

Combined Utility System Fund
For the period ending March 31, 2016
(amounts expressed in thousands)

	FY2015 Actual	FY2016				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 486,517	\$ 530,919	\$ 530,919	\$ 404,939	\$ 533,219	\$ 533,219
Sewer Sales	434,305	467,172	467,172	353,915	469,872	469,872
Penalties	8,574	9,000	9,000	7,604	9,000	9,000
Other	10,574	9,371	9,371	7,970	9,371	9,371
Total Operating Revenues	<u>939,970</u>	<u>1,016,462</u>	<u>1,016,462</u>	<u>774,428</u>	<u>1,021,462</u>	<u>1,021,462</u>
Operating Expenses						
Personnel	162,186	179,831	179,831	126,854	171,316	171,316
Supplies	44,865	44,869	48,369	32,635	43,732	43,732
Electricity and Gas	50,741	50,321	50,321	34,541	50,324	50,324
Contracts & Other Payments	140,395	204,225	200,525	90,218	183,987	183,987
Non-Capital Equipment	3,145	4,701	4,701	2,741	4,612	4,612
Total Operating Expenses	<u>401,332</u>	<u>483,947</u>	<u>483,747</u>	<u>286,989</u>	<u>453,971</u>	<u>453,971</u>
Operating Income (Loss)	<u>538,638</u>	<u>532,515</u>	<u>532,715</u>	<u>487,439</u>	<u>567,491</u>	<u>567,491</u>
Non-Operating Revenues (Expenses)						
Interest Income	5,398	5,300	5,300	4,852	5,300	5,300
Sale of Property, Mains and Scrap	4,225	1,300	1,300	825	1,300	1,300
Other	2,564	14,726	14,726	12,545	14,726	14,726
Impact Fees	33,908	23,000	23,000	27,279	27,279	27,279
CWA & TRA Contracts (P & I)	(18,026)	(17,684)	(17,684)	(16,872)	(17,684)	(17,684)
Total Non-Operating Rev (Exp)	<u>28,069</u>	<u>26,642</u>	<u>26,642</u>	<u>28,629</u>	<u>30,921</u>	<u>30,921</u>
Income (Loss) Before Operating Transfers	<u>566,707</u>	<u>559,157</u>	<u>559,357</u>	<u>516,068</u>	<u>598,412</u>	<u>598,412</u>
Operating Transfers						
Debt Service Transfer	410,549	445,130	445,130	265,318	433,130	433,130
Transfer to PIB - Water & Sewer	12,039	9,891	9,891	9,891	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	2,593	4,735	4,735
Equipment Acquisition	13,044	29,787	31,952	5,975	12,047	12,047
Transfer to Stormwater	35,755	42,194	40,229	24,761	42,061	42,061
Total Operating Transfers	<u>540,123</u>	<u>596,737</u>	<u>596,937</u>	<u>373,538</u>	<u>566,864</u>	<u>566,864</u>
Net Current Activity						
Operating Fund Only	<u>\$ 26,584</u>	<u>\$ (37,580)</u>	<u>\$ (37,580)</u>	<u>\$ 142,530</u>	<u>\$ 31,548</u>	<u>\$ 31,548</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.