

Combined Utility System Fund
For the period ending March 31, 2014
(amounts expressed in thousands)

	FY2013 Actual	FY2014				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 485,485	\$ 520,454	\$ 520,454	\$ 385,120	\$ 520,454	\$ 520,454
Sewer Sales	426,888	444,996	444,996	331,232	444,996	444,996
Penalties	9,456	9,000	9,000	15,806	9,000	9,000
Other	9,474	10,762	10,762	7,763	10,762	10,762
Total Operating Revenues	<u>931,303</u>	<u>985,212</u>	<u>985,212</u>	<u>739,921</u>	<u>985,212</u>	<u>985,212</u>
Operating Expenses						
Personnel	152,069	170,089	167,589	119,754	162,439	162,439
Supplies	41,047	49,119	49,119	31,179	46,817	46,817
Electricity and Gas	58,498	48,469	48,469	35,043	48,435	48,435
Contracts & Other Payments	125,233	141,638	144,139	84,165	141,895	141,895
Non-Capital Equipment	2,520	3,140	3,139	1,630	2,855	2,855
Total Operating Expenses	<u>379,367</u>	<u>412,455</u>	<u>412,455</u>	<u>271,771</u>	<u>402,441</u>	<u>402,441</u>
Operating Income (Loss)	<u>551,936</u>	<u>572,757</u>	<u>572,757</u>	<u>468,150</u>	<u>582,771</u>	<u>582,771</u>
Non-Operating Revenues (Expenses)						
Interest Income	6,059	5,729	5,729	3,768	5,729	5,729
Sale of Property, Mains and Scrap	1,292	400	400	2,035	400	400
Other	16,223	13,717	13,717	11,542	13,717	13,717
Impact Fees	17,382	17,500	17,500	27,238	27,238	27,238
CWA & TRA Contracts (P & I)	(19,663)	(18,875)	(18,875)	(17,610)	(18,875)	(18,875)
Total Non-Operating Rev (Exp)	<u>21,293</u>	<u>18,471</u>	<u>18,471</u>	<u>26,973</u>	<u>28,209</u>	<u>28,209</u>
Income (Loss) Before Operating Transfers	<u>573,229</u>	<u>591,228</u>	<u>591,228</u>	<u>495,123</u>	<u>610,980</u>	<u>610,980</u>
Operating Transfers						
Debt Service Transfer	399,144	439,574	439,574	243,028	413,246	413,246
Interfund Transfer	0	800	800	321	800	800
Transfer to PIB - Water & Sewer	15,807	13,094	13,094	13,094	13,094	13,094
Transfer to Capital Project Fund	55,212	65,000	65,000	65,000	110,000	110,000
Pension Liability Interest	3,814	4,724	4,724	2,542	4,724	4,724
Equipment Acquisition	11,715	26,792	26,950	10,358	16,950	16,950
Transfer to Stormwater	38,774	45,557	45,399	37,744	29,684	29,684
Total Operating Transfers	<u>524,466</u>	<u>595,541</u>	<u>595,541</u>	<u>372,087</u>	<u>588,498</u>	<u>588,498</u>
Net Current Activity						
Operating Fund Only	<u>\$ 48,763</u>	<u>\$ (4,313)</u>	<u>\$ (4,313)</u>	<u>\$ 123,036</u>	<u>\$ 22,482</u>	<u>\$ 22,482</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.