

Combined Utility System Fund  
For the period ending May 31, 2011  
(amounts expressed in thousands)

	FY2010 Actual	FY2011				
		Adopted Budget	Current Budget	YTD	Controller's Projection	Finance Projection
<b>Operating Revenues</b>						
Water Sales	\$ 356,087	\$ 451,958	\$ 451,958	\$ 400,541	\$ 436,922	\$ 436,922
Sewer Sales	320,722	406,529	406,529	363,502	400,839	400,839
Penalties	8,391	8,000	8,000	8,961	9,727	9,727
Other	6,883	6,661	6,661	3,586	3,700	3,700
Total Operating Revenues	<u>692,083</u>	<u>873,148</u>	<u>873,148</u>	<u>776,590</u>	<u>851,188</u>	<u>851,188</u>
<b>Operating Expenses</b>						
Personnel	147,600	155,513	154,390	130,406	143,698	143,698
Supplies	35,694	47,841	47,539	35,845	43,264	43,264
Electricity and Gas	63,786	63,219	62,757	52,734	60,986	60,986
Contracts & Other Payments	107,012	126,443	119,188	73,568	114,846	114,846
Non-Capital Equipment	1,871	3,189	3,295	1,456	2,249	2,249
Total Operating Expenses	<u>355,963</u>	<u>396,205</u>	<u>387,169</u>	<u>294,009</u>	<u>365,043</u>	<u>365,043</u>
Operating Income (Loss)	<u>336,120</u>	<u>476,943</u>	<u>485,979</u>	<u>482,581</u>	<u>486,145</u>	<u>486,145</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	12,574	12,500	12,500	9,451	11,000	11,000
Sale of Property, Mains and Scrap	4,939	363	363	774	780	780
Other	9,530	8,553	8,553	9,631	11,085	11,085
Impact Fees	9,825	9,298	9,298	9,248	9,248	9,248
CWA & TRA Contracts (P & I)	(23,117)	(21,368)	(21,368)	(20,636)	(21,368)	(21,368)
Total Nonoperating Rev (Exp)	<u>13,751</u>	<u>9,346</u>	<u>9,346</u>	<u>8,468</u>	<u>10,745</u>	<u>10,745</u>
Income (Loss) Before Operating Transfers	<u>349,871</u>	<u>486,289</u>	<u>495,325</u>	<u>491,049</u>	<u>496,890</u>	<u>496,890</u>
<b>Operating Transfers</b>						
Debt Service Transfer	342,317	427,523	423,969	346,772	372,344	372,344
Transfer to PIB - Water & Sewer	26,828	21,744	21,744	21,744	21,744	21,744
Pension Liability Interest	3,812	3,814	3,814	2,388	3,814	3,814
Equipment Acquisition	8,171	19,514	20,550	9,372	14,870	14,870
Transfer to Stormwater	28,845	36,637	48,191	30,040	55,482	55,482
Total Operating Transfers	<u>409,973</u>	<u>509,232</u>	<u>518,268</u>	<u>410,316</u>	<u>468,254</u>	<u>468,254</u>
Net Current Activity						
Operating Fund Only	<u>\$ (60,102)</u>	<u>\$ (22,943)</u>	<u>\$ (22,943)</u>	<u>\$ 80,733</u>	<u>\$ 28,636</u>	<u>\$ 28,636</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, 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.