

Combined Utility System Fund
For the period ended August 31, 2009
(amounts expressed in thousands)

	Unaudited Preliminary FY2009	FY2010				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 346,829	\$ 395,779	\$ 395,779	\$ 78,915	\$ 395,779	\$ 395,779
Sewer Sales	323,301	334,500	334,500	66,910	334,500	334,500
Penalties	6,651	7,600	7,600	1,629	7,600	7,600
Other	5,855	5,794	5,794	1,022	5,794	5,794
Total Operating Revenues	<u>682,636</u>	<u>743,673</u>	<u>743,673</u>	<u>148,476</u>	<u>743,673</u>	<u>743,673</u>
Operating Expenses						
Personnel	136,234	150,906	150,906	25,323	150,906	150,906
Supplies	39,087	46,475	46,475	8,303	46,475	46,475
Electricity and Gas	67,997	74,370	74,370	11,014	74,370	74,370
Contracts & Other Payments	101,859	119,319	121,054	5,926	120,569	120,569
Non-Capital Equipment	1,150	5,391	5,379	116	5,391	5,391
Total Operating Expenses	<u>346,327</u>	<u>396,461</u>	<u>398,184</u>	<u>50,682</u>	<u>397,711</u>	<u>397,711</u>
Operating Income (Loss)	<u>336,309</u>	<u>347,212</u>	<u>345,489</u>	<u>97,794</u>	<u>345,962</u>	<u>345,962</u>
Nonoperating Revenues (Expenses)						
Interest Income	23,307	9,950	9,950	2,470	9,950	9,950
Sale of Property, Mains and Scrap	586	6,189	6,189	34	6,189	6,189
Other	9,907	9,291	9,291	1,376	9,291	9,291
Impact Fees	16,303	12,000	12,000	0	12,000	12,000
HAWC	0	0	0	0	0	0
CWA & TRA Contracts (P & I)	(28,103)	(23,817)	(23,817)	(6,514)	(23,817)	(23,817)
Total Nonoperating Rev (Exp)	<u>22,000</u>	<u>13,613</u>	<u>13,613</u>	<u>(2,634)</u>	<u>13,613</u>	<u>13,613</u>
Income (Loss) Before Operating Transfers	<u>358,309</u>	<u>360,825</u>	<u>359,102</u>	<u>95,160</u>	<u>359,575</u>	<u>359,575</u>
Operating Transfers						
Debt Service Transfer	304,273	378,103	378,103	19,283	378,103	378,103
Transfer to PIB - Water & Sewer	28,419	26,878	26,878	3,666	26,878	26,878
Discretionary Debt-Stormwater	0	0	0	0	0	0
Pension Liability Interest	4,303	3,814	3,814	0	3,814	3,814
Equipment Acquisition	7,299	13,293	12,045	548	12,043	12,043
Transfer to Stormwater	39,129	40,591	40,116	5,977	40,591	40,591
Total Operating Transfers	<u>383,423</u>	<u>462,679</u>	<u>460,956</u>	<u>29,474</u>	<u>461,429</u>	<u>461,429</u>
Net Current Activity						
Operating Fund Only	\$ <u>(25,114)</u>	\$ <u>(101,854)</u>	\$ <u>(101,854)</u>	\$ <u>65,686</u>	\$ <u>(101,854)</u>	\$ <u>(101,854)</u>

About the Fund:

The Combined Utility System Fund 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.