

Combined Utility System Fund
For the period ending December 31, 2015
(amounts expressed in thousands)

	FY2015 Actual	FY2016				Finance Projection
		Adopted Budget	Current Budget	YTD	Controller's Projection	
Operating Revenues						
Water Sales	\$ 486,517	\$ 530,919	\$ 530,919	\$ 287,756	\$ 530,919	\$ 530,919
Sewer Sales	434,305	467,172	467,172	246,344	467,172	467,172
Penalties	8,574	9,000	9,000	5,384	9,000	9,000
Other	10,574	9,371	9,371	5,400	9,371	9,371
Total Operating Revenues	<u>939,970</u>	<u>1,016,462</u>	<u>1,016,462</u>	<u>544,884</u>	<u>1,016,462</u>	<u>1,016,462</u>
Operating Expenses						
Personnel	162,186	179,831	179,831	83,993	174,752	174,752
Supplies	44,865	44,869	44,869	20,980	44,357	44,357
Electricity and Gas	50,741	50,321	50,321	23,375	50,321	50,321
Contracts & Other Payments	140,395	204,225	204,475	56,661	202,598	202,598
Non-Capital Equipment	3,145	4,701	4,701	1,225	4,701	4,701
Total Operating Expenses	<u>401,332</u>	<u>483,947</u>	<u>484,197</u>	<u>186,234</u>	<u>476,729</u>	<u>476,729</u>
Operating Income (Loss)	<u>538,638</u>	<u>532,515</u>	<u>532,265</u>	<u>358,650</u>	<u>539,733</u>	<u>539,733</u>
Non-Operating Revenues (Expenses)						
Interest Income	5,398	5,300	5,300	3,111	5,300	5,300
Sale of Property, Mains and Scrap	4,225	1,300	1,300	830	1,300	1,300
Other	2,564	14,726	14,726	8,975	14,726	14,726
Impact Fees	33,908	23,000	23,000	14,952	27,900	27,900
CWA & TRA Contracts (P & I)	(18,026)	(17,684)	(17,684)	(16,074)	(17,684)	(17,684)
Total Non-Operating Rev (Exp)	<u>28,069</u>	<u>26,642</u>	<u>26,642</u>	<u>11,794</u>	<u>31,542</u>	<u>31,542</u>
Income (Loss) Before Operating Transfers	<u>566,707</u>	<u>559,157</u>	<u>558,907</u>	<u>370,444</u>	<u>571,275</u>	<u>571,275</u>
Operating Transfers						
Debt Service Transfer	410,549	445,130	445,130	252,039	438,130	438,130
Transfer to PIB - Water & Sewer	12,039	9,891	9,891	1,092	9,891	9,891
Transfer to Capital Project Fund	65,000	65,000	65,000	65,000	65,000	65,000
Pension Liability Interest	3,736	4,735	4,735	(294)	4,735	4,735
Equipment Acquisition	13,044	29,787	30,747	4,157	29,787	29,787
Transfer to Stormwater	35,755	42,194	40,984	9,509	42,061	42,061
Total Operating Transfers	<u>540,123</u>	<u>596,737</u>	<u>596,487</u>	<u>331,503</u>	<u>589,604</u>	<u>589,604</u>
Net Current Activity						
Operating Fund Only	<u>\$ 26,584</u>	<u>\$ (37,580)</u>	<u>\$ (37,580)</u>	<u>\$ 38,941</u>	<u>\$ (18,329)</u>	<u>\$ (18,329)</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.