

Combined Utility System Fund  
For the period ending September 30, 2015  
(amounts expressed in thousands)

	Unaudited Preliminary FY2015	FY2016				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
Water Sales	\$ 486,517	\$ 530,919	\$ 530,919	\$ 155,614	\$ 530,919	\$ 530,919
Sewer Sales	434,305	467,172	467,172	132,587	467,172	467,172
Penalties	8,574	9,000	9,000	2,661	9,000	9,000
Other	10,574	9,371	9,371	2,714	9,371	9,371
Total Operating Revenues	<u>939,970</u>	<u>1,016,462</u>	<u>1,016,462</u>	<u>293,576</u>	<u>1,016,462</u>	<u>1,016,462</u>
<b>Operating Expenses</b>						
Personnel	162,186	179,831	179,831	41,816	178,014	178,014
Supplies	44,865	44,869	44,869	10,549	44,869	44,869
Electricity and Gas	50,741	50,321	50,321	11,204	50,321	50,321
Contracts & Other Payments	140,319	204,225	204,225	22,680	204,225	204,225
Non-Capital Equipment	3,145	4,701	4,701	419	4,701	4,701
Total Operating Expenses	<u>401,256</u>	<u>483,947</u>	<u>483,947</u>	<u>86,668</u>	<u>482,130</u>	<u>482,130</u>
Operating Income (Loss)	<u>538,714</u>	<u>532,515</u>	<u>532,515</u>	<u>206,908</u>	<u>534,332</u>	<u>534,332</u>
<b>Non-Operating Revenues (Expenses)</b>						
Interest Income	5,398	5,300	5,300	1,426	5,300	5,300
Sale of Property, Mains and Scrap	3,653	1,300	1,300	590	1,300	1,300
Other	6,885	14,726	14,726	4,525	14,726	14,726
Impact Fees	33,908	23,000	23,000	14,952	23,000	23,000
CWA & TRA Contracts (P & I)	(18,026)	(17,684)	(17,684)	(8,014)	(17,684)	(17,684)
Total Non-Operating Rev (Exp)	<u>31,818</u>	<u>26,642</u>	<u>26,642</u>	<u>13,479</u>	<u>26,642</u>	<u>26,642</u>
Income (Loss) Before Operating Transfers	<u>570,532</u>	<u>559,157</u>	<u>559,157</u>	<u>220,387</u>	<u>560,974</u>	<u>560,974</u>
<b>Operating Transfers</b>						
Debt Service Transfer	419,913	445,130	445,130	3,368	445,130	445,130
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	616	4,735	4,735
Equipment Acquisition	13,044	29,787	30,537	1,807	29,787	29,787
Transfer to Stormwater	35,755	42,194	41,444	9,509	42,194	42,194
Total Operating Transfers	<u>549,487</u>	<u>596,737</u>	<u>596,737</u>	<u>81,392</u>	<u>596,737</u>	<u>596,737</u>
Net Current Activity						
Operating Fund Only	<u>\$ 21,045</u>	<u>\$ (37,580)</u>	<u>\$ (37,580)</u>	<u>\$ 138,995</u>	<u>\$ (35,763)</u>	<u>\$ (35,763)</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.