

Combined Utility System Fund  
For the period ending July 31, 2011  
(amounts expressed in thousands)

	Unaudited Preliminary FY2011	FY2012				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
Water Sales	\$ 449,144	\$ 451,022	\$ 451,022	\$ 47,434	\$ 451,022	\$ 451,022
Sewer Sales	404,945	412,465	412,465	38,947	412,465	412,465
Penalties	9,871	8,000	8,000	988	8,000	8,000
Other	3,948	3,830	3,830	362	3,830	3,830
Total Operating Revenues	<u>867,908</u>	<u>875,317</u>	<u>875,317</u>	<u>87,731</u>	<u>875,317</u>	<u>875,317</u>
<b>Operating Expenses</b>						
Personnel	142,348	152,873	152,873	11,871	152,873	152,873
Supplies	39,604	50,837	50,837	3,246	50,837	50,837
Electricity and Gas	58,391	60,521	60,521	4,743	60,521	60,521
Contracts & Other Payments	95,447	133,178	133,178	10,647	133,178	133,178
Non-Capital Equipment	1,598	3,389	3,389	51	3,389	3,389
Total Operating Expenses	<u>337,388</u>	<u>400,798</u>	<u>400,798</u>	<u>30,558</u>	<u>400,798</u>	<u>400,798</u>
Operating Income (Loss)	<u>530,520</u>	<u>474,519</u>	<u>474,519</u>	<u>57,173</u>	<u>474,519</u>	<u>474,519</u>
<b>Non-Operating Revenues (Expenses)</b>						
Interest Income	10,114	11,600	11,600	698	11,600	11,600
Sale of Property, Mains and Scrap	807	308	308	0	308	308
Other	10,900	7,920	7,920	686	7,920	7,920
Impact Fees	9,248	9,100	9,100	0	9,100	9,100
CWA & TRA Contracts (P & I)	(21,285)	(19,131)	(19,131)	(2,635)	(19,131)	(19,131)
Total Non-Operating Rev (Exp)	<u>9,784</u>	<u>9,797</u>	<u>9,797</u>	<u>(1,251)</u>	<u>9,797</u>	<u>9,797</u>
Income (Loss) Before Operating Transfers	<u>540,304</u>	<u>484,316</u>	<u>484,316</u>	<u>55,922</u>	<u>484,316</u>	<u>484,316</u>
<b>Operating Transfers</b>						
Debt Service Transfer	358,774	416,682	416,682	13,929	416,682	416,682
Transfer to PIB - Water & Sewer	21,744	21,163	21,163	0	21,163	21,163
Transfer to Capital Project Fund	0	10,000	10,000	0	10,000	10,000
Pension Liability Interest	2,388	3,814	3,814	0	3,814	3,814
Equipment Acquisition	11,387	20,583	20,616	1,943	20,583	20,583
Transfer to Stormwater	53,757	50,116	50,083	2,761	50,116	50,116
Total Operating Transfers	<u>448,050</u>	<u>522,358</u>	<u>522,358</u>	<u>18,633</u>	<u>522,358</u>	<u>522,358</u>
Net Current Activity						
Operating Fund Only	<u>\$ 92,254</u>	<u>\$ (38,042)</u>	<u>\$ (38,042)</u>	<u>\$ 37,289</u>	<u>\$ (38,042)</u>	<u>\$ (38,042)</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, 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.