

Combined Utility System Fund
For the period ended May 31, 2009
(amounts expressed in thousands)

	FY2008 Actual	FY2009				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
Operating Revenues						
Water Sales	\$ 328,607	\$ 355,401	\$ 355,401	\$ 313,654	\$ 347,341	\$ 347,341
Sewer Sales	305,748	328,731	328,731	283,750	314,910	314,910
Penalties	7,759	8,400	8,400	5,961	6,757	6,757
Other	6,523	6,956	6,956	5,342	5,812	5,812
Total Operating Revenues	<u>648,637</u>	<u>699,488</u>	<u>699,488</u>	<u>608,707</u>	<u>674,820</u>	<u>674,820</u>
Operating Expenses						
Personnel	154,299	146,182	142,217	126,202	138,774	138,774
Supplies	36,614	34,467	41,478	40,083	44,278	44,278
Electricity and Gas	65,446	71,679	71,683	65,589	71,024	71,024
Contracts & Other Payments	102,479	97,626	103,330	86,569	113,555	113,555
Non-Capital Equipment	1,384	2,648	2,601	832	2,121	2,121
Total Operating Expenses	<u>360,222</u>	<u>352,602</u>	<u>361,309</u>	<u>319,275</u>	<u>369,752</u>	<u>369,752</u>
Operating Income (Loss)	<u>288,415</u>	<u>346,886</u>	<u>338,179</u>	<u>289,432</u>	<u>305,068</u>	<u>305,068</u>
Nonoperating Revenues (Expenses)						
Interest Income	24,674	22,000	22,000	14,696	16,000	16,000
Sale of Property, Mains and Scrap	7,614	12,009	12,009	562	563	563
Other	8,216	8,171	8,171	9,678	9,894	9,894
Impact Fees	27,134	25,000	25,000	16,303	16,303	16,303
HAWC	0	0	0	0	0	0
CWA & TRA Contracts (P & I)	(32,642)	(28,103)	(28,103)	(26,881)	(28,103)	(28,103)
Total Nonoperating Rev (Exp)	<u>34,996</u>	<u>39,077</u>	<u>39,077</u>	<u>14,358</u>	<u>14,657</u>	<u>14,657</u>
Income (Loss) Before Operating Transfers	<u>323,411</u>	<u>385,963</u>	<u>377,256</u>	<u>303,790</u>	<u>319,725</u>	<u>319,725</u>
Operating Transfers						
Debt Service Transfer	270,779	309,155	309,334	294,907	311,551	311,551
Transfer to PIB - Water & Sewer	25,804	28,419	28,419	28,419	28,419	28,419
Discretionary Debt-Stormwater	0	0	0	0	0	0
Pension Liability Interest	4,564	4,566	2,946	2,876	2,876	2,876
Equipment Acquisition	9,428	23,965	18,972	4,183	8,732	8,732
Transfer to Stormwater	36,540	39,437	39,437	33,706	39,129	39,129
Total Operating Transfers	<u>347,115</u>	<u>405,542</u>	<u>399,108</u>	<u>364,091</u>	<u>390,707</u>	<u>390,707</u>
Net Current Activity						
Operating Fund Only	\$ <u>(23,704)</u>	\$ <u>(19,579)</u>	\$ <u>(21,852)</u>	\$ <u>(60,301)</u>	\$ <u>(70,982)</u>	\$ <u>(70,982)</u>

About the Fund:

The Combined Utility System Fund 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.