



City of Austin, Texas
Austin Water

Financial Status Report
For the Period Ending June 30, 2015

Status Report Based on Unaudited Financial Information



MEMORANDUM

TO: Greg Meszaros, Director
Austin Water

FROM: David Anders, Assistant Director, Finance and Business Services
Austin Water

DATE: July 22, 2015

SUBJECT: Austin Water Unaudited Financial Status Report for the Period Ended June 30, 2015

Attached is Austin Water's Financial Status Report. The combined fund balance at the end of June was \$62.07 million or \$5.26 million more than projected, as detailed in the Executive Summary. The beginning balances were \$8.35 million more than projected, while the year-to-date requirements were \$0.47 million below allotments, revenues and transfers in were \$3.56 million below projections.

Recent significant rainfall has dramatically improved the lake levels in Travis and Buchanan. The lake system rose from 66% full in May to 71% full at the end of June. However, Austin Water continues to address drought conditions with mandatory stage II water restrictions and conservation measures. Water service revenues are below projections and wastewater services revenues are above projections this fiscal year through June. The Executive Summary includes more discussion of revenue highlights.

Actual spending for total operating program requirements was above budget allotments by a net total of \$0.69 million. Payments for debt service requirements were below allotments by \$0.90 million, and transfers were slightly below allotments, resulting in total requirements being below allotments by \$0.47 million. The extent of these variances by program is discussed in the Executive Summary and detail pages.

In addition to the Executive Summary and Fund Summary, this report provides detailed analysis of Revenues, Customer Demand Characteristics, Operating Requirements, Outstanding Debt and Debt Service Requirements, Other Requirements, CIP Expenditures, and Cash Balances.

Please feel free to contact me should you have any questions.

David Anders
Assistant Director
Austin Water

Attachments

cc: Robert Goode, Assistant City Manager
Elaine Hart, CFO, Financial and Administrative Services
Assistant Directors, Austin Water
Division Managers, Austin Water

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City of Austin, Texas

Austin Water

Executive Summary

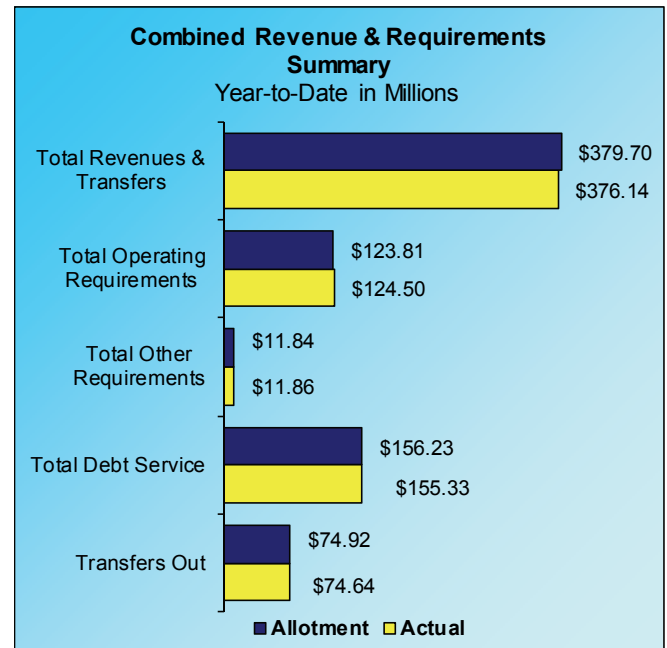


Financial Status Report

Period Ending June 30, 2015

The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of June 30, 2015, was \$62.07 million. The combined balance was \$5.26 million more than projected for this date, as shown below:

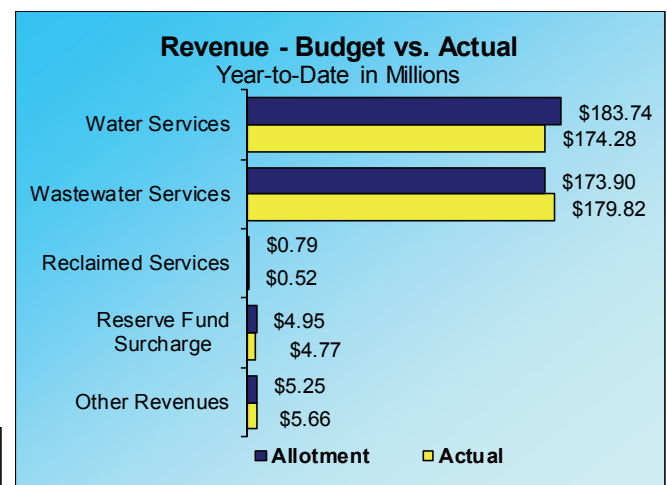
	Allotment	Actual	Difference
Beginning Balance	\$ 43.91	\$ 52.26	\$ 8.35
Water Services	\$ 183.74	\$ 174.28	\$ (9.46)
Wastewater Services	173.90	179.82	5.92
Reclaimed Services	0.79	0.52	(0.27)
Reserve Fund Surcharge	4.95	4.77	(0.18)
Other Revenues	5.25	5.66	0.41
Transfers In	11.07	11.09	0.02
Total Revenues & Transfers	\$ 379.70	\$ 376.14	\$ (3.56)
Total Operating Requirements	\$ 123.81	\$ 124.50	(0.69)
Total Other Requirements	11.84	11.86	(0.02)
Total Debt Service	156.23	155.33	0.90
Transfers Out	74.92	74.64	0.28
Total Revenue Requirements	\$ 366.80	\$ 366.33	\$ 0.47
Ending balance	\$ 56.81	\$ 62.07	\$ 5.26
Debt Service Coverage	1.43	1.41	



Revenue Highlights

Total revenues for the fiscal year through June were \$379.70 million or \$3.56 million (0.9%) less than projected.

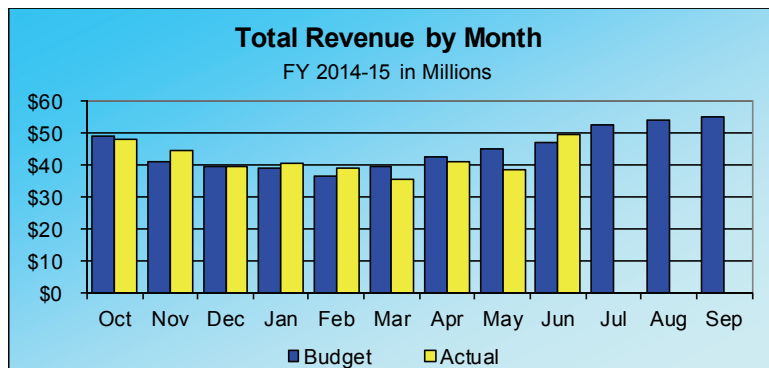
- Water service revenue was \$174.28 million, or \$9.46 million (5.1%) below budget allotments.
- Wastewater service revenue was \$179.82 million, or \$5.92 million (3.4%) above budget allotments.
- Reclaimed service revenue was \$0.52 million, or \$0.27 million (34.2%) below projections.
- Reserve fund surcharge was \$4.77 million, or \$0.18 million (3.6%) below budget allotments.
- Miscellaneous revenue and Interest income totaled \$5.66 million, or \$0.41 million (7.8%) more than projected.
- Transfers In were slightly above allotments due to a timing difference.



Water Service revenues for the month were below projections in all classes except Multifamily.

Wastewater Service revenues were above projections in three customer classes to more than offset revenues below projections in Residential and Large Volume class.

Revenues and Transfers In for June were \$49.54 million or \$2.41 million (5.1%) more than projected.

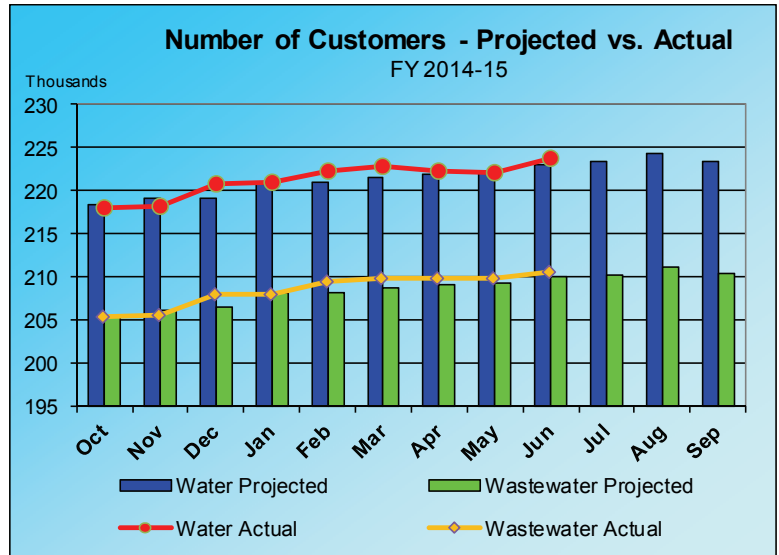


User Characteristics

	Projected	Actual
Water Customers	223,040	223,755
Wastewater Customers	209,957	210,545
Monthly Pumpage	4.35	3.38
YTD Pumpage	31.58	29.36
Monthly Billed Use	3.57	3.49
YTD Billed Use	27.30	26.19
Monthly Influent Flow	3.01	4.16
YTD Influent Flow	27.29	31.76
Monthly Billed Flow	2.35	2.87
YTD Billed Flow	19.29	20.01

(Above in Billions of Gallons)

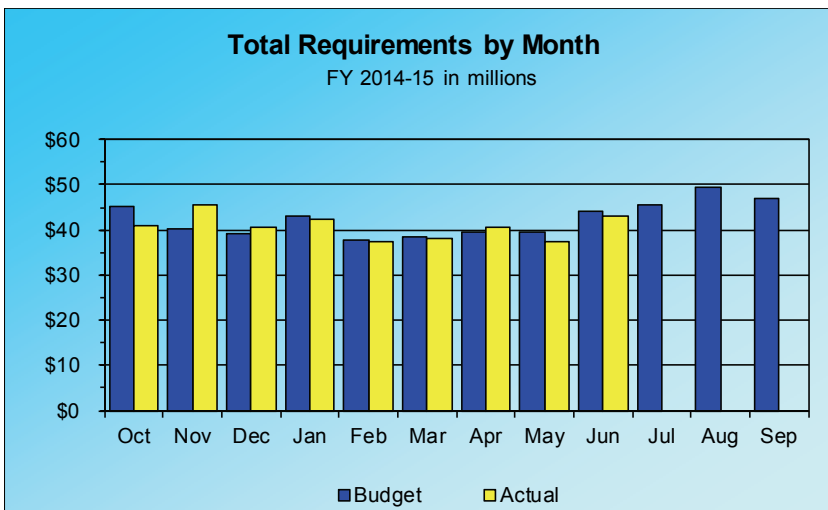
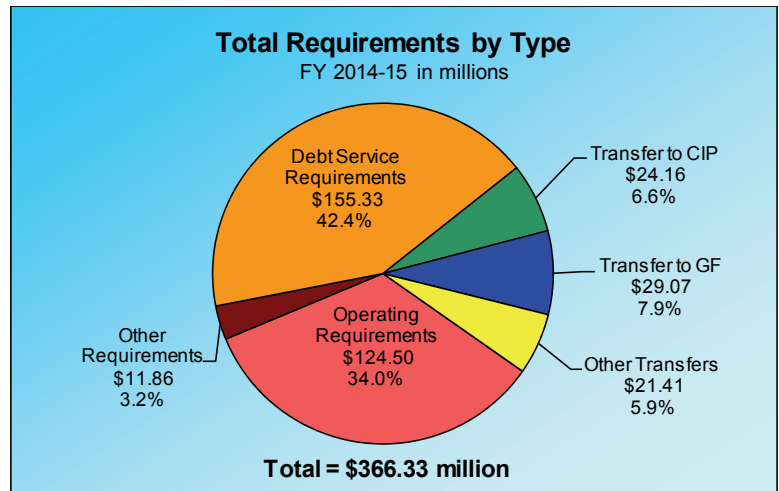
Avg. Residential Use (gal)	6,875	4,799
Avg. Residential Flow (gal)	4,490	3,824



Requirement Highlights

Total requirements are comprised of operating requirements, other requirements, debt service requirements, and transfers out. The graph at right shows the proportions of these requirements to the whole.

- Operating, other requirements, debt service, and transfers out totaled \$366.33 million, or \$0.47 million (0.1%) less than the budget allotments.
- Total operating requirements were \$124.50 million, or \$0.69 million (0.6%) more than budget allotments.
- Total other requirements were \$11.86 million, or \$0.02 million (0.1%) more than budget allotments.
- Debt service requirements were \$155.33 million, or \$0.90 million (0.6%) less than budget allotments.
- Transfers out were \$74.64 million, or \$0.28 million (0.4%) less than budget allotments.



Five of the nine program areas: Treatment, Pipeline Operations, Engineering Services, Water Resources Management, and Support Services—Utility, had higher expenditures than projected. These variances were partially offset by lower than projected expenditures in the other four program areas.

Pages 25 and 26 provide details on variances in spending by program area and object code.

June Total Requirements were \$43.17 million, or \$0.91 million (2.1%) less than the budget allotment for the month.

City of Austin, Texas

Austin Water Utility

FUND SUMMARY - COMBINED

As of June 2015

	Approved Budget	Amended Budget	Budget Allotment	Actual	Variance	%Variance	Year End Estimate	Year-End Variance Fav (Unfav)	Year-End % Variance Fav (Unfav)
BEGINING BALANCE	43,912,225	43,912,225	43,912,225	52,261,960	8,349,735	19.0%	52,261,960	8,349,735	16.0%
REVENUES									
Water Services	276,728,685	276,728,685	183,742,319	174,283,056	(9,459,263)	-5.1%	263,143,050	(13,585,635)	-4.9%
Wastewater Services	237,271,961	237,271,961	173,904,776	179,821,370	5,916,594	3.4%	236,937,184	(334,777)	-0.1%
Reserve Fund Surcharge	7,304,753	7,304,753	4,946,320	4,766,274	(180,046)	-3.6%	6,893,795	(410,958)	-5.6%
Miscellaneous Revenue	6,800,000	6,800,000	5,100,008	5,525,976	425,968	8.4%	10,821,983	4,021,983	59.1%
Reclaimed Services	1,180,228	1,180,228	788,320	518,453	(269,867)	-34.2%	973,268	(206,960)	-17.5%
Interest Income	203,200	203,200	152,398	136,126	(16,272)	-10.7%	203,200	-	0.0%
TOTAL REVENUES	529,488,827	529,488,827	368,634,141	365,051,255	(3,582,886)	-1.0%	518,972,480	(10,516,347)	-2.0%
TRANSFERS IN									
CIP	9,300,000	9,300,000	9,300,000	9,300,000	-	0.0%	9,300,000	-	0.0%
Reclaimed Utility Fund	2,060,000	2,060,000	1,545,002	1,544,999	(3)	0.0%	2,060,000	-	0.0%
Support Services/Infrastructure Funds	300,582	300,582	225,432	244,182	18,750	8.3%	300,582	-	0.0%
TOTAL TRANSFERS IN	11,660,582	11,660,582	11,070,434	11,089,181	18,747	0.2%	11,660,582	-	0.0%
TOTAL AVAILABLE FUNDS	541,149,409	541,149,409	379,704,575	376,140,436	(3,564,139)	-0.9%	530,633,062	(10,516,347)	-1.9%
OPERATING PROGRAM REQUIREMENTS									
Treatment	74,695,492	74,695,492	49,866,056	50,431,520	(565,464)	-1.1%	73,260,017	1,435,475	1.9%
Pipeline Operations	40,942,563	40,942,563	29,188,818	30,172,214	(983,396)	-3.4%	41,144,363	(201,800)	-0.5%
Support Services - Utility	20,580,494	20,580,494	15,258,492	16,461,861	(1,203,369)	-7.9%	21,169,565	(589,071)	-2.9%
Other Utility Program Requirements	12,614,444	12,614,444	8,773,652	6,062,658	2,710,994	30.9%	11,314,848	1,299,596	10.3%
Environmental Affairs & Conservation	11,628,685	11,628,685	8,568,376	7,901,201	667,175	7.8%	10,587,636	1,041,049	9.0%
Engineering Services	8,290,296	8,290,296	6,585,293	7,132,930	(547,637)	-8.3%	8,344,228	(53,932)	-0.7%
Water Resources Management	6,540,588	6,540,588	4,808,170	5,653,697	(845,527)	-17.6%	7,522,265	(981,677)	-15.0%
One Stop Shop	648,853	648,853	478,715	427,767	50,948	10.6%	479,065	169,788	26.2%
Reclaimed Water Services	372,997	372,997	281,966	262,165	19,801	7.0%	364,307	8,690	2.3%
TOTAL OPERATING PROGRAM REQUIREMENTS	176,314,412	176,314,412	123,809,538	124,506,013	(696,475)	-0.6%	174,186,294	2,128,118	1.2%
OTHER OPERATING REQUIREMENTS									
Utility Billing System Support	15,709,766	15,709,766	11,782,325	11,782,324	1	0.0%	15,709,766	-	0.0%
Accrued Payroll	316,512	316,512	-	-	-	0.0%	153,851	162,661	51.4%
Services-PID contract expense	75,000	75,000	60,938	75,000	(14,062)	-23.1%	75,000	-	0.0%
TOTAL OTHER OPERATING REQUIREMENTS	16,101,278	16,101,278	11,843,263	11,857,324	(14,061)	-0.1%	15,938,617	162,661	1.0%
TOTAL OPERATING REQUIREMENTS	192,415,690	192,415,690	135,652,801	136,363,337	(710,536)	-0.5%	190,124,911	2,290,779	1.2%
DEBT SERVICE REQUIREMENTS									
Revenue Bond Debt Service	208,666,281	208,666,281	152,456,711	151,944,071	512,640	0.3%	208,076,339	589,942	0.3%
Trf to General Obligation Debt Service	3,978,547	3,978,547	2,983,911	2,980,440	3,471	0.1%	3,973,920	4,627	0.1%
Water District Bonds	714,462	714,462	364,465	364,466	(1)	0.0%	714,462	-	0.0%
Commercial Paper Interest	562,486	562,486	421,865	36,442	385,423	91.4%	418,564	143,922	25.6%
TOTAL DEBT SERVICE	213,921,776	213,921,776	156,226,952	155,325,419	901,533	0.6%	213,183,285	738,491	0.3%
TRANSFERS OUT									
Trf to General Fund	38,755,435	38,755,435	29,066,577	29,066,575	2	0.0%	38,755,435	-	0.0%
Trf to Wastewater CIP Fund	20,900,000	20,900,000	15,317,000	15,317,000	-	0.0%	20,900,000	-	0.0%
Trf to Support Services Fund	13,325,654	13,325,654	9,994,240	9,994,241	(1)	0.0%	13,325,654	-	0.0%
Trf to Water CIP Fund	12,000,000	12,000,000	7,972,000	7,972,000	-	0.0%	12,000,000	-	0.0%
Trf to Water Revenue Stab Rsv	7,304,753	7,304,753	4,945,000	4,643,890	301,110	6.1%	6,893,795	410,958	5.6%
CTM Support	3,455,342	3,455,342	2,591,506	2,591,504	2	0.0%	3,455,342	-	0.0%
Trf to Reclaimed Water Fund	2,060,000	2,060,000	1,545,000	1,544,999	1	0.0%	2,060,000	-	0.0%
Trf to Reclaimed Water CIP Fund	1,300,000	1,300,000	868,000	868,000	-	0.0%	1,300,000	-	0.0%
Workers' Compensation	1,618,251	1,618,251	1,213,689	1,213,689	-	0.0%	1,618,251	-	0.0%
Trf to Economic Development	1,148,827	1,148,827	861,620	862,222	(602)	-0.1%	1,148,827	-	0.0%
Liability Reserve	400,000	400,000	300,001	299,998	3	0.0%	400,000	-	0.0%
Trf to Wireless Communication	229,697	229,697	172,273	172,271	2	0.0%	229,697	-	0.0%
Trf to Environmental Rmdn Fund	83,250	83,250	62,438	83,250	(20,812)	-33.3%	83,250	-	0.0%
Trf to CTECC Fund	10,860	10,860	10,860	10,860	-	0.0%	10,860	-	0.0%
TOTAL TRANSFERS OUT	102,592,069	102,592,069	74,920,204	74,640,499	279,705	0.4%	102,181,111	410,958	0.4%
TOTAL REQUIREMENTS	508,929,535	508,929,535	366,799,957	366,329,255	470,702	0.1%	505,489,307	3,440,228	0.7%
EXCESS/(DEFICIT)	32,219,874	32,219,874	12,904,618	9,811,181	(3,093,437)	-24.0%	25,143,755	7,076,119	22.0%
ENDING BALANCE	76,132,099	76,132,099	56,816,843	62,073,141	5,256,298	9.3%	77,405,715	1,273,616	1.7%
DEBT SERVICE COVERAGE RATIO		1.52	1.43	1.41					

City of Austin, Texas

Austin Water Utility

FUND SUMMARY - WATER

As of June 2015

	Approved Budget	Amended Budget	Budget Allotment	Actual	Variance	%Variance	Year End Estimate	Year-End Variance Fav (Unfav)	Year-End % Variance Fav (Unfav)
BEGINING BALANCE	14,652,369	14,652,369	14,652,369	13,249,715	(1,402,654)	-9.6%	13,249,715	(1,402,654)	-10.6%
REVENUES									
Water Services	276,728,685	276,728,685	183,742,319	174,283,056	(9,459,263)	-5.1%	263,143,050	(13,585,635)	-4.9%
Reserve Fund Surcharge	7,304,753	7,304,753	4,946,320	4,766,274	(180,046)	-3.6%	6,893,795	(410,958)	-5.6%
Miscellaneous Revenue	3,000,000	3,000,000	2,250,012	2,868,455	618,443	27.5%	7,147,954	4,147,954	138.3%
Interest Income	75,400	75,400	56,548	27,211	(29,337)	-51.9%	75,400	-	0.0%
TOTAL REVENUES	287,108,838	287,108,838	190,995,199	181,944,995	(9,050,204)	-4.7%	277,260,199	(9,848,639)	-3.4%
TRANSFERS IN									
Support Services/Infrastructure Funds	150,291	150,291	112,716	122,091	9,375	8.3%	150,291	-	0.0%
CIP	6,300,000	6,300,000	6,300,000	6,300,000	-	0.0%	6,300,000	-	0.0%
TOTAL TRANSFERS IN	6,450,291	6,450,291	6,412,716	6,422,091	9,375	0.1%	6,450,291	-	0.0%
TOTAL AVAILABLE FUNDS	293,559,129	293,559,129	197,407,915	188,367,086	(9,040,829)	-4.6%	283,710,490	(9,848,639)	-3.4%
OPERATING PROGRAM REQUIREMENTS									
Treatment	37,097,812	37,097,812	23,470,263	24,394,297	(924,034)	-3.9%	36,622,586	475,226	1.3%
Pipeline Operations	23,691,756	23,691,756	16,714,405	17,503,203	(788,798)	-4.7%	23,889,388	(197,632)	-0.8%
Support Services	10,271,386	10,271,386	7,520,674	8,257,778	(737,104)	-9.8%	10,539,300	(267,914)	-2.6%
Environmental Affairs & Conservation	8,786,653	8,786,653	6,398,073	5,780,865	617,208	9.6%	7,764,244	1,022,409	11.6%
Other Utility Program Requirements	7,750,153	7,750,153	5,606,128	3,181,530	2,424,598	43.2%	6,329,300	1,420,853	18.3%
Engineering Services	3,367,295	3,367,295	2,551,596	3,011,986	(460,390)	-18.0%	3,374,269	(6,974)	-0.2%
Water Resources Management	3,093,292	3,093,292	2,287,627	2,758,371	(470,744)	-20.6%	3,566,008	(472,716)	-15.3%
One Stop Shop	318,540	318,540	234,797	183,966	50,831	21.6%	233,645	84,895	26.7%
TOTAL OPERATING PROGRAM REQUIREMENTS	94,376,887	94,376,887	64,783,563	65,071,996	(288,433)	-0.4%	92,318,740	2,058,147	2.2%
OTHER OPERATING REQUIREMENTS									
Utility Billing System Support	11,620,374	11,620,374	8,715,281	8,715,280	1	0.0%	11,524,145	96,229	0.8%
Accrued Payroll	156,722	156,722	0	0	-	0.0%	61,551	95,171	60.7%
Services-PID contract expense	37,500	37,500	32,813	37,500	(4,687)	-14.3%	37,500	-	0.0%
TOTAL OTHER OPERATING REQUIREMENTS	11,814,596	11,814,596	8,748,094	8,752,780	(4,686)	-0.1%	11,623,196	191,400	1.6%
TOTAL OPERATING REQUIREMENTS	106,191,483	106,191,483	73,531,657	73,824,776	(293,119)	-0.4%	103,941,936	2,249,547	2.1%
DEBT SERVICE REQUIREMENTS									
Revenue Bond Debt Service	109,954,527	109,954,527	81,946,395	81,546,212	400,183	0.5%	109,635,020	319,507	0.3%
Commercial Paper Debt Interest	364,831	364,831	273,623	35,344	238,279	87.1%	392,700	(27,869)	-7.6%
Trf to General Obligation Debt Service	1,925,978	1,925,978	1,444,484	1,437,126	7,358	0.5%	1,915,140	10,838	0.6%
Water District Bonds	264,380	264,380	134,867	134,867	-	0.0%	264,380	-	0.0%
TOTAL DEBT SERVICE	112,509,716	112,509,716	83,799,369	83,153,549	645,820	0.8%	112,207,240	302,476	0.3%
TRANSFERS OUT									
Trf to General Fund	19,869,923	19,869,923	14,902,442	14,902,442	-	0.0%	19,869,923	-	0.0%
Trf to Water CIP Fund	12,000,000	12,000,000	7,972,000	7,972,000	-	0.0%	12,000,000	-	0.0%
Trf to Support Services Fund	8,148,781	8,148,781	6,111,586	6,111,586	-	0.0%	8,148,781	-	0.0%
Trf to Water Revenue Stab Rsv	7,304,753	7,304,753	4,945,000	4,643,890	301,110	6.1%	6,893,795	410,958	5.6%
CTM Support	1,727,671	1,727,671	1,295,753	1,295,752	1	0.0%	1,727,671	-	0.0%
Workers' Compensation	809,126	809,126	606,845	606,845	-	0.0%	809,126	-	0.0%
Trf to Reclaimed Water Fund	630,000	630,000	472,500	472,500	-	0.0%	630,000	-	0.0%
Trf to Economic Development	621,064	621,064	465,798	465,799	(1)	0.0%	621,064	-	0.0%
Liability Reserve	200,000	200,000	150,000	149,999	1	0.0%	200,000	-	0.0%
Trf to Wireless Communication	114,849	114,849	86,137	86,136	1	0.0%	114,849	-	0.0%
Trf to Environmental Rmdn Fund	41,625	41,625	31,219	41,625	(10,406)	-33.3%	41,625	-	0.0%
Trf to CTECC Fund	5,430	5,430	5,430	5,430	-	0.0%	5,430	-	0.0%
TOTAL TRANSFERS OUT	51,473,222	51,473,222	37,044,710	36,754,004	290,706	0.8%	51,062,264	410,958	0.8%
TOTAL REQUIREMENTS	270,174,421	270,174,421	194,375,736	193,732,329	643,407	0.3%	267,211,440	2,962,981	1.1%
EXCESS/(DEFICIT)	23,384,708	23,384,708	3,032,179	(5,365,243)	(8,397,422)	-276.9%	16,499,050	(6,885,658)	-29.4%
ENDING BALANCE	38,037,077	38,037,077	17,684,548	7,884,472	(9,800,076)	-55.4%	29,748,765	(8,288,312)	-21.8%
DEBT SERVICE COVERAGE RATIO		1.55	1.33	1.22					

City of Austin, Texas
Austin Water Utility
FUND SUMMARY - WASTEWATER
As of June 2015

	Approved Budget	Amended Budget	Budget Allotment	Actual	Variance	%Variance	Year End Estimate	Year-End Variance Fav (Unfav)	Year-End % Variance Fav (Unfav)
BEGINING BALANCE	27,939,941	27,939,941	27,939,941	37,180,906	9,240,965	33.1%	37,180,906	(9,240,965)	-24.9%
REVENUES									
Wastewater Services	237,271,961	237,271,961	173,904,776	179,821,370	5,916,594	3.4%	236,937,184	(334,777)	-0.1%
Miscellaneous Revenue	3,800,000	3,800,000	2,849,996	2,657,521	(192,475)	-6.8%	3,674,029	(125,971)	-3.3%
Interest Income	127,000	127,000	95,248	108,293	13,045	13.7%	127,000	-	0.0%
TOTAL REVENUES	241,198,961	241,198,961	176,850,020	182,587,184	5,737,164	3.2%	240,738,213	(460,748)	-0.2%
TRANSFERS IN									
Support Services/Infrastructure Funds	150,291	150,291	112,716	122,091	9,375	8.3%	150,291	-	0.0%
CIP	3,000,000	3,000,000	3,000,000	3,000,000	-	0.0%	3,000,000	-	0.0%
TOTAL TRANSFERS IN	3,150,291	3,150,291	3,112,716	3,122,091	9,375	0.3%	3,150,291	-	0.0%
TOTAL AVAILABLE FUNDS	244,349,252	244,349,252	179,962,736	185,709,275	5,746,539	3.2%	243,888,504	(460,748)	0.0%
OPERATING PROGRAM REQUIREMENTS									
Treatment	37,597,680	37,597,680	26,395,793	26,037,223	358,570	1.4%	36,637,431	960,249	2.6%
Pipeline Operations	17,250,807	17,250,807	12,474,413	12,669,011	(194,598)	-1.6%	17,254,975	(4,168)	0.0%
Support Services	10,309,108	10,309,108	7,737,818	8,204,083	(466,265)	-6.0%	10,630,265	(321,157)	-3.1%
Engineering Services	4,923,001	4,923,001	4,033,697	4,120,944	(87,247)	-2.2%	4,969,959	(46,958)	-1.0%
Other Utility Program Requirements	4,861,291	4,861,291	3,165,717	2,872,027	293,690	9.3%	4,962,945	(101,654)	-2.1%
Water Resources Management	3,447,296	3,447,296	2,520,543	2,895,326	(374,783)	-14.9%	3,956,257	(508,961)	-14.8%
Environmental Affairs & Conservation	2,842,032	2,842,032	2,170,303	2,120,336	49,967	2.3%	2,823,392	18,640	0.7%
One Stop Shop	330,313	330,313	243,918	243,801	117	0.0%	245,420	84,893	25.7%
TOTAL OPERATING PROGRAM REQUIREMENTS	81,561,528	81,561,528	58,742,202	59,162,751	(420,549)	-0.7%	81,480,644	80,884	0.1%
OTHER OPERATING REQUIREMENTS									0.0%
Utility Billing System Support	4,089,392	4,089,392	3,067,044	3,067,044	-	0.0%	4,185,621	(96,229)	-2.4%
Accrued Payroll	158,495	158,495	0	0	-	0.0%	91,842	66,653	42.1%
Services-PID contract expense	37,500	37,500	28,125	37,500	(9,375)	-33.3%	37,500	-	0.0%
TOTAL OTHER OPERATING REQUIREMENTS	4,285,387	4,285,387	3,095,169	3,104,544	(9,375)	-0.3%	4,314,963	(29,576)	-0.7%
TOTAL OPERATING REQUIREMENTS	85,846,915	85,846,915	61,837,371	62,267,295	(429,924)	-0.7%	85,795,607	51,308	0.1%
DEBT SERVICE REQUIREMENTS									0.0%
Revenue Bond Debt Service	96,132,277	96,132,277	68,724,458	68,623,674	100,784	0.1%	95,895,023	237,254	0.2%
Commercial Paper Interest	180,678	180,678	135,509	938	134,571	99.3%	25,410	155,268	85.9%
Trf to General Obligation Debt Service	2,052,569	2,052,569	1,539,427	1,543,314	(3,887)	-0.3%	2,058,780	(6,211)	-0.3%
Water District Bonds	450,082	450,082	229,598	229,599	(1)	0.0%	450,082	-	0.0%
TOTAL DEBT SERVICE	98,815,606	98,815,606	70,628,992	70,397,525	231,467	0.3%	98,429,295	386,311	0.4%
TRANSFERS OUT									
Trf to Wastewater CIP Fund	20,900,000	20,900,000	15,317,000	15,317,000	-	0.0%	20,900,000	-	0.0%
Trf to General Fund	18,818,610	18,818,610	14,113,958	14,113,956	2	0.0%	18,818,610	-	0.0%
Trf to Support Services Fund	5,176,873	5,176,873	3,882,655	3,882,655	-	0.0%	5,176,873	-	0.0%
CTM Support	1,727,671	1,727,671	1,295,753	1,295,752	1	0.0%	1,727,671	-	0.0%
Trf to Reclaimed Water Fund	1,430,000	1,430,000	1,072,500	1,072,499	1	0.0%	1,430,000	-	0.0%
Workers' Compensation	809,125	809,125	606,844	606,844	-	0.0%	809,125	-	0.0%
Trf to Economic Development	525,360	525,360	394,020	394,020	-	0.0%	525,360	-	0.0%
Liability Reserve	200,000	200,000	150,000	149,999	1	0.0%	200,000	-	0.0%
Trf to Wireless Communication	114,848	114,848	86,136	86,135	1	0.0%	114,848	-	0.0%
Trf to Environmental Rmdn Fund	41,625	41,625	31,219	41,625	(10,406)	-33.3%	41,625	-	0.0%
Trf to CTECC Fund	5,430	5,430	5,430	5,430	-	0.0%	5,430	-	0.0%
TOTAL TRANSFERS OUT	49,749,542	49,749,542	36,955,515	36,965,915	(10,400)	0.0%	49,749,542	-	0.0%
TOTAL REQUIREMENTS	234,412,063	234,412,063	169,421,878	169,630,735	(208,857)	-0.1%	233,974,444	437,619	0.2%
EXCESS/(DEFICIT)	9,937,189	9,937,189	10,540,858	16,078,540	5,537,682	52.5%	9,914,060	(23,129)	-0.2%
ENDING BALANCE	37,877,130	37,877,130	38,480,799	53,259,446	14,778,647	38.4%	47,094,966	9,217,836	24.3%
DEBT SERVICE COVERAGE RATIO		1.53	1.59	1.67					

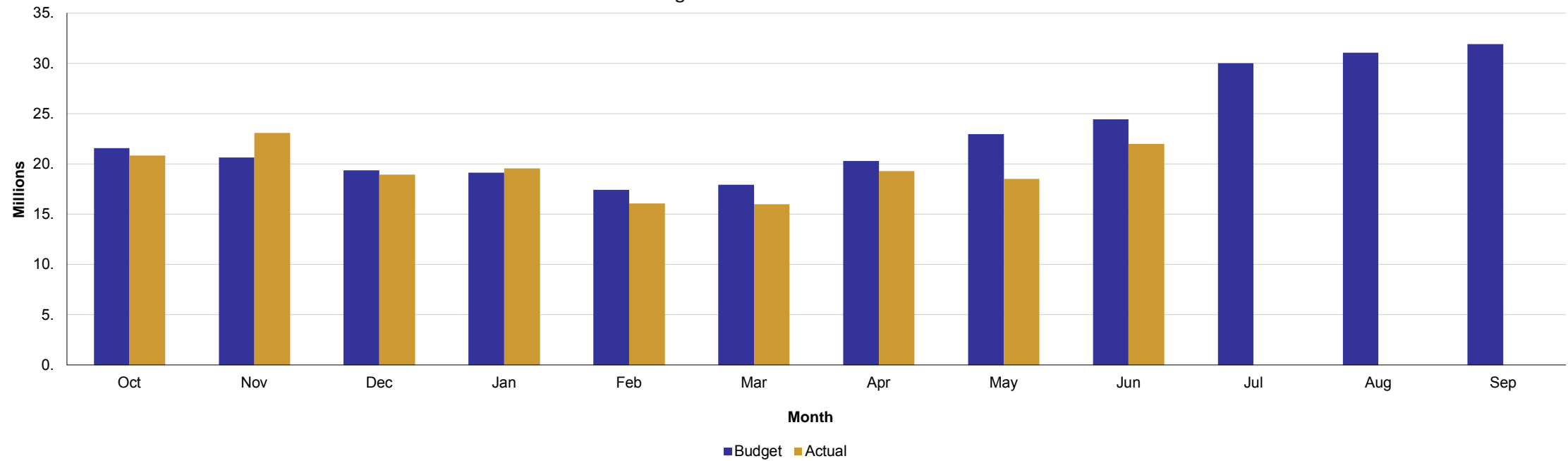
City of Austin, Texas
Austin Water Utility
FUND SUMMARY - RECLAIMED WATER
As of June 2015

	Approved Budget	Amended Budget	Budget Allotment	Actual	Variance	%Variance	Year End Estimate	Year-End Variance Fav (Unfav)	Year-End % Variance Fav (Unfav)
BEGINING BALANCE	1,319,915	1,319,915	1,319,915	1,831,339	511,424	38.7%	1,831,339	511,424	38.7%
REVENUES									
Reclaimed Services	1,180,228	1,180,228	788,320	518,453	(269,867)	-34.2%	973,268	(206,960)	-17.5%
Interest Income	800	800	602	623	21	3.4%	800	-	0.0%
TOTAL REVENUES	1,181,028	1,181,028	788,922	519,076	(269,846)	-34.2%	974,068	(206,960)	-17.5%
TRANSFERS IN									
Reclaimed Utility Fund	2,060,000	2,060,000	1,545,002	1,544,999	(3)	0.0%	2,060,000	-	0.0%
TOTAL TRANSFERS IN	2,060,000	2,060,000	1,545,002	1,544,999	(3)	0.0%	2,060,000	-	0.0%
TOTAL AVAILABLE FUNDS	3,241,028	3,241,028	2,333,924	2,064,075	(269,849)	-11.6%	3,034,068	(206,960)	-6.8%
OPERATING PROGRAM REQUIREMENTS									
Reclaimed Water Services	372,997	372,997	281,966	262,165	19,801	7.0%	364,307	8,690	2.3%
Other Utility Program Requirements	3,000	3,000	1,807	9,101	(7,294)	-403.7%	22,603	(19,603)	-653.4%
TOTAL OPERATING PROGRAM REQUIREMENTS	375,997	375,997	283,773	271,266	12,507	4.4%	386,910	(10,913)	-2.9%
OTHER OPERATING REQUIREMENTS									
Accrued Payroll	1,295	1,295	0	0	-	/0	458	837	64.6%
TOTAL OTHER OPERATING REQUIREMENTS	1,295	1,295	0	0	-	/0	458	837	64.6%
TOTAL OPERATING REQUIREMENTS	377,292	377,292	283,773	271,266	12,507	4.4%	387,368	(10,076)	-2.7%
DEBT SERVICE REQUIREMENTS									
Revenue Bond Debt Service	2,579,477	2,579,477	1,785,858	1,774,185	11,673	0.7%	2,546,296	33,181	1.3%
Commercial Paper Interest	16,977	16,977	12,733	160	12,573	98.7%	454	16,523	97.3%
TOTAL DEBT SERVICE	2,596,454	2,596,454	1,798,591	1,774,345	24,246	1.3%	2,546,750	49,704	1.9%
TRANSFERS OUT									
Trf to Reclaimed Water CIP Fund	1,300,000	1,300,000	868,000	868,000	-	0.0%	1,300,000	-	0.0%
Trf to General Fund	66,902	66,902	50,176	50,177	(1)	0.0%	66,902	-	0.0%
Trf to Economic Development	2,403	2,403	1,802	2,403	(601)	-33.4%	2,403	-	0.0%
TOTAL TRANSFERS OUT	1,369,305	1,369,305	919,978	920,580	(602)	-0.1%	1,369,305	-	0.0%
TOTAL REQUIREMENTS	4,343,051	4,343,051	3,002,342	2,966,191	36,151	1.2%	4,303,423	39,628	0.9%
EXCESS/(DEFICIT)	(1,102,023)	(1,102,023)	(668,418)	(902,116)	(233,698)	35.0%	(1,269,355)	167,332	-15.2%
ENDING BALANCE	217,892	217,892	651,497	929,223	277,726	42.6%	561,984	(344,092)	-157.9%
DEBT SERVICE COVERAGE RATIO		0.31	0.28	0.14					

REVENUES

Water Services Revenues by Month

Budget vs. Actual FY 2014 - 2015

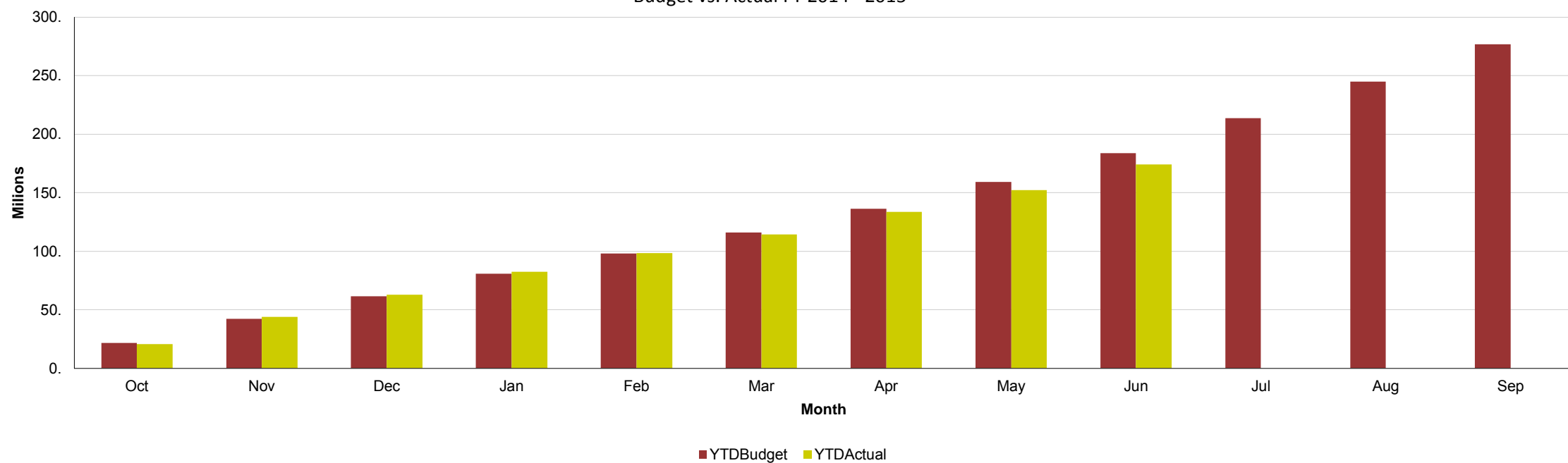


FY 2014 - 2015 Water Service Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	21.56	20.63	19.37	19.13	17.43	17.93	20.29	22.97	24.43	30.01	31.06	31.91
Actual	20.85	23.08	18.93	19.55	16.07	16.00	19.29	18.50	22.01			
Variance \$	(0.71)	2.45	(0.44)	0.43	(1.37)	(1.93)	(1.00)	(4.47)	(2.42)			
Variance %	-3.3%	11.9%	-2.3%	2.2%	-7.8%	-10.8%	-4.9%	-19.4%	-9.9%			

Water Services Revenues by Year-to-Date

Budget vs. Actual FY 2014 - 2015



FY 2014 - 2015 Water Service Revenues by Year-to-Date With Variances (Millions)

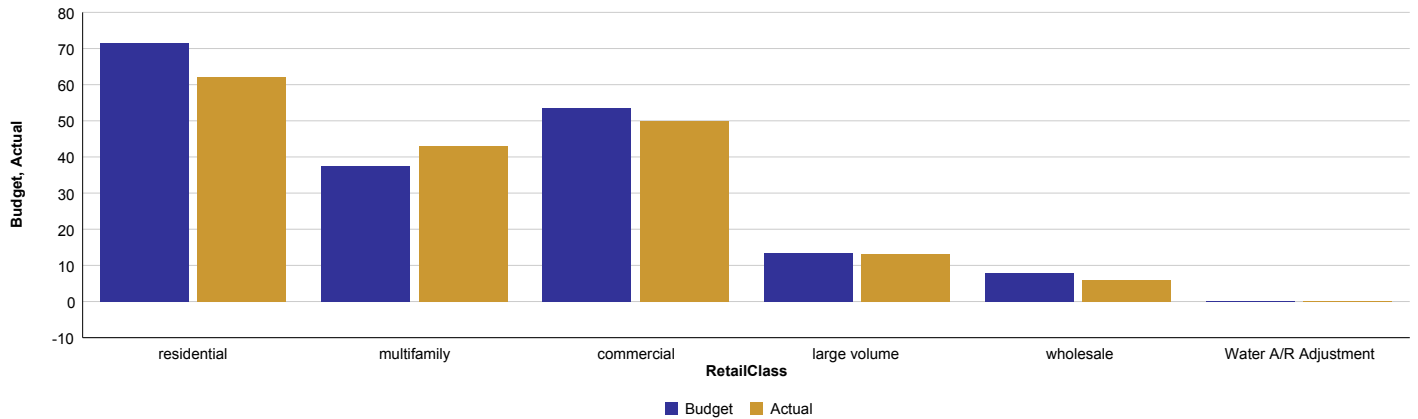
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	21.56	42.19	61.56	80.69	98.12	116.05	136.34	159.31	183.74	213.75	244.81	276.74
YTD Actual	20.85	43.93	62.86	82.42	98.48	114.48	133.77	152.27	174.28			
Variance \$	(0.71)	1.74	1.30	1.73	0.36	(1.57)	(2.57)	(7.03)	(9.46)			
Variance %	-3.3%	4.1%	2.1%	2.1%	0.4%	-1.4%	-1.9%	-4.4%	-5.1%			

Water service revenues for June 2015 totaled \$22.01 million. This is \$2.42 million or 9.9% less than the budget allotment for the month. For the fiscal year, water service revenues totaled \$174.28 million, which is \$9.46 million or 5.1% less than the budget allotment.

Billed water consumption for June 2015 totaled 3.49 billion gallons (BG). This was 0.08 BG or 2.2% less than projected for the month. For the fiscal year, billed water consumption totaled 26.19 BG. This was 1.11 BG or 4.1% below projections. A billing error was discovered and will be corrected in July. As a result, year-to-date revenues and consumption will be reduced.

Year-to-Date Water Service Revenues by Customer Class

Budget vs. Actual FY 2014 - 2015



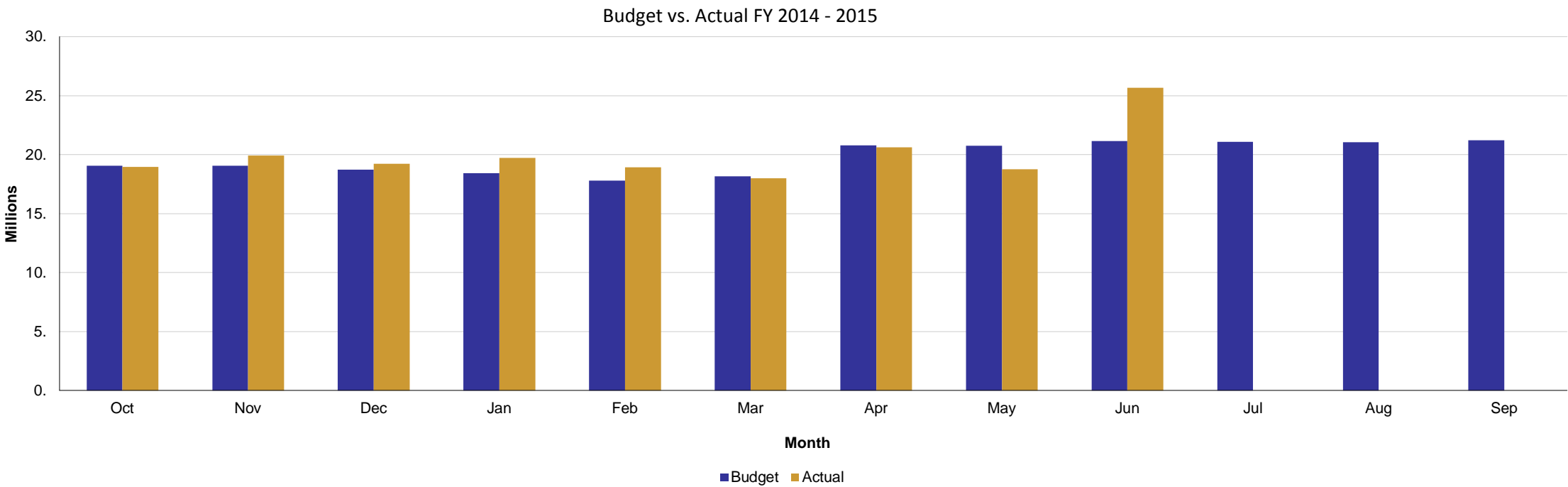
FY 2014 - 2015 Year-to-Date Water Service Revenues by Customer Class With Variances (Millions)

	residential	multifamily	commercial	large volume	wholesale	Water A/R Adjustment	Total
Budget	71.47	37.51	53.63	13.32	7.80	0.00	183.74
Actual	62.21	43.13	49.91	13.13	5.98	-0.09	174.28
Variance \$	(9.26)	5.62	(3.72)	(0.19)	(1.81)	(0.09)	(9.46)
Variance %	-13.0%	15.0%	-6.9%	-1.4%	-23.3%		-5.1%

Water service revenues are collected from a variety of customer classes including Residential, Multifamily, Commercial, Large Volume and Wholesale. The graph above compares the budgeted and actual water service revenues and the revenue stability fee by those classes through June, before any accounts receivable adjustments.

Multifamily revenues are above projections. Residential revenues are below projections by 13.0%. Wholesale revenues are 23.3% below projections as a result of the wholesale rate case. Overall, water revenues are 5.1% below projections. However, a billing error was discovered in the Multifamily class which will be corrected in July. Year-to-date revenues for this customer class will be reduced.

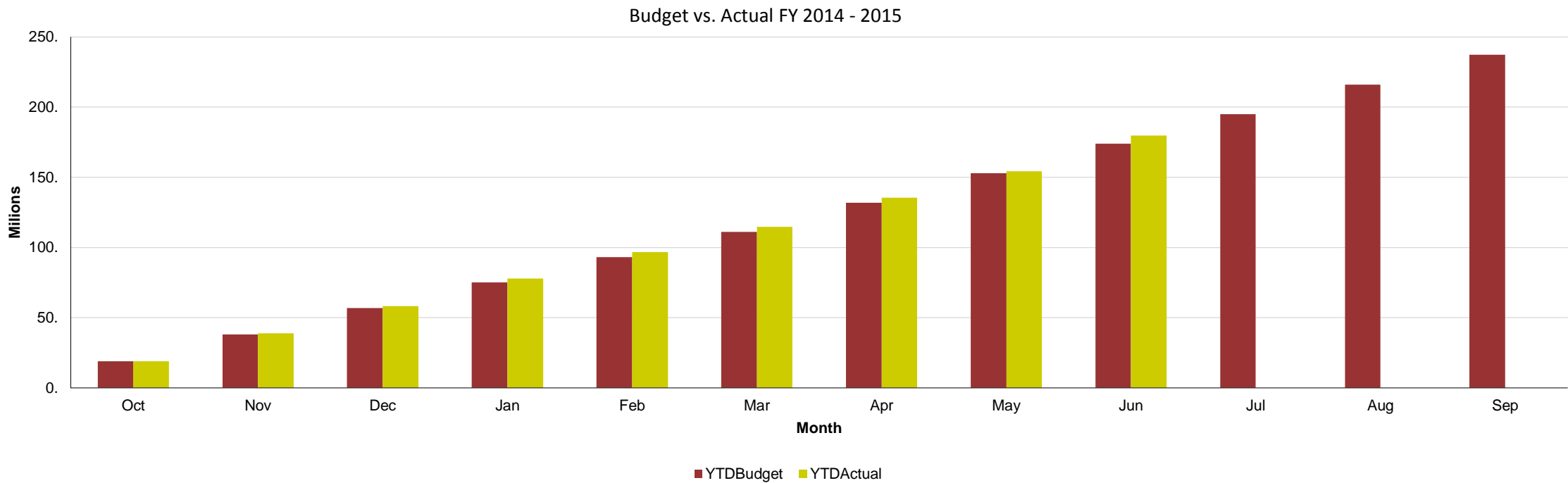
WasteWater Services Revenues by Month



FY 2014 - 2015 Wastewater Service Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	19.05	19.05	18.73	18.41	17.80	18.15	20.79	20.77	21.15	21.10	21.07	21.20
Actual	18.97	19.93	19.21	19.73	18.92	18.01	20.62	18.76	25.67			
Variance \$	(0.08)	0.88	0.48	1.32	1.12	(0.14)	(0.17)	(2.01)	4.51			
Variance %	-0.4%	4.6%	2.5%	7.2%	6.3%	-0.8%	-0.8%	-9.7%	21.3%			

WasteWater Services Revenues by Year-to-Date



FY 2014 - 2015 Wastewater Service Revenues by Year-to-Date With Variances (Millions)

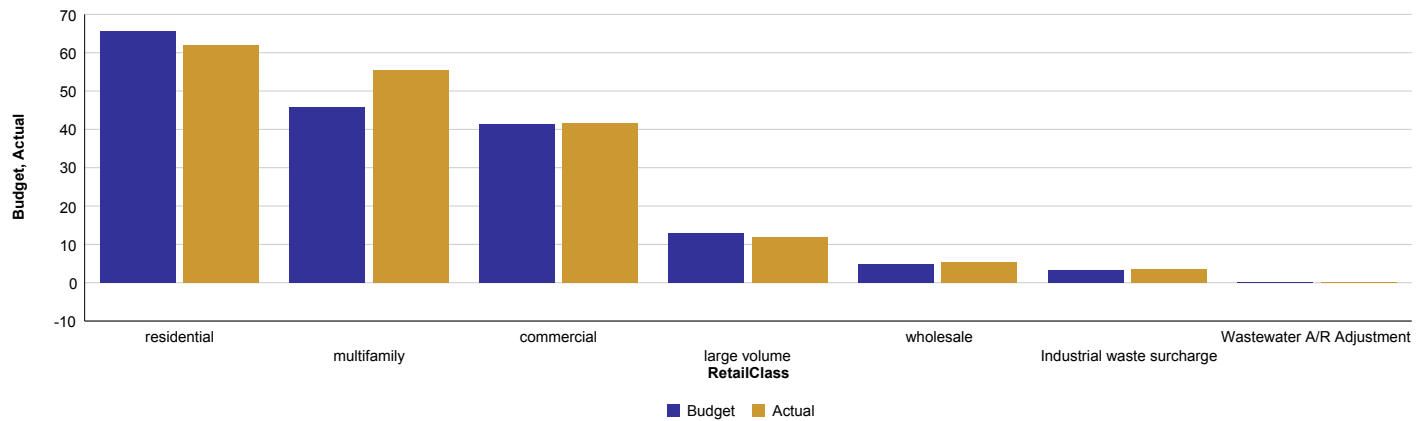
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	19.05	38.10	56.84	75.25	93.05	111.19	131.98	152.75	173.90	195.00	216.07	237.27
YTD Actual	18.97	38.90	58.11	77.85	96.76	114.77	135.39	154.15	179.82			
Variance \$	(0.08)	0.80	1.27	2.60	3.72	3.58	3.41	1.40	5.92			
Variance %	-0.4%	2.1%	2.2%	3.5%	4.0%	3.2%	2.6%	0.9%	3.4%			

Wastewater service revenues for June 2015 totaled \$25.67 million. This is \$4.51 million or 21.3% more than the budget allotment for the month. For the fiscal year, Wastewater service revenues totaled \$179.82 million. This is \$5.92 million or 3.4% more than the budget allotment. A billing error was discovered and will be corrected in July. As a result, year-to-date revenues and flows will be reduced.

Wastewater bills are determined by each customer's actual water consumption for the month or wastewater winter average, whichever is lower, except for customers who have installed wastewater measuring devices.

Year-to-Date Wastewater Service Revenues by Customer Class

Budget vs. Actual FY 2014 - 2015



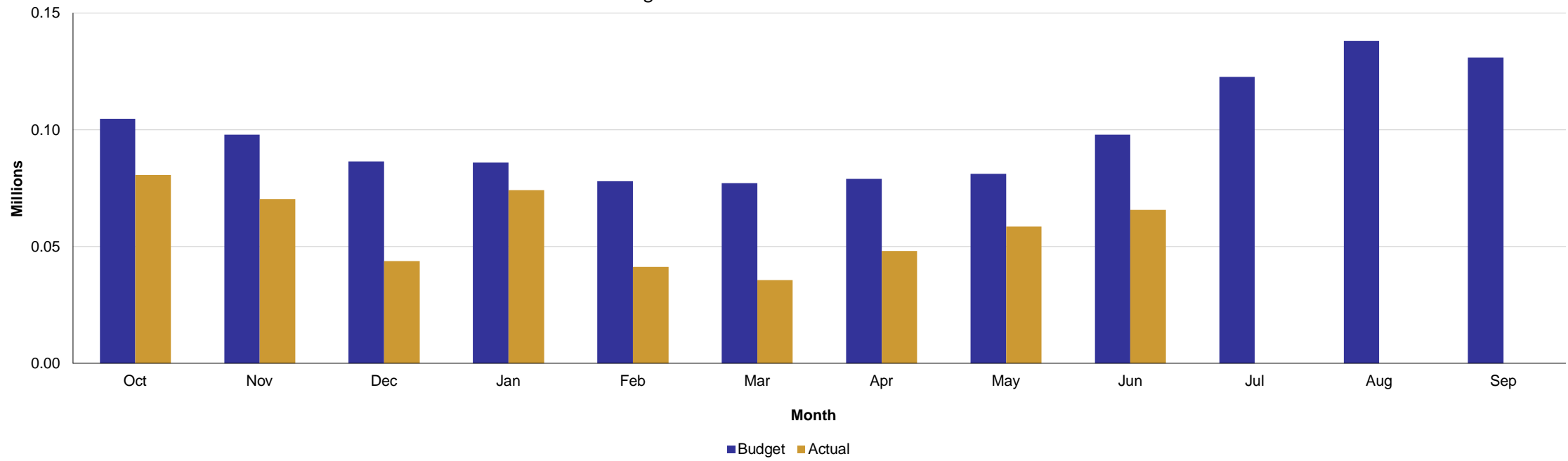
FY 2014 - 2015 Year-to-Date Wastewater Service Revenues by Customer Class With Variances (Millions)

	residential	multifamily	commercial	large volume	wholesale	Industrial waste surcharge	Wastewater A/R Adjustment	Total
Budget	65.56	45.86	41.33	12.90	4.88	3.38	0.00	173.90
Actual	61.97	55.53	41.63	11.99	5.26	3.44	0.00	179.82
Variance \$	(3.59)	9.67	0.31	(0.91)	0.38	0.06	0.00	5.92
Variance %	-5.5%	21.1%	0.7%	-7.0%	7.8%	1.9%		3.4%

Wastewater service revenues are collected from a variety of customer classes including Residential, Multifamily, Commercial, Large Volume, and Wholesale. This graph compares the budgeted and actual wastewater service revenues by those classes for the fiscal year to date, before any accounts receivable adjustments. Residential and Large Volume are below projections by 5.5% and 7.0%, respectively. These negative variances are offset by the Multifamily and Wholesale revenues' positive variances of 21.1% and 7.8%, respectively. Overall, wastewater revenues are 3.4% above projections. However, a billing error was discovered in the Multifamily class which will be corrected in July. Year-to-date revenues for this customer class will be reduced.

Reclaimed Services Revenues by Month

Budget vs. Actual FY 2014 - 2015

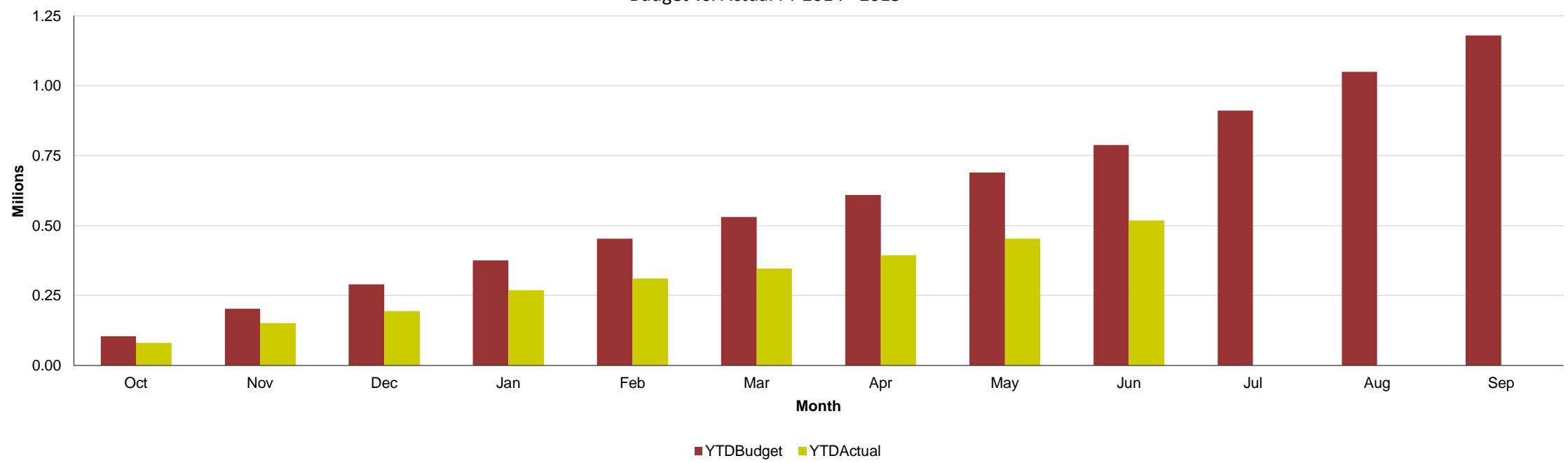


FY 2014 - 2015 Reclaimed Service Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	0.10	0.10	0.09	0.09	0.08	0.08	0.08	0.08	0.10	0.12	0.14	0.13
Actual	0.08	0.07	0.04	0.07	0.04	0.04	0.05	0.06	0.07			
Variance \$	(0.02)	(0.03)	(0.04)	(0.01)	(0.04)	(0.04)	(0.03)	(0.02)	(0.03)			
Variance %	-22.9%	-28.1%	-49.3%	-13.7%	-47.1%	-53.7%	-39.1%	-27.8%	-33.0%			

Reclaimed Services Revenues by Year-to-Date

Budget vs. Actual FY 2014 - 2015

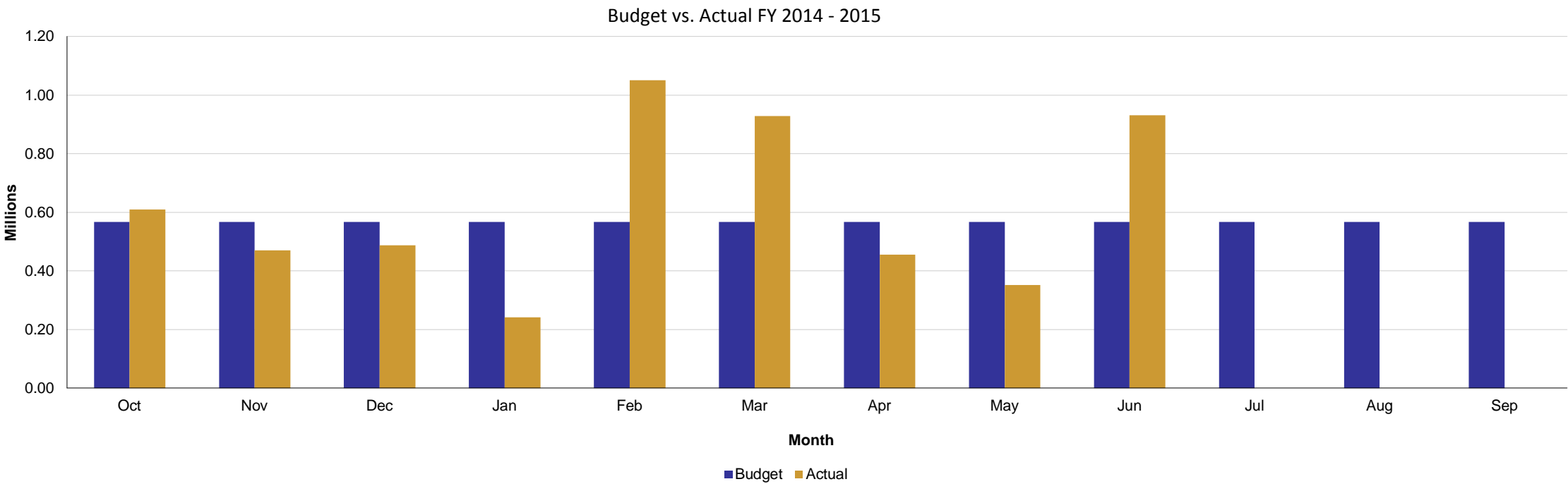


FY 2014 - 2015 Reclaimed Service Revenues by Year-to-Date With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	0.10	0.20	0.29	0.38	0.45	0.53	0.61	0.69	0.79	0.91	1.05	1.18
YTD Actual	0.08	0.15	0.19	0.27	0.31	0.35	0.39	0.45	0.52			
Variance \$	(0.02)	(0.05)	(0.09)	(0.11)	(0.14)	(0.18)	(0.21)	(0.24)	(0.27)			
Variance %	-22.9%	-25.4%	-32.6%	-28.2%	-31.5%	-34.7%	-35.3%	-34.4%	-34.2%			

Reclaimed Water service revenues for June 2015 totaled \$0.07 million. This is \$0.03 million or 33.0% less than the budget allotment for the month. For the fiscal year, Reclaimed Water service revenues totaled \$0.52 million. This is \$0.27 million or 34.2% less than the budget allotment.

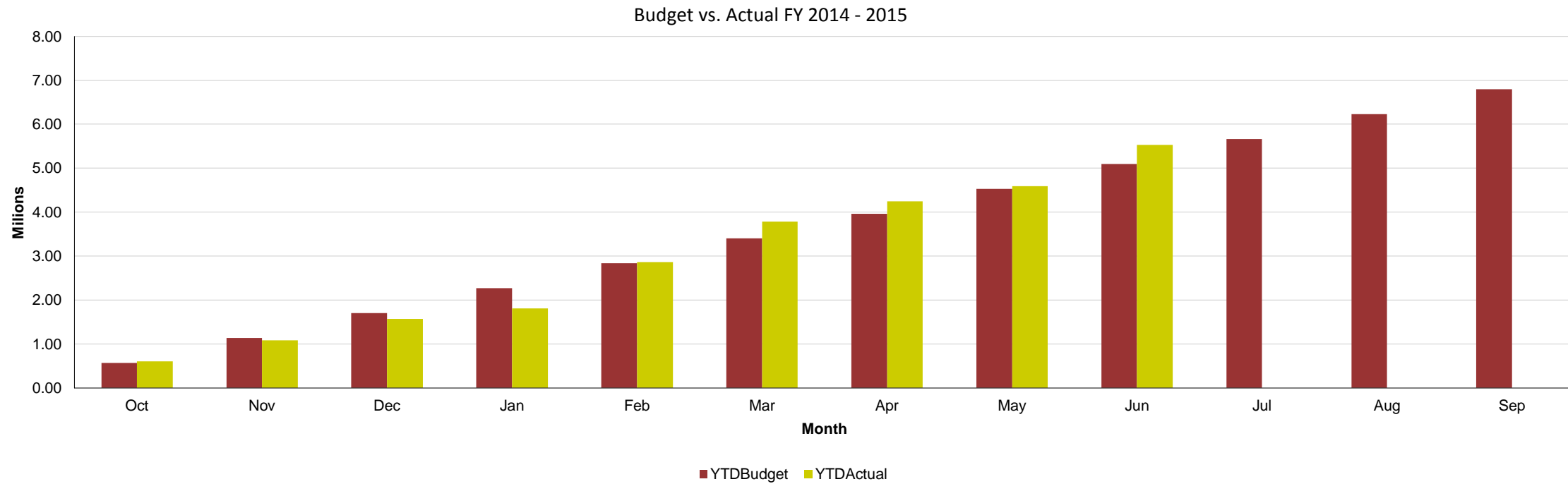
Miscellaneous Revenues by Month



FY 2014 - 2015 Miscellaneous Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57
Actual	0.61	0.47	0.49	0.24	1.05	0.93	0.45	0.35	0.93			
Variance \$	0.04	(0.10)	(0.08)	(0.33)	0.48	0.36	(0.11)	(0.22)	0.36			
Variance %	7.6%	-17.0%	-13.9%	-57.4%	85.5%	63.7%	-19.7%	-38.0%	64.3%			

Miscellaneous Revenues by Year-to-Date

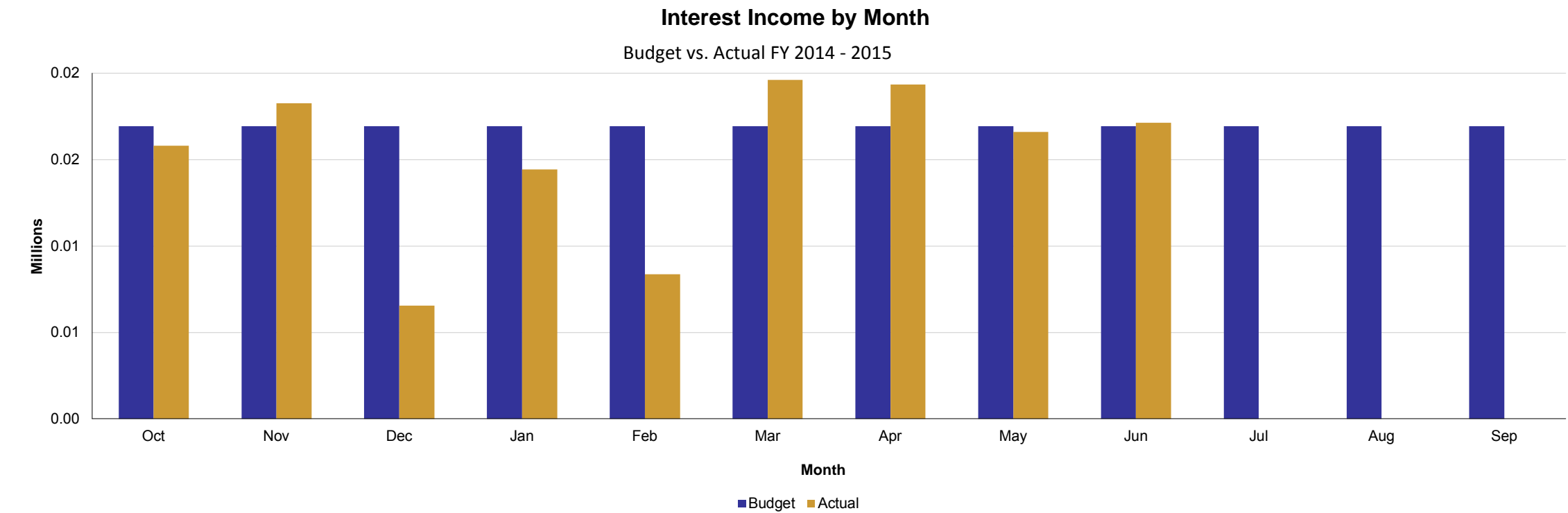


FY 2014 - 2015 Miscellaneous Revenues by Year-to-Date With Variances (Millions)

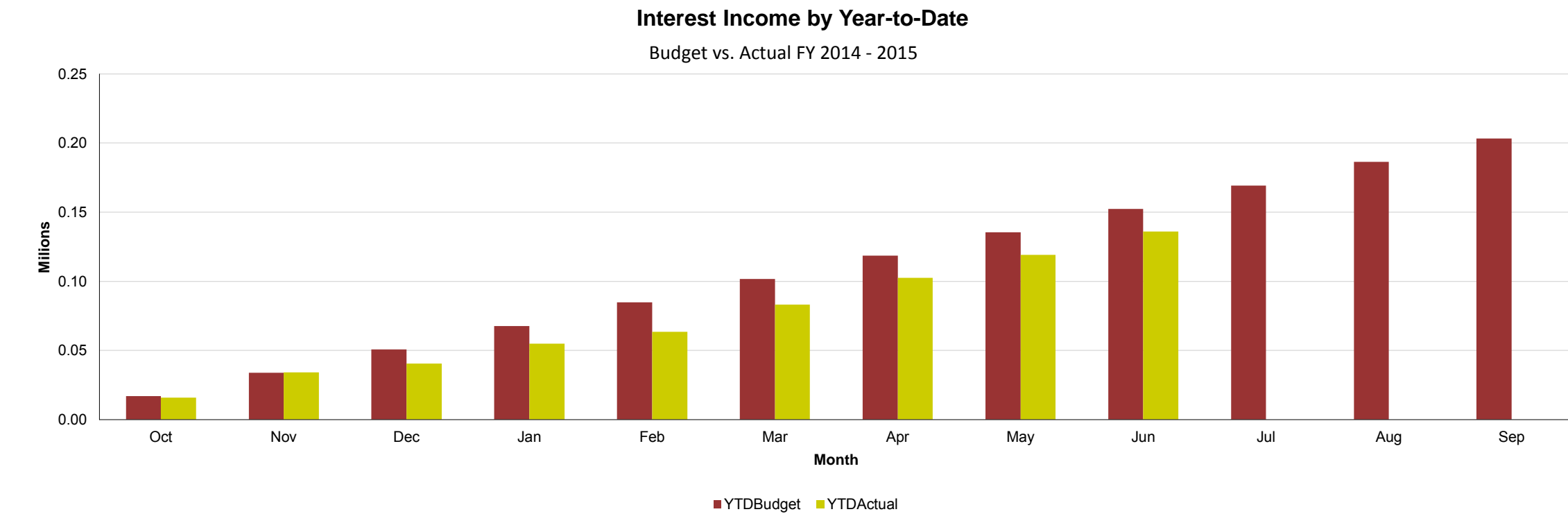
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	0.57	1.13	1.70	2.27	2.83	3.40	3.97	4.53	5.10	5.67	6.23	6.80
YTD Actual	0.61	1.08	1.57	1.81	2.86	3.79	4.24	4.60	5.53			
Variance \$	0.04	(0.05)	(0.13)	(0.46)	0.03	0.39	0.28	0.06	0.43			
Variance %	7.6%	-4.7%	-7.7%	-20.2%	1.0%	11.4%	7.0%	1.4%	8.4%			

Miscellaneous revenues include revenues from sources other than water and wastewater services, such as new service connection fees, late payment penalties, industrial waste permits, MUD surcharges, damage charges, etc. Miscellaneous revenues for June 2015 totaled \$0.93 million. This is \$0.36 million or 64.3% more than the budget allotment for the month. The significant variances in February and March are due to an error in the transactions required to implement the order for interim rates for wholesale customers that occurred in earlier in the year. The corrections are included in February and March.

The combined miscellaneous revenues for the fiscal year totaled \$5.53 million. This is \$0.43 million or 8.4% more than the budget allotment.



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Actual	0.02	0.02	0.01	0.01	0.01	0.02	0.02	0.02	0.02			
Variance \$	(0.00)	0.00	(0.01)	(0.00)	(0.01)	0.00	0.00	(0.00)	0.00			
Variance %	-6.6%	7.9%	-61.3%	-14.8%	-50.6%	15.9%	14.2%	-1.9%	1.2%			



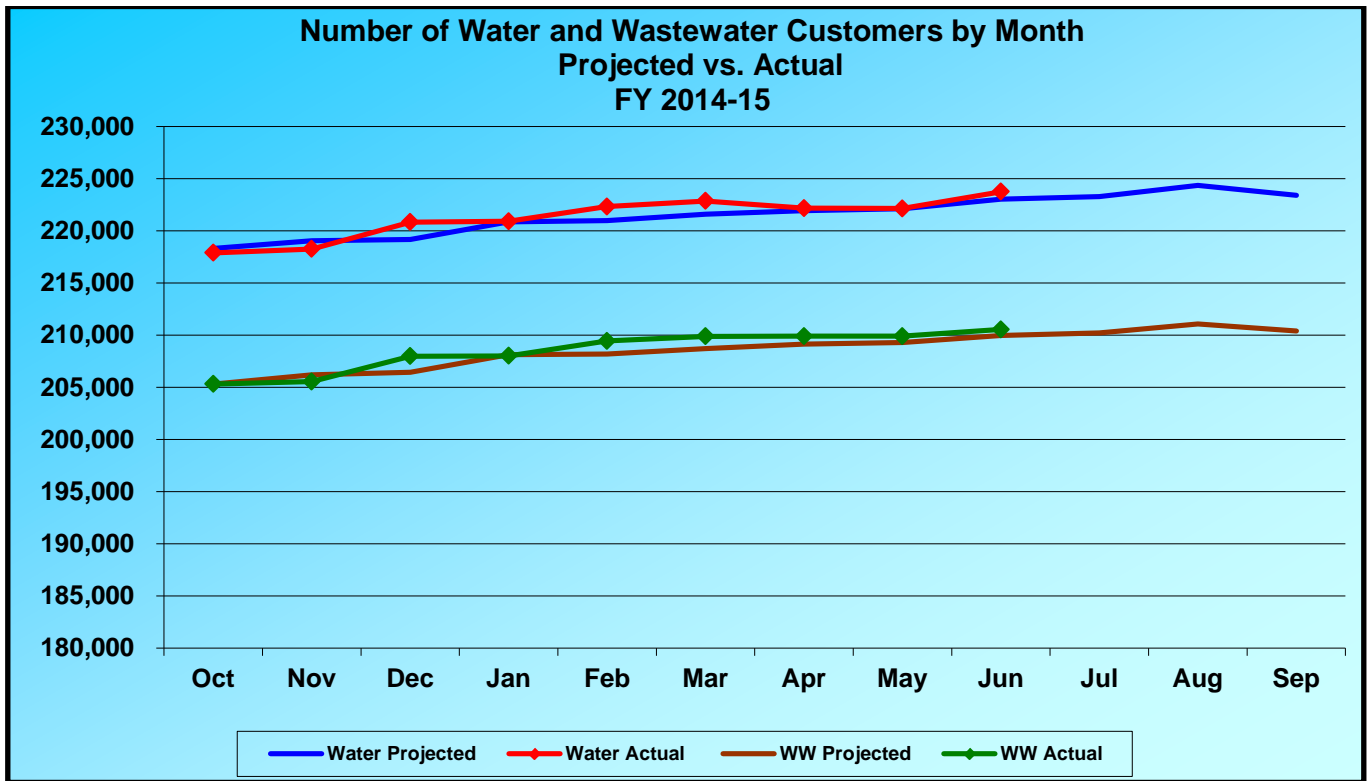
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	0.02	0.03	0.05	0.07	0.08	0.10	0.12	0.14	0.15	0.17	0.19	0.20
YTD Actual	0.02	0.03	0.04	0.06	0.06	0.08	0.10	0.12	0.14			
Variance \$	(0.00)	0.00	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)			
Variance %	-6.6%	0.6%	-20.0%	-18.7%	-25.1%	-18.3%	-13.6%	-12.2%	-10.7%			

Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income for June 2015 totaled \$17,140. This is 1.2% more than the budget allotment for the month.

Interest income for the fiscal year totaled \$136,126. This total is 10.7% less than the budget allotment due to market conditions causing interest rates to remain lower than expected.

CUSTOMER DEMAND CHARACTERISTICS

Number of Customers



FY 2014-15 Number of Water and Wastewater Customers Compared to Projections

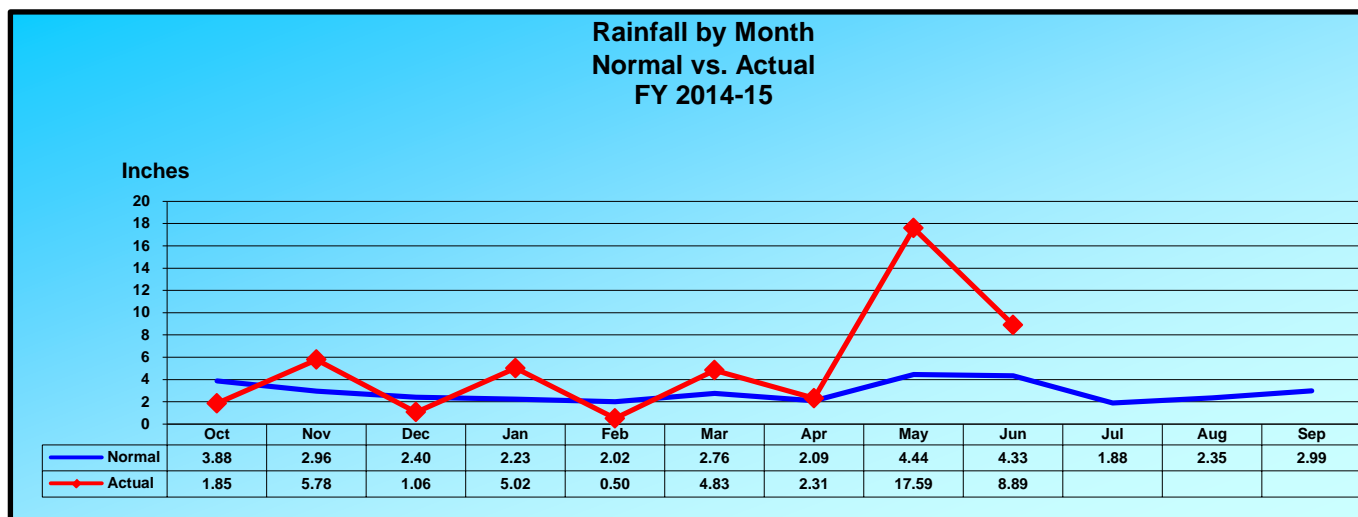
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Water												
Projected	218,325	219,058	219,185	220,863	220,970	221,591	221,922	222,118	223,040	223,301	224,368	223,402
Actual	217,900	218,269	220,844	220,917	222,327	222,870	222,175	222,150	223,755			
Variance	(425)	(789)	1,659	54	1,357	1,279	253	32	715			
Monthly Change	866	369	2,575	73	1,410	543	(695)	(25)	1,605			
Wastewater												
Projected	205,310	206,198	206,433	208,121	208,177	208,717	209,134	209,279	209,957	210,201	211,060	210,405
Actual	205,310	205,549	207,984	208,015	209,433	209,882	209,897	209,907	210,545			
Variance	0	(649)	1,551	(106)	1,256	1,165	763	628	588			
Monthly Change	828	239	2,435	31	1,418	449	15	10	638			

The actual number of water customers as of June 30, 2015, was 223,755. This was 1,605 more customers than last month and 715 more customers than projected for this date. There were 217,034 water customers at September 30, 2014.

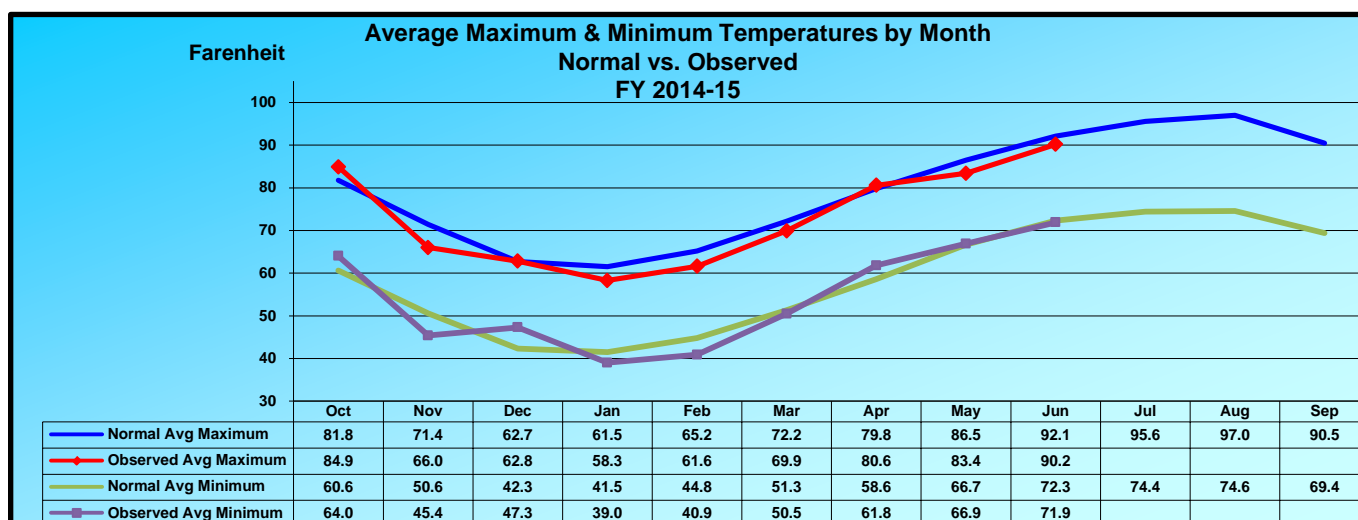
The actual number of wastewater customers as of June 30, 2015, was 210,545. This was 638 more customers than last month and 588 more customers than projected for this date. There were 204,482 wastewater customers at September 30, 2014. This month's report also corrects an error in February's wastewater data.

The projected number of customers for fiscal year 2014-15 was determined in April 2014 using an historical eight-year average monthly growth rate in accounts. Monthly negative or positive trend fluctuations are due to factors such as housing starts, the rental home market, unanticipated utility system acquisitions, and other factors.

Rainfall and Average Maximum & Minimum Temperatures by Month



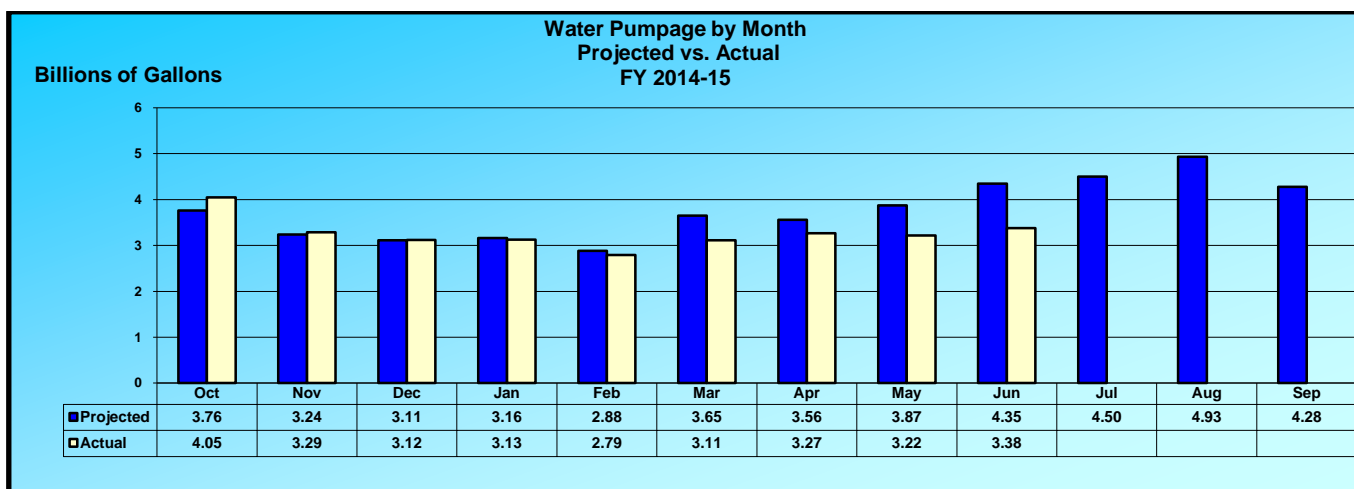
Monthly normal rainfall is based on a 30-year history as reported by the National Weather Service for Austin-Mabry. Last fiscal year the total rainfall was 44.39 inches, 29.3% more than the normal amount of 34.33 inches. In June, rainfall totaled 8.89 inches, 4.56 inches above normal for the month. For the fiscal year to date, rainfall has totaled 47.83 inches, 76.43% more than the normal amount of 27.11 inches. Generally, as rainfall increases significantly, water pumpage decreases and wastewater effluent increases due to inflow and infiltration. Conversely, as rainfall decreases significantly, water pumpage increases and wastewater effluent decreases.



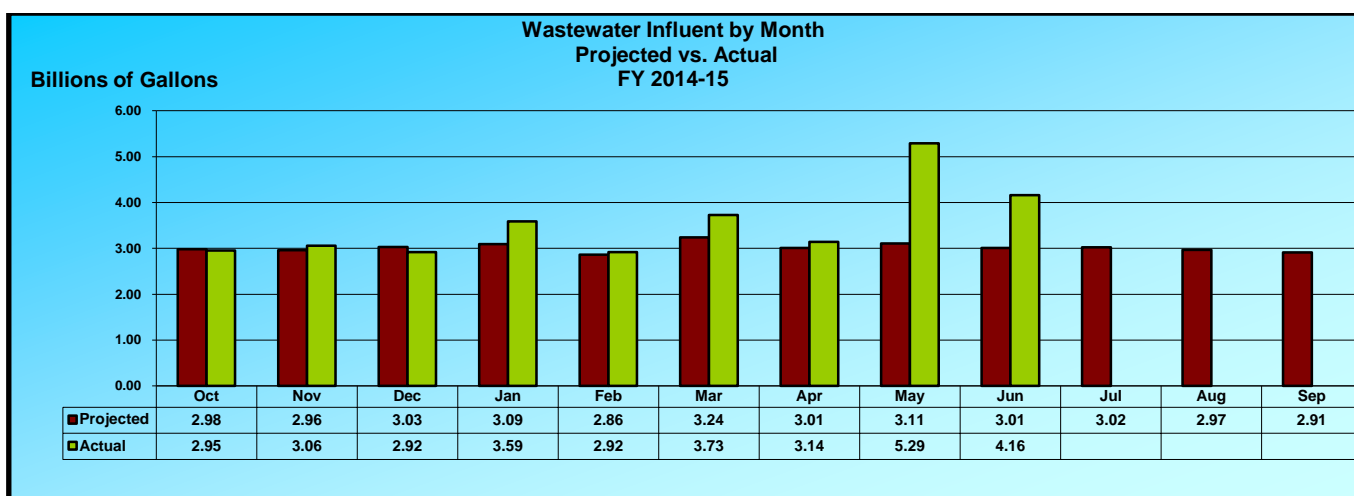
Monthly average maximum and minimum temperatures are reported by the National Weather Service for Austin-Mabry. Generally, last fiscal year temperatures were consistent with historical norms. October started the year with temperatures higher than historic norms, and November was significantly cooler than norms. December's high temperature was very close to historic norms but the low was above normal. January through March, average temperatures were lower than norms. April was slightly above normal, while the rains in May brought down the average high. June's average temperatures are slightly below norms.

The combined storage in the Highland Lakes two water storage reservoirs, Travis and Buchanan, rose to 66 percent capacity in May and continued to rise in June to a 71 percent capacity.

Water Pumpage and Influent Flow by Month

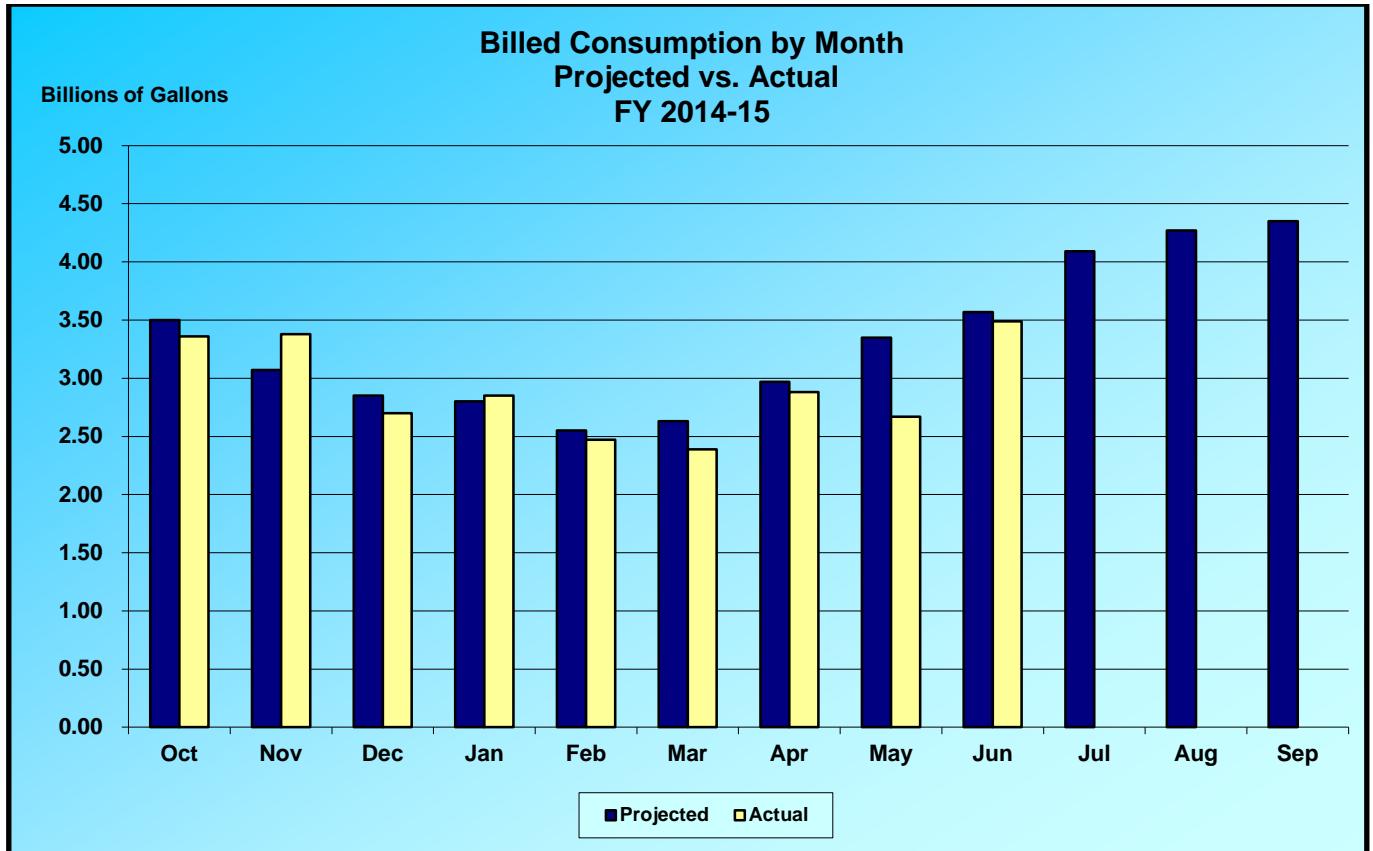


Pumpage during June 2015 averaged 112.64 MGD for a total of 3.38 BG for the month. This compares to a daily average of 107.54 MGD for this fiscal year and a daily average of 110.03 MGD for fiscal year 2013-14 through June of 2014.



Influent during June 2015 averaged 138.59 MGD for a total of 4.16 BG. This compares to a daily average of 116.31 MGD for this fiscal year and an average of 103.63 MGD for fiscal year 2013-14 through June of 2014.

Billed Water Consumption

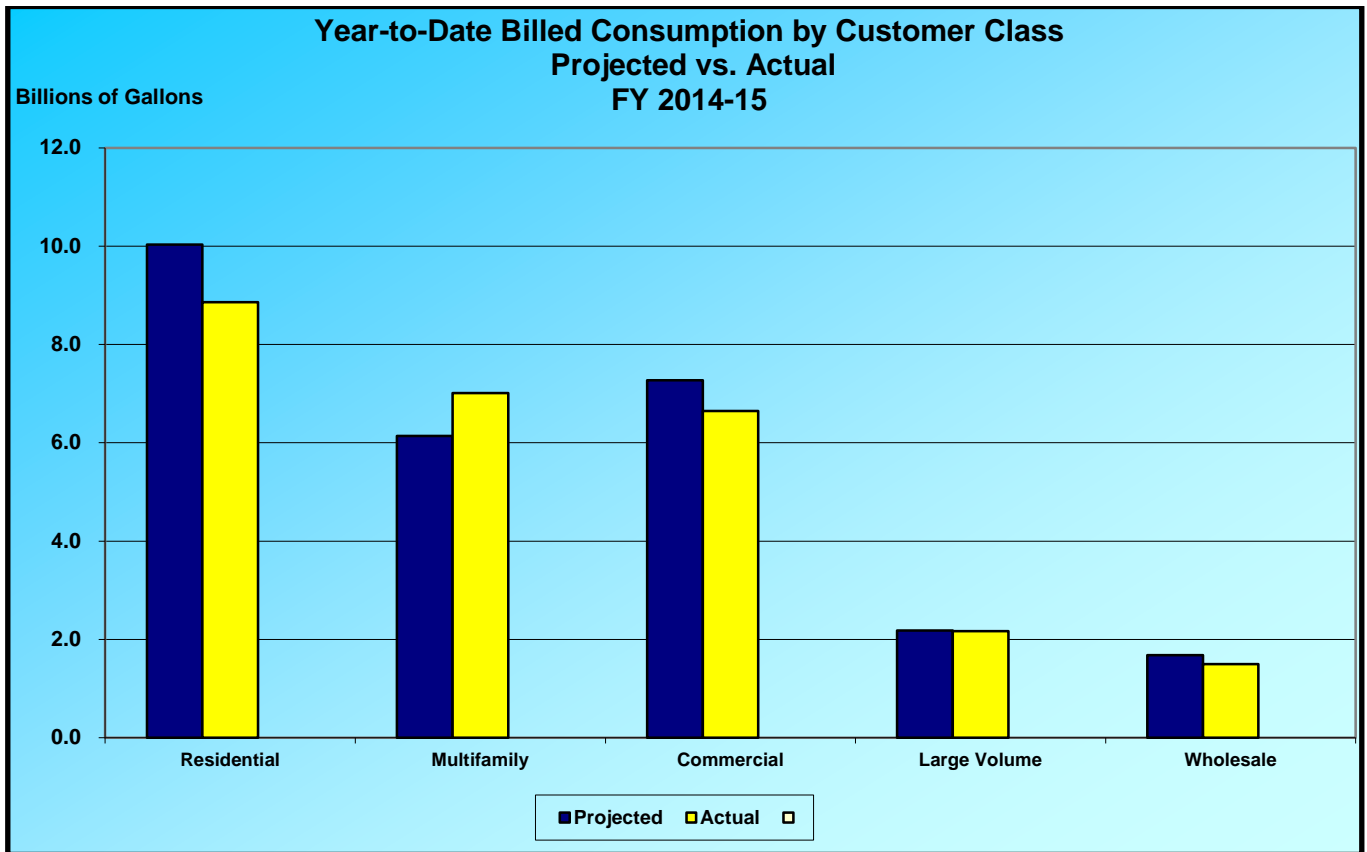


FY 2014-15 Billed Consumption by Month and Year-to-Date (Billions of Gallons)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<u>Month</u>												
Projected	3.50	3.07	2.85	2.80	2.55	2.63	2.97	3.35	3.57	4.09	4.27	4.35
Actual	3.36	3.38	2.70	2.85	2.47	2.39	2.88	2.67	3.49			
Variance	(0.14)	0.31	(0.15)	0.05	(0.08)	(0.24)	(0.09)	(0.68)	(0.08)			
Variance %	-4.0%	10.1%	-5.3%	1.8%	-3.1%	-9.1%	-3.0%	-20.3%	-2.2%			
<u>YTD</u>												
Projected	3.50	6.57	9.42	12.22	14.77	17.40	20.37	23.73	27.30	31.39	35.65	40.01
Actual	3.36	6.74	9.44	12.29	14.76	17.15	20.03	22.70	26.19			
Variance	(0.14)	0.17	0.02	0.07	(0.01)	(0.25)	(0.34)	(1.03)	(1.11)			
Variance %	-4.0%	2.6%	0.2%	0.6%	-0.1%	-1.4%	-1.7%	-4.3%	-4.1%			

Actual billed water consumption for June 2015 was 3.49 BG. This was 0.08 BG or 2.2% less than the projected consumption of 3.57 BG for the month. For the fiscal year, actual billed water consumption was 26.19 BG. This was 1.11 BG or 4.1% less than projected for the period. A billing error was discovered after the end of the month and will be corrected in July. Year-to-date consumption will be reduced.

Billed Water Consumption (continued)

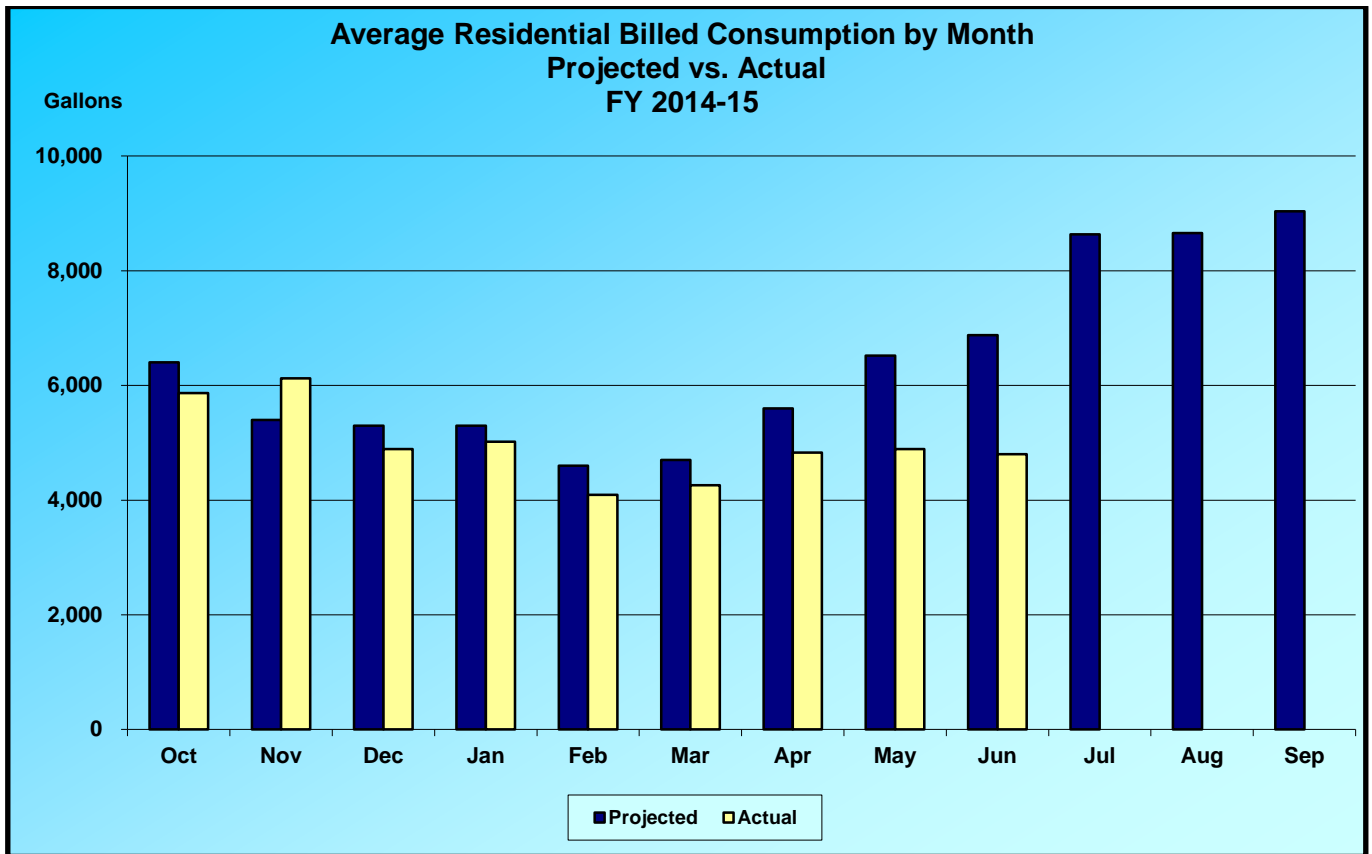


FY 2014-15 Year-to-Date Billed Consumption by Customer Class With Variances (Billions of Gallons)

	Residential	Multifamily	Commercial	Large Volume	Wholesale
<u>YTD</u>					
Projected	10.03	6.14	7.27	2.18	1.68
Actual	8.86	7.01	6.65	2.17	1.50
Variance	(1.17)	0.87	(0.62)	(0.01)	(0.18)
Variance %	-11.7%	14.2%	-8.5%	-0.5%	-10.7%

For the fiscal year through June 2015, billed water consumption was 26.19 BG. This was 1.11 BG or 4.1% less than projected for all customer classes combined. All customer classes were below projections except Multifamily. However; a billing error was discovered in the Multifamily class which will be corrected in July. Year-to-date consumption for Multifamily will be reduced.

Billed Water Consumption (continued)

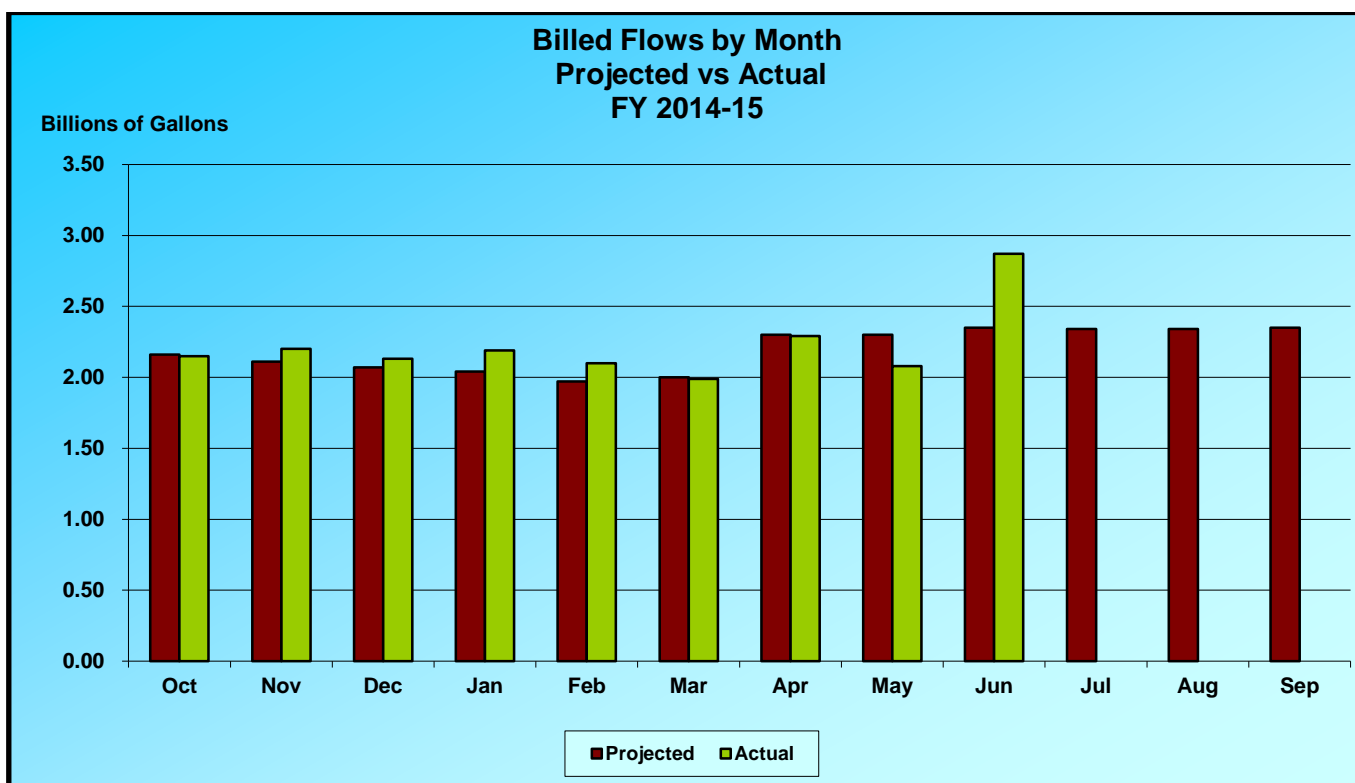


FY 2014-15 Average Residential Billed Consumption by Month

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Projected	6,400	5,400	5,300	5,300	4,600	4,700	5,600	6,520	6,875	8,634	8,656	9,034
Actual	5,867	6,126	4,889	5,017	4,090	4,262	4,829	4,888	4,799			
Variance	(533)	726	(411)	(283)	(510)	(438)	(771)	(1,632)	(2,076)			
Variance %	-8.3%	13.4%	-7.8%	-5.3%	-11.1%	-9.3%	-13.8%	-25.0%	-30.2%			

Average Residential billed consumption for June 2015 was 4,799 gallons. This was 2,076 gallons or 30.2% less than projected for the month.

Billed Wastewater Flows



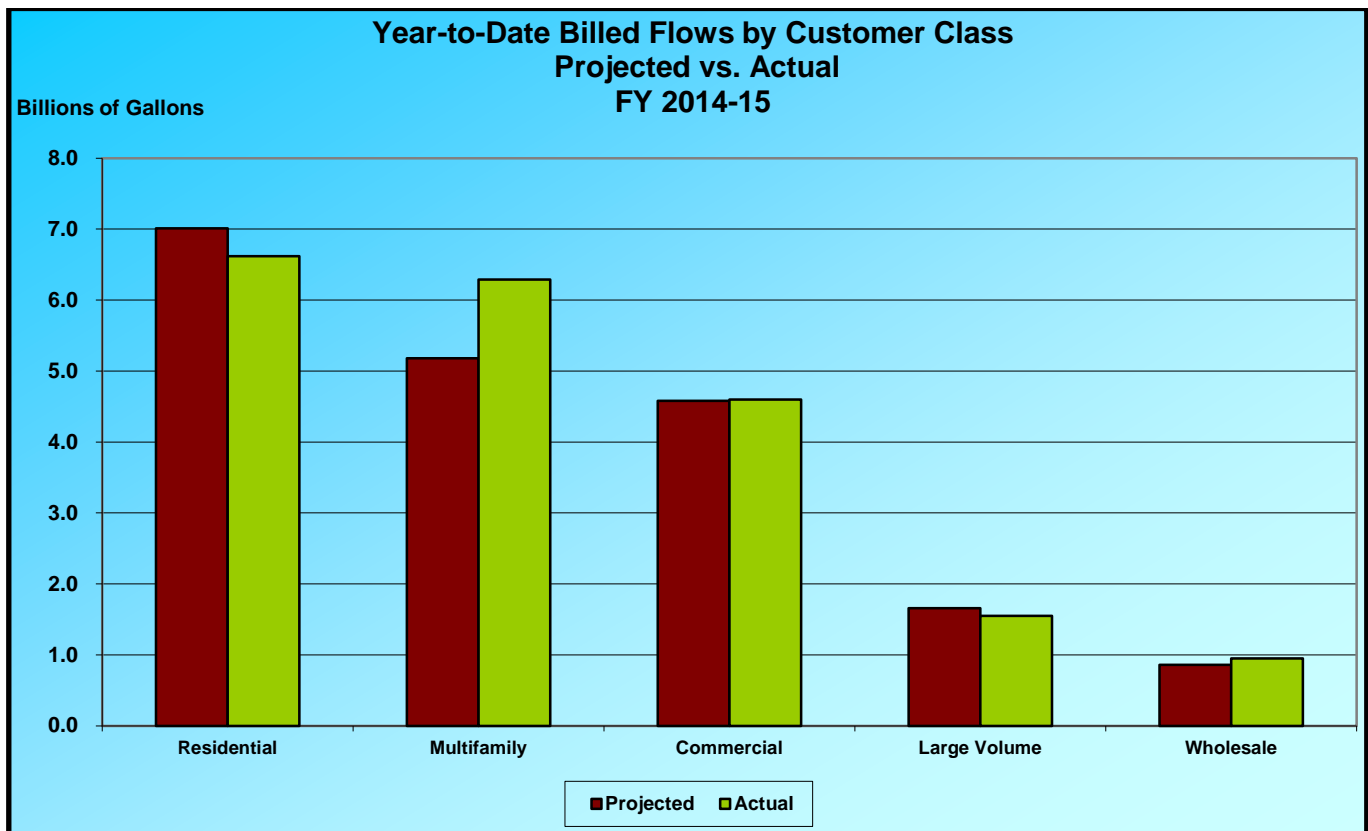
FY 2014-15 Billed Flows by Month and Year-to-Date (Billions of Gallons)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<u>Month</u>												
Projected	2.16	2.11	2.07	2.04	1.97	2.00	2.30	2.30	2.35	2.34	2.34	2.35
Actual	2.15	2.20	2.13	2.19	2.10	1.99	2.29	2.08	2.87			
Variance	(0.01)	0.09	0.06	0.15	0.13	(0.01)	(0.01)	(0.22)	0.52			
Variance %	-0.5%	4.3%	2.9%	7.4%	6.6%	-0.5%	-0.4%	-9.6%	22.1%			
<u>YTD</u>												
Projected	2.16	4.26	6.34	8.37	10.34	12.34	14.65	16.95	19.29	21.63	23.97	26.32
Actual	2.15	4.36	6.49	8.68	10.78	12.77	15.06	17.14	20.01			
Variance	(0.01)	0.10	0.15	0.31	0.44	0.43	0.41	0.19	0.72			
Variance %	-0.5%	2.3%	2.4%	3.7%	4.3%	3.5%	2.8%	1.1%	3.7%			

Actual billed flows for June 2015 were 2.87 BG, or 0.52 BG more than projected for the month. For the fiscal year, actual billed flows were 20.01 BG. This was 0.72 BG or 3.7% more than projected. A billing error was discovered which will be corrected in July. Year-to-date flows will be reduced.

Wastewater bills are determined by each customer's actual water consumption for the month or wastewater winter average, whichever is lower, except for customers who have wastewater measuring devices installed.

Billed Wastewater Flows (continued)

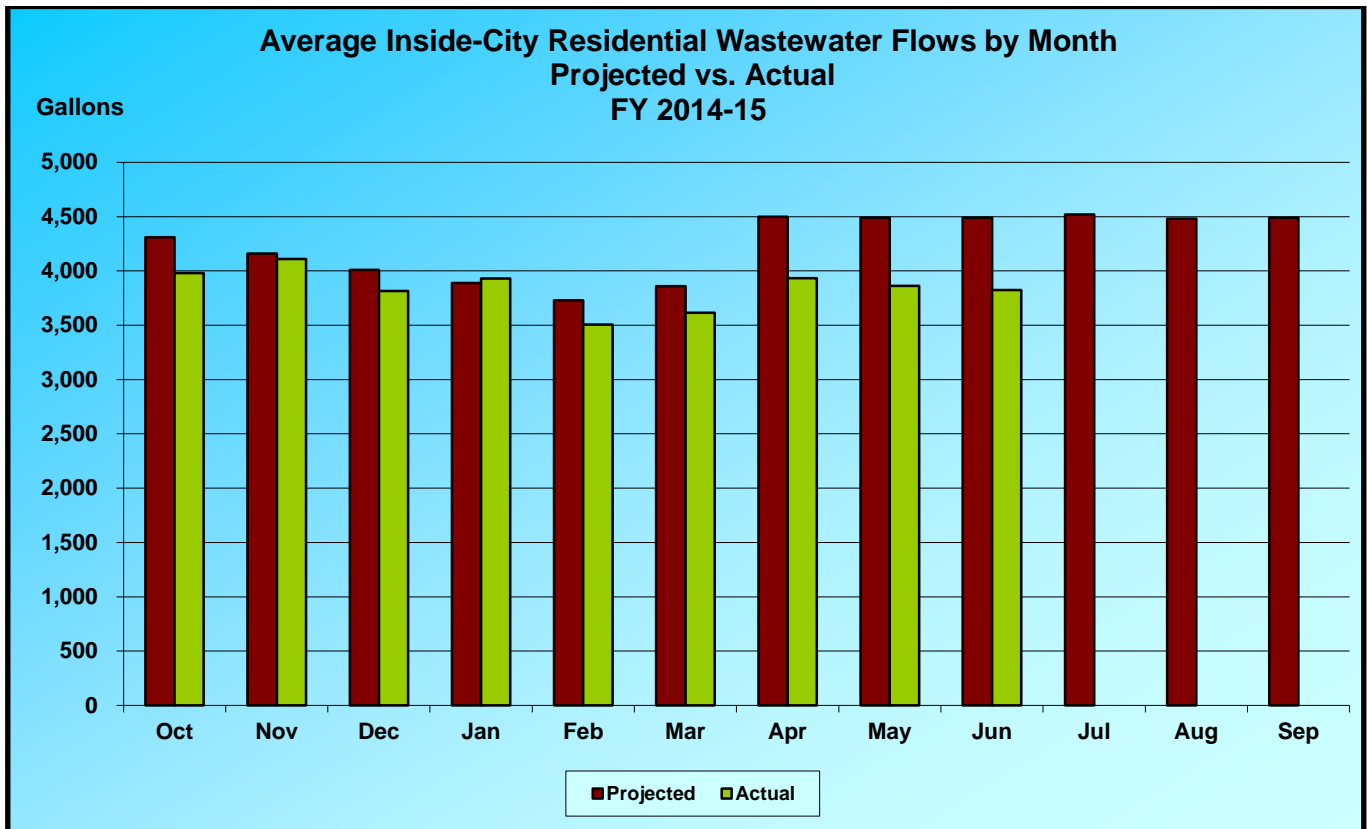


FY 2014-15 Year-to-Date Billed Flows by Customer Class With Variances (Billions of Gallons)

	Residential	Multifamily	Commercial	Large Volume	Wholesale
<u>YTD</u>					
Projected	7.01	5.18	4.58	1.66	0.86
Actual	6.62	6.29	4.60	1.55	0.95
Variance	(0.39)	1.11	0.02	(0.11)	0.09
Variance %	-5.6%	21.4%	0.4%	-6.6%	10.5%

Overall, billed wastewater flows were 20.01 BG or 3.7% above projections for the fiscal year through June 2015. As shown in the table above, billed wastewater flows were below projections in two of five customer classes. However, Multifamily and Wholesale customer classes exceeded projected billed volume by 21.4% and 10.5% above projections to more than offset the lower billed flows in other classes. However, a billing error was discovered in the Multifamily class which will be corrected in July. Year-to-date flows for Multifamily will be reduced.

Billed Wastewater Flows (continued)



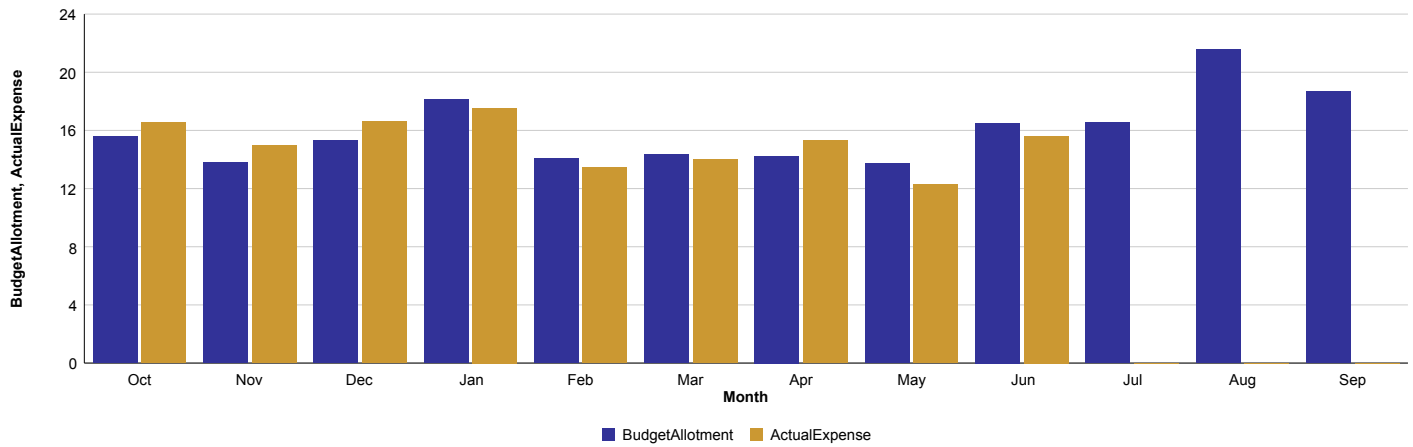
FY 2014-15 Average Inside City Residential Flows by Month

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Projected	4,310	4,160	4,010	3,890	3,730	3,860	4,500	4,490	4,490	4,520	4,480	4,490
Actual	3,981	4,111	3,815	3,930	3,507	3,616	3,932	3,861	3,824			
Variance	(329)	(49)	(195)	40	(223)	(244)	(568)	(629)	(666)			
Variance %	-7.6%	-1.2%	-4.9%	1.0%	-6.0%	-6.3%	-12.6%	-14.0%	-14.8%			

The average Residential billed flow for June 2015 was 3,824 gallons. This was 666 gallons or 14.8% below projections for the month.

OPERATING REQUIREMENTS

Operating Requirements by Month - Budget vs Actual FY 2014 - 2015



FY 2014 - 2015 Operating Requirements by Month and Year-to-Date With Variances (Millions)

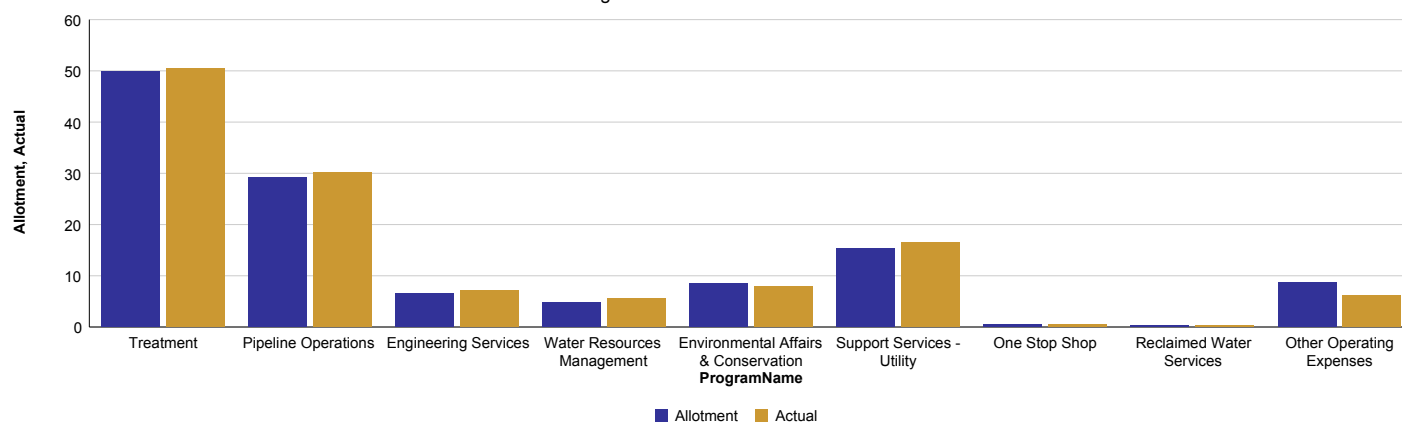
Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
BudgetAllotment	15.56	13.80	15.30	18.14	14.05	14.35	14.24	13.71	16.51	16.57	21.54	18.66	192.42
ActualExpense	16.54	14.97	16.61	17.54	13.47	14.00	15.32	12.28	15.62	0.00	0.00	0.00	136.36
Variance \$	(0.98)	(1.17)	(1.30)	0.59	0.57	0.35	(1.09)	1.42	0.89	16.57	21.54	18.66	56.05
Variance %	-6.3%	-8.5%	-8.5%	3.3%	4.1%	2.4%	-7.6%	10.4%	5.4%	100.0%	100.0%	100.0%	29.1%

YTD	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
BudgetAllotment	15.56	29.35	44.66	62.79	76.84	91.20	105.43	119.14	135.65	152.22	173.76	192.42
ActualExpense	16.54	31.51	48.12	65.66	79.13	93.14	108.46	120.74	136.36	0.00	0.00	0.00
Variance \$	(0.98)	(2.15)	(3.46)	(2.87)	(2.29)	(1.94)	(3.03)	(1.61)	(0.71)	152.22	173.76	192.42
Variance %	-6.3%	-7.3%	-7.7%	-4.6%	-3.0%	-2.1%	-2.9%	-1.3%	-0.5%	100.0%	100.0%	100.0%

Total Operating Requirements for the fiscal year through June 2015 were \$73.82 million for water, \$62.27 million for wastewater, and \$0.27 million for reclaimed water. The combined Operating Requirements of \$136.36 million were \$0.71 million or 0.5% above the budget allotment.

YTD Operating Requirements by Program

Budget vs. Actual FY 2014 - 2015



FY 2014 - 2015 YTD Operating Requirements by Program through June 2015 (Millions)

	Treatment	Pipeline Operations	Engineering Services	Water Resources Management	Environmental Affairs & Conservation	Support Services - Utility	One Stop Shop	Reclaimed Water Services	Other Operating Expenses	Total
Allotment	49.87	29.19	6.59	4.81	8.57	15.26	0.48	0.28	8.77	123.81
Actual	50.43	30.17	7.13	5.65	7.90	16.46	0.43	0.26	6.06	124.51
Variance \$	(0.57)	(0.98)	(0.55)	(0.85)	0.67	(1.20)	0.05	0.02	2.71	(0.70)
Variance %	-1.1%	-3.4%	-8.3%	-17.6%	7.8%	-7.9%	10.6%	7.0%	30.9%	-0.6%

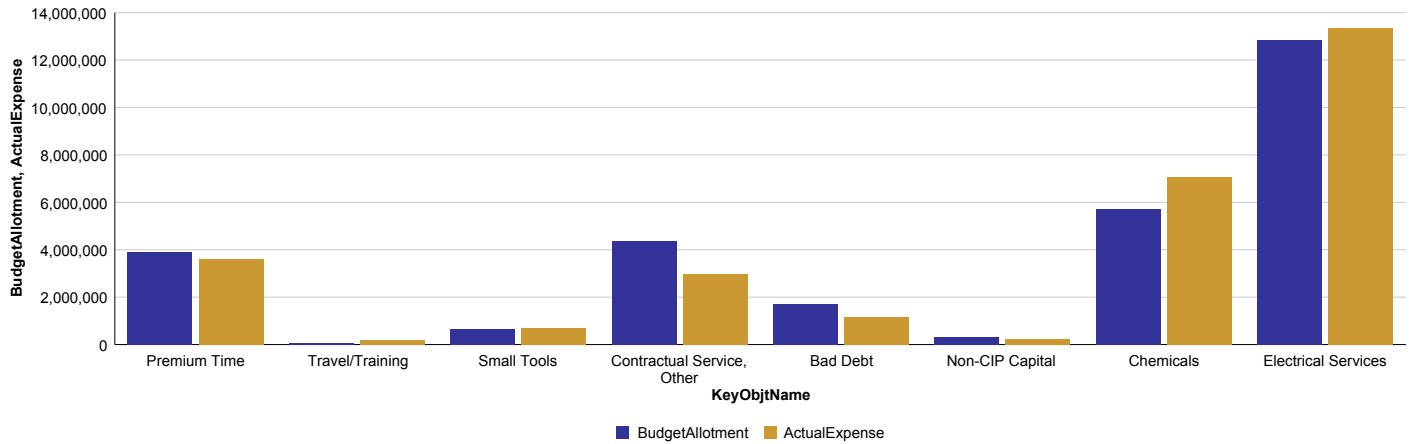
Total Operating Program Requirements as of June 30, 2015 were \$65.07 million for Water, \$59.17 million for Wastewater, and \$0.27 million for Reclaimed Water. The combined Operating Program Requirements of \$124.51 million were \$0.70 million or 0.6% above allotment.

Water Resources Management was \$0.85 million or 17.6% above allotment due to a transfer of labor costs to CIP funds which was originally budgeted in the Pipeline Engineering Division, but later moved to Support Services-Utility Program area.

One Stop Shop was \$0.05 million or 10.6% below allotment due to actual labor costs which were charged to One Stop Shop program that were lower than the original budget.

Other Operating Expenses was \$2.71 million or 30.9% below allotment primarily due to lower than estimated spending for commercial paper administration cost, as well as emergency/contingency funds.

YTD Key Operating Object Codes - Budget Vs Actual - FY 2014 - 2015



FY 2014 - 2015 YTD Operating Requirements Key Object Codes With Variance through June 2015

	Premium Time	Travel/Training	Small Tools	Contractual Service, Other	Bad Debt	Non-CIP Capital	Chemicals	Electrical Services	Total
Budget Allotment	3,911,174	61,196	640,331	4,366,202	1,727,473	319,350	5,727,102	12,845,044	29,597,872
Actual Expense	3,612,881	206,129	683,264	2,971,120	1,156,934	216,657	7,065,182	13,333,733	29,245,900
Variance \$	298,293	(144,934)	(42,933)	1,395,081	570,540	102,693	(1,338,080)	(488,688)	351,972
Variance %	7.6%	-236.8%	-6.7%	32.0%	33.0%	32.2%	-23.4%	-3.8%	1.2%

Travel/training was \$144,934 or 236.8% above allotment due to the \$40,000 contract services for onsite training for Collection System Engineering Division which were encumbered at the beginning of the fiscal year.

Contractual Services, Other was \$1,395,081 or 32.0% below allotment due to lower than estimated spending for SWAP cost, as well as the emergency/contingency fund spending.

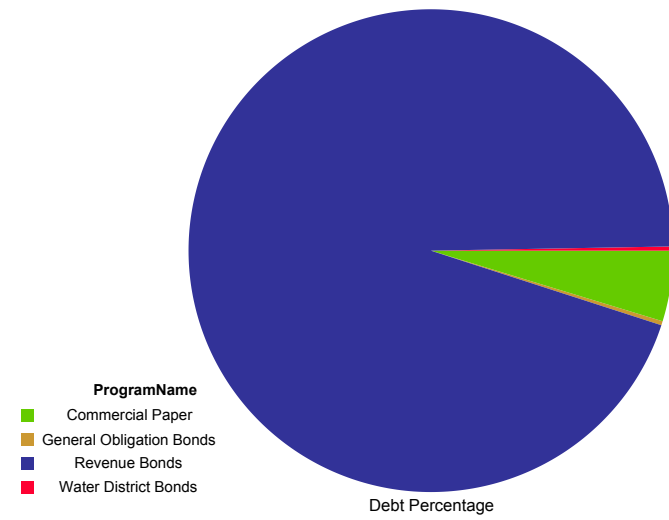
Non-CIP Capital was \$102,693 or 32.2% below allotment due to lower than estimated spending in other equipment in Hornsby Bend Maintenance Section and Hornsby Bend Operations Section in Wastewater Treatment Division.

Chemicals were \$1,338,080 or 23.4% above allotment due to large encumbrances of Quick Lime at Ullrich WTP, Water Treatment Plant 4, and Sodium Hypochlorite and Magnesium Hydroxide at South Austin Regional WWTP.

DEBT OUTSTANDING & DEBT SERVICE

Total Debt outstanding By Type

Total Debt as of June 2015 \$2,435,947,047 (Principal Only)

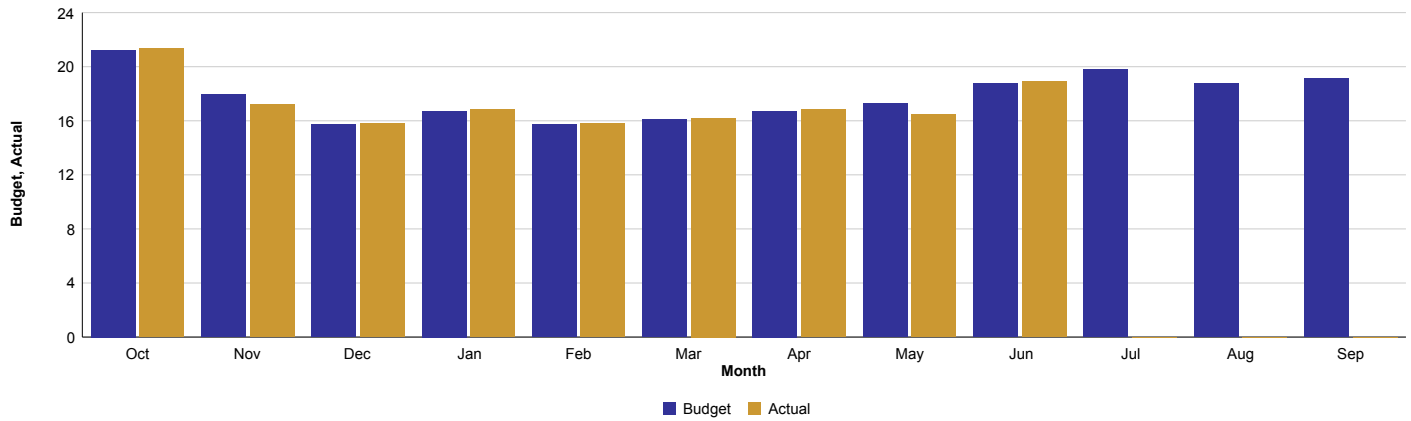


	Debt Outstanding \$	Debt Outstanding %
Commercial Paper	113,855,000	4.7%
General Obligation Bonds	10,596,242	0.4%
Revenue Bonds	2,305,852,446	94.7%
Water District Bonds	5,643,359	0.2%
Total	2,435,947,047	100%

BFY	Utility Debt Per Customer
2007	8,358.55
2008	8,576.62
2009	9,158.20
2010	9,894.96
2011	10,307.65
2012	10,832.55
2013	11,288.09
2014	11,443.78
2015	10,886.67

Combined Debt Service by Month (in Millions)

Budget vs. Actual - FY 2014 - 2015

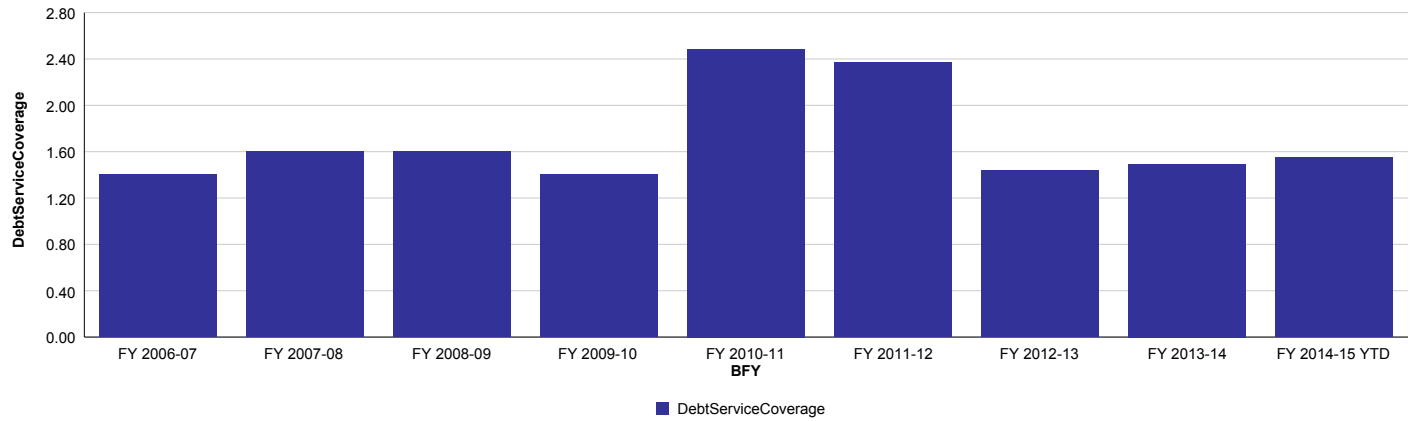


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Budget	21.23	17.96	15.73	16.72	15.73	16.09	16.72	17.25	18.79	19.78	18.78	19.13	213.92
Actual	21.32	17.19	15.77	16.82	15.83	16.21	16.83	16.47	18.89	0.00	0.00	0.00	155.33

Combined debt service requirements include requirements for revenue bonds, commercial paper, general obligation bonds, and water district bonds. Actual combined debt service for the month of June was \$18.89 million, \$0.10 million more than projected for the month. Combined debt service for the fiscal year was \$155.33 million or \$0.90 million less than projected.

Debt Service Coverage

FY 2006- 2007 thru 2014-2015

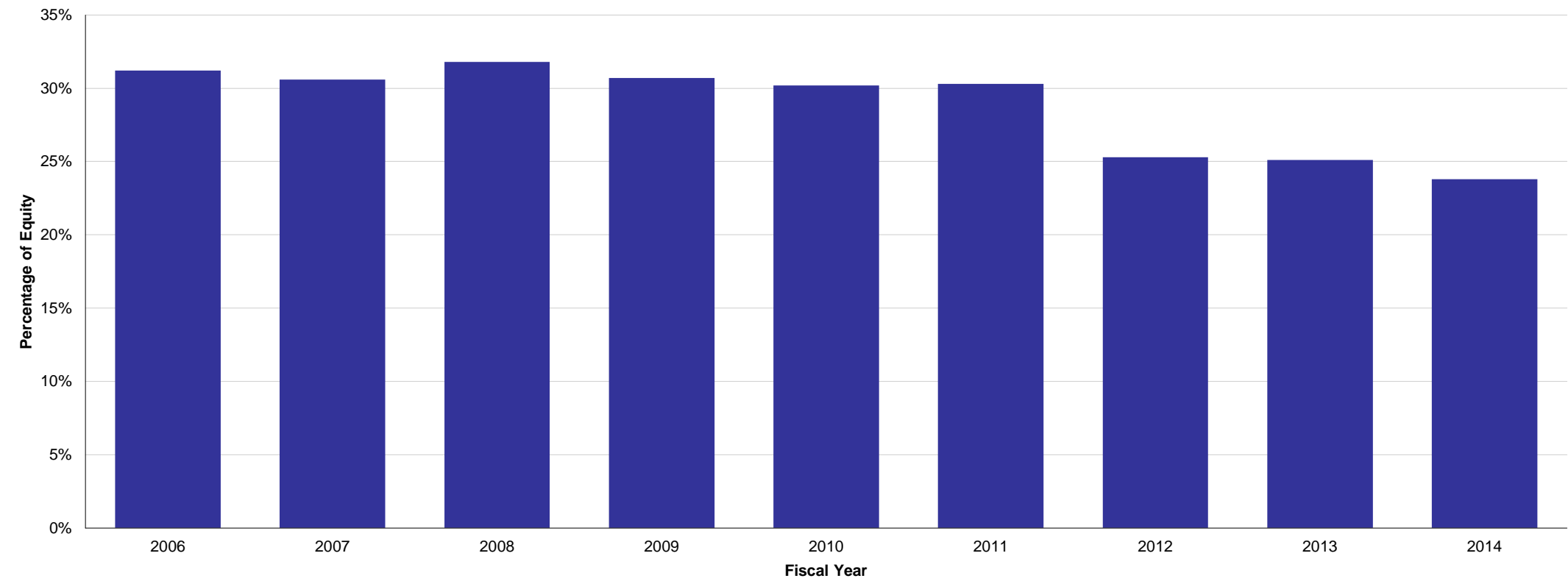


DebtServiceCoverage	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15 YTD
Debt Service Coverage	1.40	1.60	1.60	1.40	2.49	2.37	1.44	1.49	1.41

The Debt Service Coverage graph above indicates how much of revenues, after deducting operating costs, could go towards paying long-term debt service. The utility's bond covenants require debt service coverage of 1.25 times long-term debt service requirements. City of Austin financial policies target minimum debt service coverage of 1.5 times.

Percent of Equity in Utility Systems

FY 2006 through FY 2014



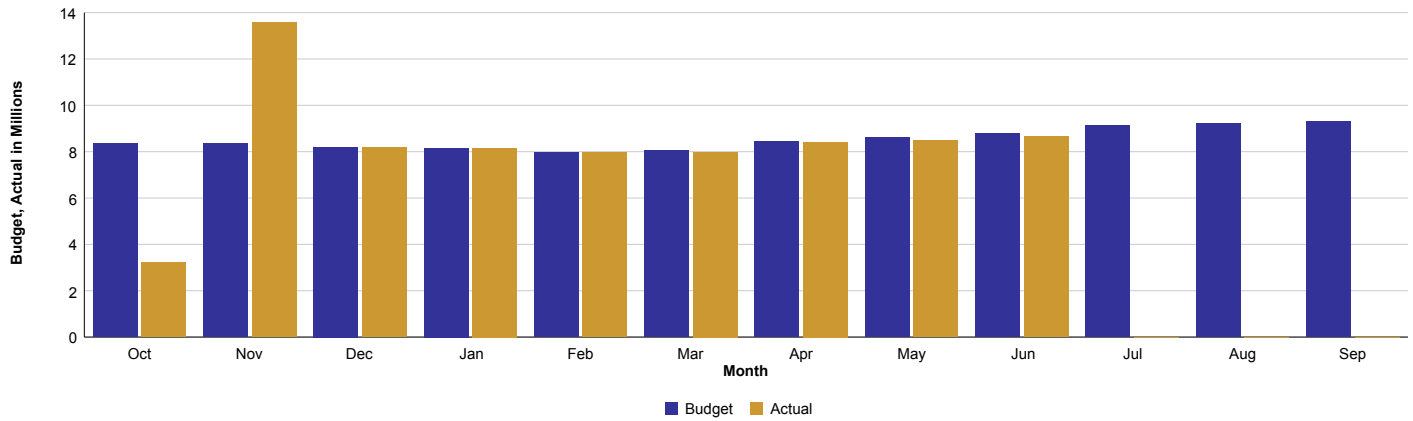
Percentage of Equity	2006	2007	2008	2009	2010	2011	2012	2013	2014
Percent of Equity	31.2%	30.6%	31.8%	30.7%	30.2%	30.3%	25.3%	25.1%	23.8%

The Percent of Equity in Utility Systems is computed by dividing the combined utility system equity by the combined utility system costs net of depreciation. The Percent of Equity is calculated once audited financials from the Controller’s Office are available. The percentage for FY 2014 is based on final audited data from the Controller's Office.

OTHER REQUIREMENTS

Total Transfers Out by Month

Budget vs. Actual - FY 2014-2015

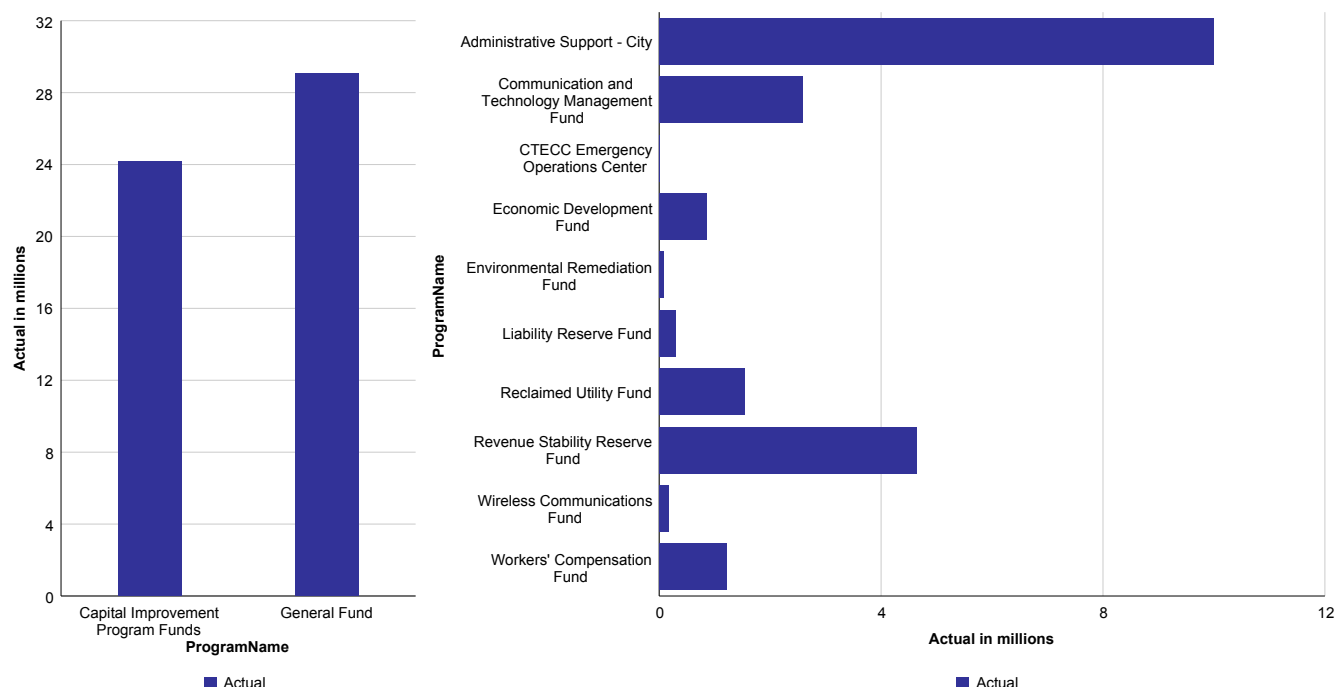


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total YTD
Budget	8.35	8.34	8.20	8.16	7.97	8.04	8.44	8.63	8.78	9.14	9.23	9.29	74.92
Actual	3.23	13.57	8.18	8.16	7.95	7.99	8.42	8.48	8.66	0.00	0.00	0.00	74.64

Transfers Out for the fiscal year through June 2015 totaled \$74.64 million. This was \$0.28 million less than budgeted year to date because the transfers to Water Revenue Stability Reserve Fund have been less than estimated. These transfers are based on the revenues collected under the Revenue Fund Surcharge, and these revenues have been less than budgeted. This is slightly offset by transfers to the Environmental Remediation Fund having been made for the entire year rather than on the allotment schedule.

Transfers Out includes transfers for Administrative Support to the City, Capital Improvement Program, Communication and Technology Management Fund, CTECC Emergency Operations Center, General Fund, Liability Reserve Fund, Revenue Stability Reserve Fund, Wireless Communications Fund, Economic Development Fund, Reclaimed Utility Fund, Environmental Remediation Fund, and Workers' Compensation Fund.

Transfers Out by Type
Actual Year-to-Date- FY 2014-2015

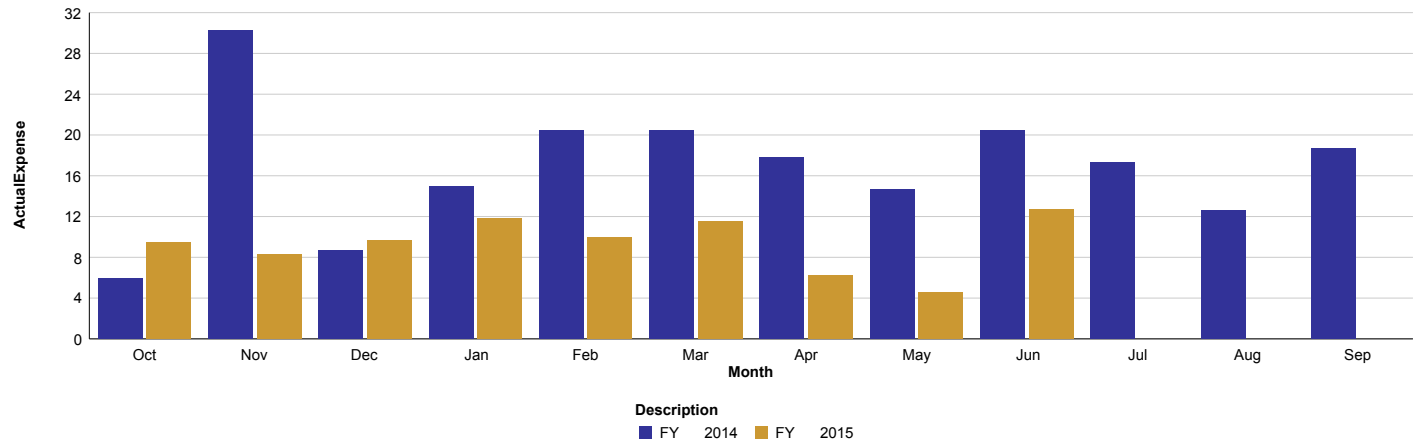


Transfer Out By Type (in millions)	Actual
Capital Improvement Program Funds	24.16
General Fund	29.07
Economic Development Fund	0.86
Environmental Remediation Fund	0.08
Administrative Support - City	9.99
Communication and Technology Management Fund	2.59
CTECC Emergency Operations Center	0.01
Liability Reserve Fund	0.30
Reclaimed Utility Fund	1.54
Revenue Stability Reserve Fund	4.64
Wireless Communications Fund	0.17
Workers' Compensation Fund	1.21
Total	74.64

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Actual CIP Expenditures by Month - FY 2014 - 2015 (in Millions)

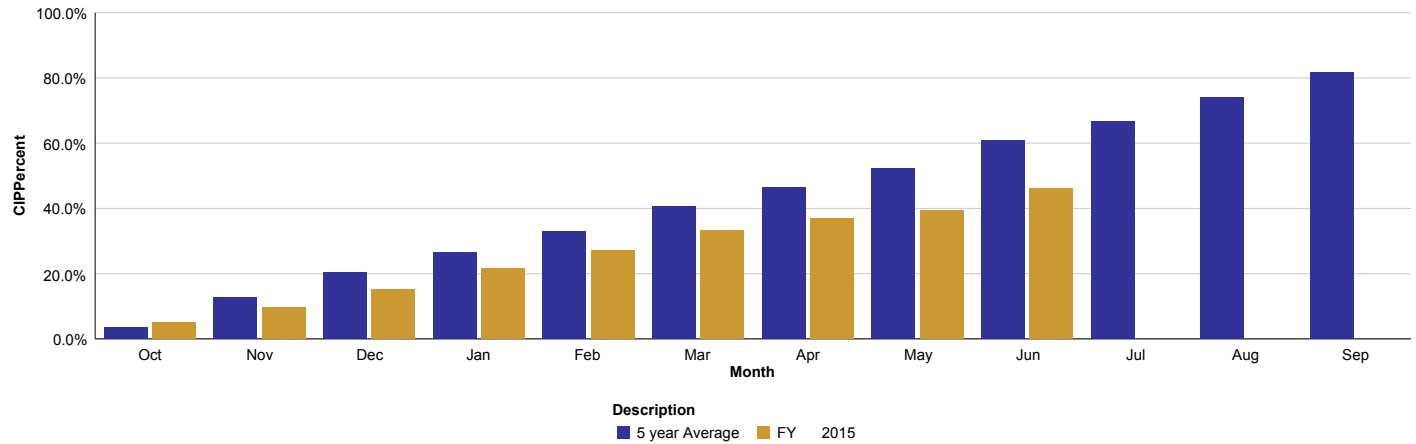


ActualExpense	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
FY 2014	5.94	30.26	8.67	14.93	20.49	20.42	17.83	14.67	20.42	17.29	12.56	18.66	202.16
FY 2015	9.43	8.32	9.70	11.86	9.92	11.53	6.21	4.54	12.66				84.18

CIP expenditures for the fiscal year through June 2015 totaled \$45.92 million for water, \$33.04 million for wastewater, and \$5.22 million for reclaimed, for a combined total of \$84.18 million, or 46.3% of the FY 2014-15 CIP spending plan.

The approved CIP spending plan for FY 2014-15 was \$91.51 million for water, \$83.22 million for wastewater, and \$7.24 million for reclaimed for a combined total of \$181.97 million

YTD Cumulative CIP Expenditures As a Percentage of Spending Plan - FY 2014 - 2015



CIPPercent	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2014	2.5%	15.3%	18.9%	25.2%	33.8%	42.4%	50.0%	56.1%	64.8%	72.0%	77.3%	81.8%
FY 2015	5.2%	9.8%	15.1%	21.6%	27.1%	33.4%	36.8%	39.3%	46.3%			
5 year Average	3.6%	12.8%	20.3%	26.4%	32.9%	40.6%	46.6%	53.3%	60.8%	66.7%	74.1%	81.8%

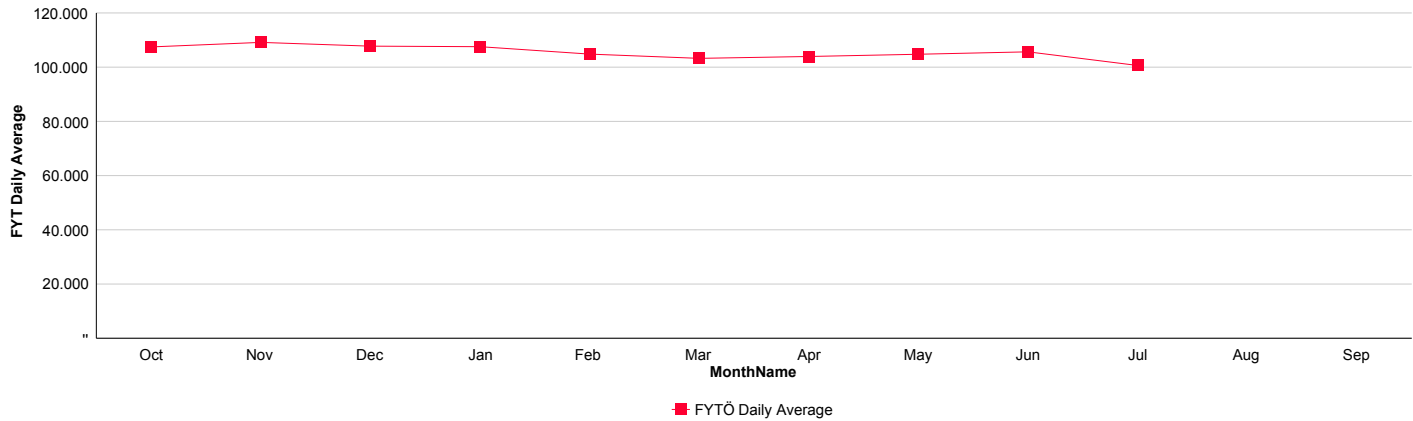
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CASH BALANCES

Combined FYTD Daily Average Cash Balance at Month End

FY 2014 - 2015



FY 2014 - 2015 Cash Balances, Operating, CIP, Capital Recovery Fee (CRF) and Total in Millions

Ending_Balance	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Water	29.15	22.80	22.34	14.61	8.60	15.75	13.17	14.24	17.24	0	0	0
Wastewater	78.49	73.00	76.43	74.57	73.95	86.46	88.44	90.07	92.29	0	0	0
Reclaimed	1.33	1.35	1.21	1.02	0.76	2.59	2.46	2.27	1.52	0	0	0

Ending_Balance	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Operating	37.46	28.21	35.42	31.31	33.97	35.56	36.17	37.15	35.15	0	0	0
Capital Recovery Fee	1.49	3.19	4.44	5.09	4.26	5.90	7.54	9.10	10.62	0	0	0
CIP	58.15	53.26	47.12	40.27	31.07	48.89	45.37	44.86	49.26	0	0	0
Revenue Stability Reserve Fund	11.87	12.50	13.00	13.54	14.00	14.44	14.99	15.47	16.02	0	0	0

FYTD Daily Average	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FYTD Daily Average	107.46	109.14	107.75	107.56	104.82	103.24	103.93	104.77	105.65	100.62		

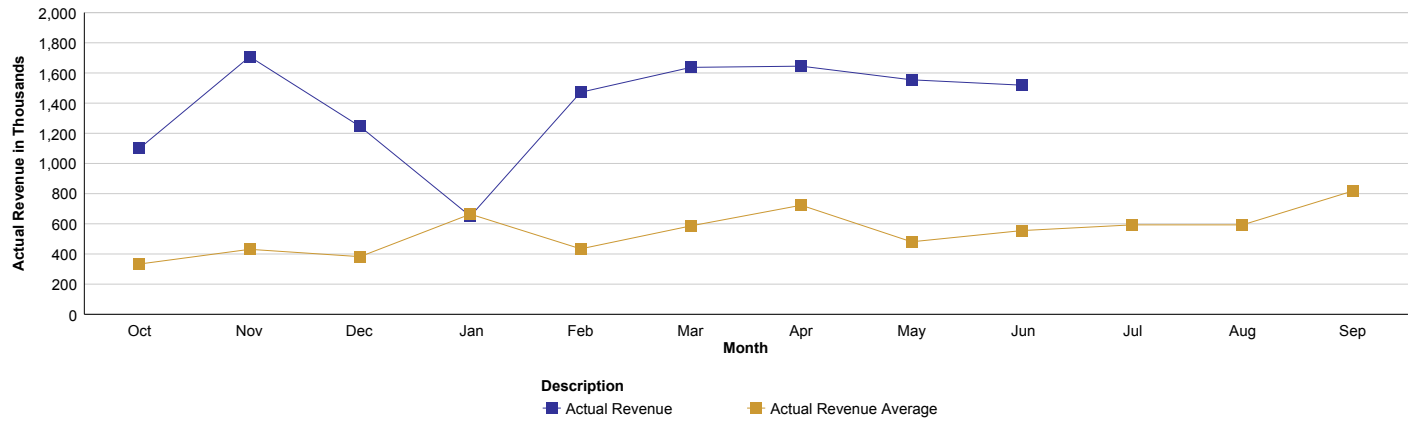
Combined cash balances for Water, Wastewater, and Reclaimed for the month of June 2015 totaled \$111.05 million. The combined cash balance is made up of Operating, CIP, Capital Recovery Fee, and Revenue Stability Reserve Fund cash balances. The average daily cash balance for the fiscal year was \$105.65 million at the end of June.

Combined Operating Cash Balances totaled \$35.15 million. Combined CIP Cash Balances totaled \$49.26 million. CIP cash balances may be kept negative to offset high operating balances as a cash management strategy to limit the amount of cash in all funds to a range determined by economic conditions. This delays the need to issue additional commercial paper to fund CIP projects. The Revenue Stability Reserve Fund totaled \$16.02 million.

Capital Recovery Fee Cash Balances totaled \$10.62 million at the end of the month. In October, \$7.00 million, \$5.00 million from Water and \$2.00 million from Wastewater, was transferred from CRF funds to the Debt Service funds via the Operating funds. In February, \$2.30 million, \$1.30 from Water and \$1.00 from Wastewater, was similarly transferred. Prior to FY 2001-02, CRFs were used solely for debt defeasance, providing only short-term debt service savings. The Utility now transfers CRFs to the operating funds, from which transfers are made to debt service funds.

CRF Collections by Month vs. Rolling Five Years Average

FY 2009 - 2015

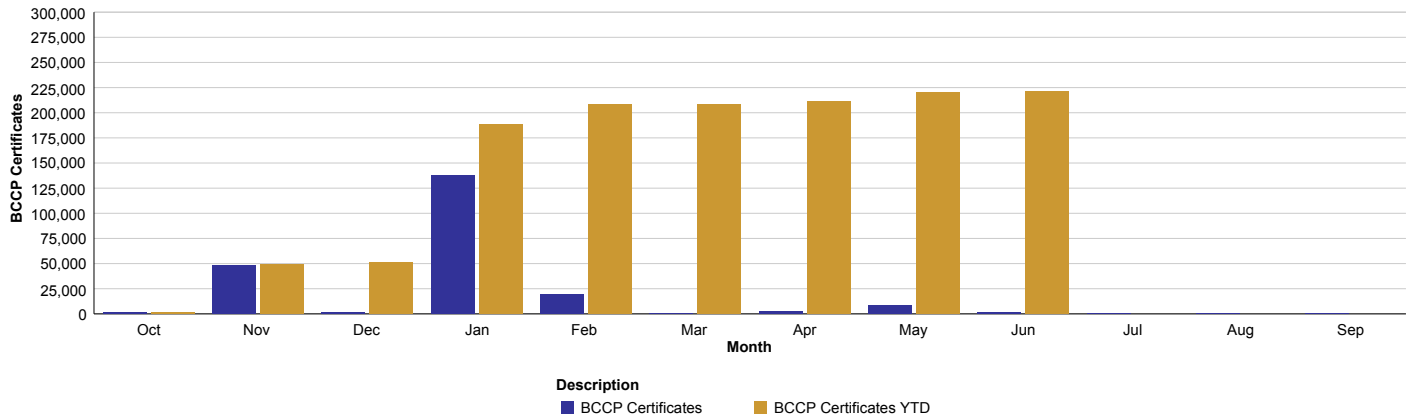


FY 2014 - 2015 CRF Collections by Month, Water, Wastewater, and Total (in Thousands)

ActualRevenue	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Water	752	1,141	886	432	1,064	1,151	1,205	1,062	1,062				8,755
Wastewater	348	567	359	219	408	487	440	492	457				3,777
Total	1,100	1,708	1,245	650	1,472	1,637	1,645	1,555	1,519				12,531

Capital Recovery Fee collections and interest for the month of June 2015 were \$1.06 million from Water and \$0.46 million from Wastewater for a total of \$1.52 million. For the fiscal year, a total of \$12.53 million in CRFs and interest has been collected. CRF collections in June were \$0.96 million more than the five year average of \$0.56 million.

BCCP Revenue Year-to-Date
BCCP Certificates and Interest Earned FY 2014 - 2015



FY 2014 - 2015 BCCP Revenues by Month with Ending Balances

Amount	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Beginning Balance	0	1,145	49,944	51,760	189,502	209,319	209,612	212,575	221,570
Interest	145	199	78	168	117	293	213	195	206
BCCP Cert	1,000	48,600	1,738	137,575	19,700	0	2,750	8,800	1,000
Ending Balance	1,145	49,944	51,760	189,502	209,319	209,612	212,575	221,570	222,777

The Balcones Canyonlands Conservation Plan (BCCP) fund was transferred to AWU in 2002. The BCCP fund was established to abide by the Interlocal Agreement established between the City of Austin and Travis County. The BCCP Plan is the habitat conservation plan that established the Balcones Canyonlands Preserve system and determined how it would be funded and organized. Travis County works with developers and landowners who want to develop in endangered species habitat. The Participation Certificate fees are split and paid directly to COA and Travis County.

In June 2015, \$1,000 in fees were collected and interest in the amount of \$206 accrued. The overall ending balance fiscal year-to-date is \$222,777.