,531</u>	<u>939,308,100</u>
Planned Ending Fund Balance	<u>206,436,908</u>	<u>221,111,060</u>	<u>395,254,260</u>
Total Budget	<u><u>1,110,769,808</u></u>	<u><u>1,099,686,591</u></u>	<u><u>1,334,562,360</u></u>

FISCAL YEAR 2018 BUDGET

Business Area Budget Summary

Fund Name : Water and Sewer Operating Fund
Business Area : Public Works & Engineering
Fund No. /Bus. Area No. : 8300 / 2000

		FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Expenditures	Personnel Services	169,512,083	187,231,760	180,086,763	190,960,500
	Supplies	43,729,723	44,095,800	43,398,947	45,295,200
	Other Services and Charges	213,794,438	229,874,840	212,828,199	232,023,000
	Equipment	101,085	203,200	203,200	383,700
	Non-Capital Equipment	3,319,128	2,363,300	2,160,727	2,318,400
	Total M & O Expenditures	430,456,457	463,768,900	438,677,836	470,980,800
	Debt Service & Other Uses	390,877,524	440,564,000	439,897,695	468,327,300
Total Expenditure	821,333,981	904,332,900	878,575,531	939,308,100	

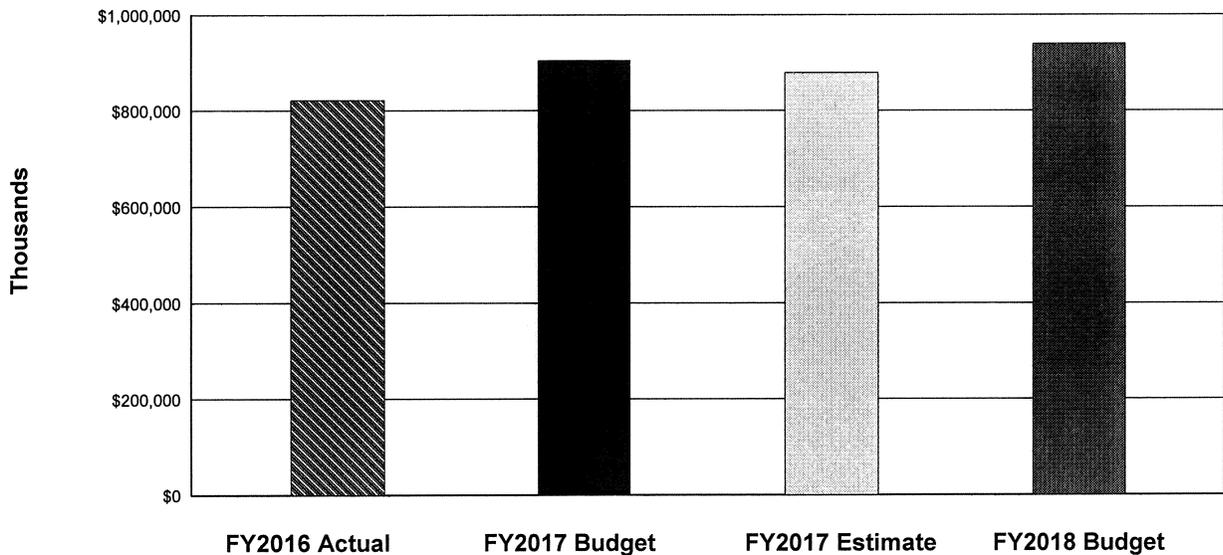
Revenues	1,034,296,503	1,072,122,400	1,061,039,183	1,113,451,300
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Staffing	Full-Time Equivalents - Civilian	2,031.6	2,233.9	2,133.2	2,225.4
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	2,031.6	2,233.9	2,133.2	2,225.4
	Full-Time Equivalents - Overtime	160.1	123.5	152.1	126.9

Significant Budget Changes and Highlights

- o The FY2018 Budget provides funding for health benefits, pension contribution and municipal employees contractual pay increases.
- o Chemical increase of \$871,000 from FY2017 Budget due to increase in market prices and higher dosage for raw water turbidity.
- o Indirect Cost Recovery Payment increase of \$890,000 from FY2017 Budget.
- o Increased contract utilization of \$1 million needed for continued operational and preventive maintenance efforts.
- o Includes \$15 million for continued wastewater maintenance, regulatory compliance, and assessment activities such as enhanced sewer cleaning, restaurant inspections, system inspections and investigations, Sanitary Sewer Overflow (SSO) response, data modelling support, and public outreach, and education.
- o Electricity and Natural Gas increase of \$1.7 million from FY2017 Budget due to volume increases for repumped groundwater.
- o Contract Water Authority (CWA) Debt savings of \$805,000 from FY2017 Budget based on lower interest payments on the CWA debt series.
- o Revenue increase includes a water and sewer rate adjustment of 3.4%.
- o Decreased Facility Rental of \$4.9 million for the deferred annual payment for the 611 Walker Building.

**Water and Sewer Operating Fund
Public Works & Engineering
Expenditure Summary**



FISCAL YEAR 2018 BUDGET

Business Area Performance Measures				
Fund Name : Water and Sewer Operating Fund				
Business Area : Public Works & Engineering				
Fund No. /Bus. Area No. : 8300 / 2000				
Performance Measures	FY2016 Actual	FY2017 Budget	FY2017 Estimate	FY2018 Budget
Accept and Process Complete Water District Consent Applications within 30 Days of Receipt	90.0%	90.0%	90.0%	90.0%
Accounts Billed from Automated Reads	94.0%	93.0%	91.0%	93.0%
Number of Utility Customer Calls Received	569,837	604,500	590,917	600,000
Percentage of TCEQ/EPA Required Tests Performed	100.0%	100.0%	100.0%	100.0%
Respond to Sewer in Residence/Business within 1 Day	82.4%	99.9%	100.0%	100.0%
Respond to Water Quality/Taste/Color/Odor within 2 Business Days	92.0%	95.0%	90.0%	95.0%
Sanitary Sewer Overflows Confirmed within 4 Hours of Notification	100.0%	100.0%	100.0%	100.0%
Systems Availability - WiMax Networks	99.5%	99.5%	99.5%	99.5%
Treatment Plant Permit Compliance Rate	99.7%	99.8%	99.7%	99.7%
Utility Billing Accuracy Rate	99.0%	99.0%	99.0%	99.0%
Utility Customer Calls Answered within 5 Minutes	54.0%	75.0%	71.0%	75.0%
Wastewater Capacity Reserve Letters Sent within 10 Business Days	98.0%	90.0%	90.0%	90.0%
Wastewater Collected and Treated (millions of gallons per year)	94,389	82,855	86,870	86,970
Wastewater-Pipe Cleaning Completed (millions of linear feet)	2.6	2.0	2.0	2.5
Wastewater-Pipe Renewal Completed (linear feet)	785,000	600,000	600,000	600,000
Water Gallons Delivered (millions of gallons per year)	163,012	163,885	163,276	169,360
Water Service Requests Investigated within Next Business Day.	98.0%	95.0%	95.0%	95%
Expenditures Adopted Budget vs Actual Utilization	90%	98%	97%	98%
Revenues Adopted Budget vs Actual Utilization	96%	100%	99%	100%

FISCAL YEAR 2018 BUDGET

Division Summary							
Fund Name : Water and Sewer Operating Fund							
Business Area : Public Works & Engineering							
Fund No. /Bus Area No. : 8300 / 2000							
Division Description	FY2016 Actual		FY2017 Estimate		FY2018 Budget		
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$	
Office of the Director 200003 Provides leadership and oversight in the operation of the PWE Department. Provides information to the media, responds to citizen inquiries and open record requests. Manages the utilization of small and minority businesses. Provides fleet, communication, learning and development support services to the PWE Department.	21.4	3,014,561	23.1	3,036,038	36.5	4,476,100	
Public Utilities Division 200004 Produces and supplies potable drinking water throughout Harris County and portions of surrounding counties. Treats domestic and industrial wastewater, meets all regulatory mandates and requirements, and plans future water supply for the region.	1,427.1	317,084,395	1,492.1	323,830,673	1,530.8	347,588,700	
PWE - Finance 200005 Manages, monitors and controls the department's financial and accounting activities including budgeting, financial analysis and planning, fiscal services, fixed assets, capital projects, and debt service management. In FY18, Material Management Branch is merging into Management Support Division, and Utility Customer Service is a newly created division (cost center group 200010).	388.1	470,339,967	414.0	515,076,199	40.0	506,292,200	
Planning & Development Services Division 200006 Responsible for infrastructure planning to meet the City's short and long term needs for water and wastewater systems. Provides protection of the sanitary sewer collection system and wastewater treatment plants through issuance of wastewater capacity reservations. Reviews requests for new water districts and long range planning for water/sewer projects. Manages the Brownsfield Redevelopment Program.	64.8	6,931,045	67.8	7,526,263	69.9	8,319,200	
Information Technology 200008 Implements, installs, configures, supports, and maintains PWE computer hardware, software, telecommunication, Supervisory Control and Data Acquisition (SCADA), WiMAX network, and security systems that enable the development, modification and maintenance of core application programs for mission critical systems. Provides data management, business continuity and disaster recovery services.	58.9	12,855,537	53.9	15,834,886	57.6	17,481,000	

FISCAL YEAR 2018 BUDGET

Division Summary							
Fund Name : Water and Sewer Operating Fund							
Business Area : Public Works & Engineering							
Fund No. /Bus Area No. : 8300 / 2000							
Division Description	FY2016 Actual		FY2017 Estimate		FY2018 Budget		
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$	
Management Support Branch 200009							
Provides support in the areas of Safety, Security, Workers' Compensation, Records Management and Internal Review. Renders building maintenance support to the Learning and Development Center (LDC) and the 611 Walker building. Processes and coordinates procurement and contract-related activities, as well as the warehousing and distribution of general inventory items for the Department.	71.3	11,108,476	82.3	13,271,472	144.9	19,967,400	
PWE - UCS Division 200010							
Reads and maintains water/sewer meters; produces water/sewer/drainage bills; receives and processes invoice payments, manages credit and collections processes, and responds to billing inquiries for water/wastewater/drainage utility customers within the City of Houston.	0.0	0	0.0	0	345.7	35,183,500	
Total	2,031.6	821,333,981	2,133.2	878,575,531	2,225.4	939,308,100	

FISCAL YEAR 2018 BUDGET

Business Area Revenues Summary

Fund Name : Water and Sewer Operating Fund
Business Area : Public Works & Engineering
Fund No./Bus. Area No. : 8300 / 2000

Category	FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Licenses and Permits	758,203	910,000	910,000	910,000
Intergovernmental	12,317	0	0	0
Charges for Services	1,019,336,682	1,044,703,400	1,044,703,400	1,087,298,500
Direct Interfund Services	847,786	855,500	855,500	872,400
Indirect Interfund Services	5,997,400	6,468,400	6,468,400	6,190,300
Other Fines and Forfeits	118,414	51,100	51,100	51,100
Interest	2,452,315	2,624,000	2,624,000	2,186,000
Miscellaneous/Other	2,853,698	310,000	310,000	293,000
Other Resources	1,919,688	16,200,000	5,116,783	15,650,000
Grand Total Revenues	<u>1,034,296,503</u>	<u>1,072,122,400</u>	<u>1,061,039,183</u>	<u>1,113,451,300</u>