



City of Austin, Texas
Austin Water

Financial Status Report
For the Period Ending December 31, 2015

Status Report Based on Unaudited Financial Information



MEMORANDUM

TO: Greg Meszaros, Director
Austin Water

FROM: David Anders, Assistant Director, Financial Services
Austin Water

DATE: January 26, 2016

SUBJECT: Unaudited Financial Status Report for the Period Ended December 31, 2015

Attached is Austin Water's Financial Status Report. The combined fund balance at the end of December was \$93.21 million, or \$15.07 million more than projected, as detailed in the Executive Summary. The beginning balances were \$5.88 million more than projected, year-to-date requirements were \$0.34 million below allotments, and revenues and transfers in were \$8.85 million above projections.

Recent significant rainfall has continued to improve the lake levels in Travis and Buchanan. The lake system was at 89 percent full at the end of December. However, Austin Water continues to address drought conditions with mandatory stage II water restrictions and conservation measures. Water service revenues are significantly above projections and wastewater service revenues are slightly above projections this fiscal year through December. The Executive Summary includes more discussion of revenue highlights.

Actual spending for operating requirements was below budget allotments by a total of \$0.97 million. Payments for debt service requirements were above allotments by \$0.85 million, and transfers out were above allotments by \$0.08 million. Total requirements were still below allotments by \$0.34 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

Financial Status Report Table of Contents

Executive Summary	ES-1
Fund Summary	1
Revenues	8
Water Service Revenues by Month and Class	9
Wastewater Service Revenues by Month and Class	11
Reclaimed Service Revenues by Month	13
Miscellaneous Revenues	14
Interest Income	15
Customer Demand Characteristics	16
Number of Water and Wastewater Customers by Month	17
Rainfall and Temperature by Month	18
Water Pumpage and Wastewater Influent Flow by Month	19
Billed Water Consumption by Month and Class	20
Average Inside-City Residential Consumption	22
Billed Wastewater Flows by Month and Class	23
Average Inside-City Residential Flows	25
Operating Requirements	26
Operating Requirements by Month	27
YTD Operating Requirements by Program	28
YTD Key Operating Object Codes	29
Debt Outstanding & Debt Service	30
Total Debt Outstanding by Type	31
Combined Debt Service by Month	32
Debt Service Coverage / Percent of Equity in Utility Systems	33
Other Requirements	35
Transfers Out by Month and by Type	36
CIP Expenditures by Month and as a Percentage of Spending Plan	38
Cash Balances	40
Combined Operating, CIP, and CRF Cash Balances	41
CRF Collections	42
BCCP Revenue	43



City of Austin, Texas

Austin Water

Executive Summary

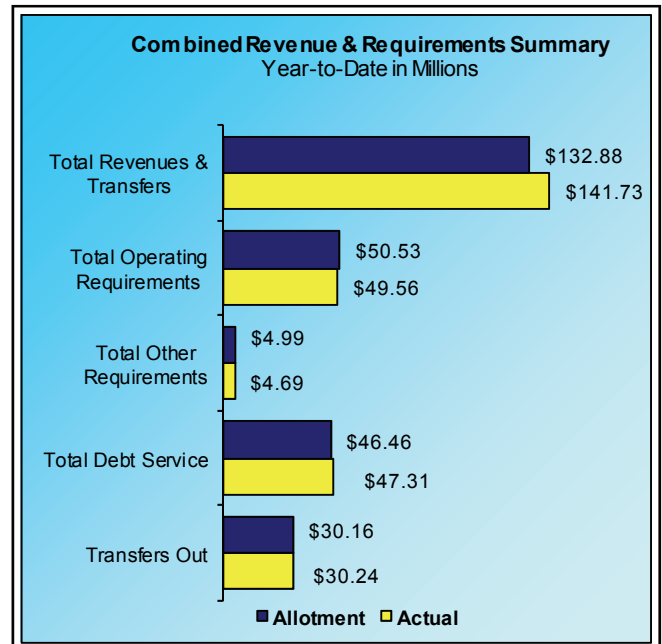


Financial Status Report

Period Ending December 31, 2015

The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of December 31, 2015, was \$93.21 million. The combined balance was \$15.07 million more than projected for this date, as shown below:

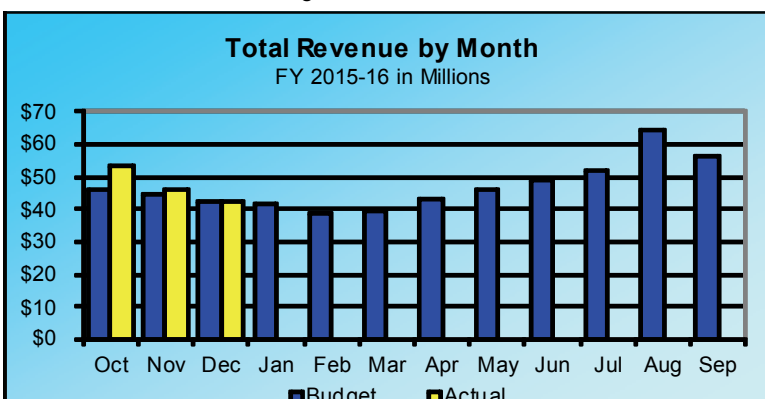
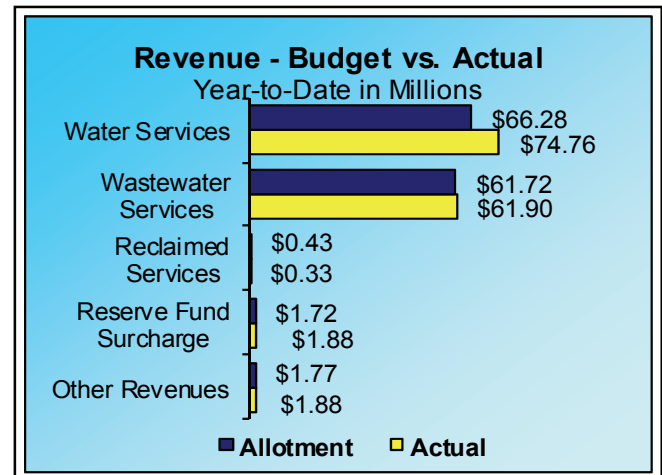
	Allotment	Actual	Difference
Beginning Balance	\$ 77.41	\$ 83.29	\$ 5.88
Water Services	\$ 66.28	\$ 74.76	\$ 8.48
Wastewater Services	61.72	61.90	0.18
Reclaimed Services	0.43	0.33	(0.10)
Reserve Fund Surcharge	1.72	1.88	0.16
Other Revenues	1.77	1.88	0.11
Transfers In	0.96	0.98	0.02
Total Revenues & Transfers	\$ 132.88	\$ 141.73	\$ 8.85
Total Operating Requirements	\$ 50.53	\$ 49.56	0.97
Total Other Requirements	4.99	4.69	0.30
Total Debt Service	46.46	47.31	(0.85)
Transfers Out	30.16	30.24	(0.08)
Total Revenue Requirements	\$ 132.14	\$ 131.80	\$ 0.34
Ending balance	\$ 78.15	\$ 93.21	\$ 15.07
Debt Service Coverage	1.59	1.77	



Revenue Highlights

Total revenues for the fiscal year through December were \$141.73 million. This is \$8.85 million or 6.7% more than projected.

- Water services were \$74.76 million, or 12.8% above projections.
- Wastewater services were \$61.90 million, or 0.3% above projections.
- Reclaimed services were \$0.33 million, or 24.9% below projections.
- Reserve fund surcharge was \$1.88 million, or 9.4% above projections.
- Other revenues, including miscellaneous and interest income totaled \$1.88 million, or 5.98% more than projected.
- Transfers In were \$0.98 million, or 2.5% more than budgeted amounts due to a timing difference.



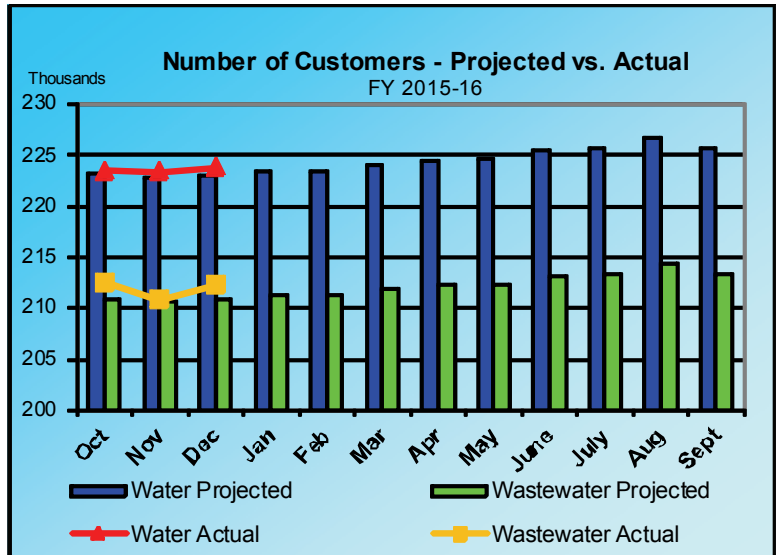
Year-to-date Water Services were above projections in all five classes.

Wastewater Services were above projections in three customer classes and the industrial waste surcharge to offset revenues below projections in the Residential and Wholesale classes.

Revenues and Transfers In for December were \$42.17

User Characteristics

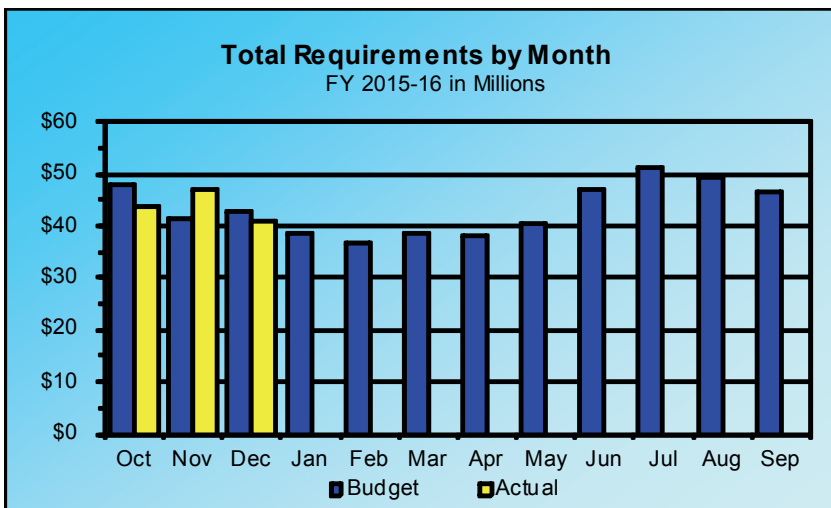
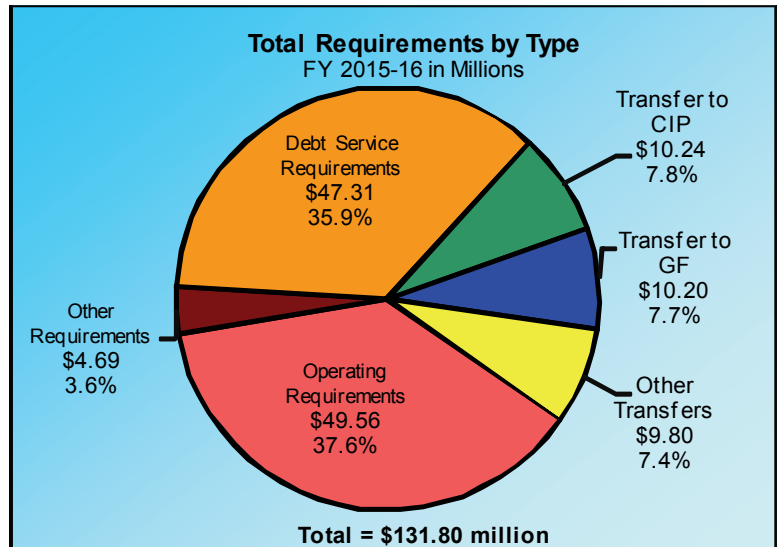
	Projected	Actual
Water Customers	222,987	223,833
Wastewater Customers	210,969	212,260
Monthly Pumpage	3.08	3.21
YTD Pumpage	9.95	10.82
Monthly Billed Use	2.91	2.84
YTD Billed Use	9.58	10.32
Monthly Influent Flow	3.06	3.79
YTD Influent Flow	9.09	10.75
Monthly Billed Flow	2.15	2.15
YTD Billed Flow	6.61	6.65
(Above in Billions of Gallons)		
Avg. Residential Use (gal)	5,300	4,613
Avg. Residential Flow (gal)	3,780	3,593



Requirement Highlights

Total requirements for the fiscal year through December were \$131.80 million. This is \$0.34 million, or 0.3%, less than the budget allotments. The graph at right shows the proportions of these requirements to the whole.

- Total operating requirements were \$49.56 million, or 1.9% less than budgeted.
- Total other requirements were \$4.69 million, or 5.9% less than budgeted.
- Debt service requirements were \$47.31 million, or 1.8% more than budgeted.
- Transfers out consist of transfers to Capital Improvement Projects, General Fund, and Other Transfers. These total \$30.24 million, or 0.2% more than budget allotments.



Four of the nine program areas (Treatment, Engineering Services, Support Services, and Reclaimed Water Service) had higher expenditures than projected. These variances were partially offset by lower than projected expenditures in the other program areas.

Pages 28 and 29 provide details on variances in spending by program area and object code.

Total Requirements were \$41.07 million, resulting in 3.7% or \$1.56 million less than the budget allotment for the month.

City of Austin, Texas
Austin Water Utility
FUND SUMMARY - COMBINED
As of December 2015

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
BEGINNING BALANCE	77,405,715	77,405,715	77,405,715	83,286,578	5,880,863	7.6%
REVENUE						
Water Services	277,632,006	277,632,006	66,280,771	74,765,477	8,484,706	12.8%
Wastewater Services	255,115,283	255,115,283	61,718,191	61,901,125	182,934	0.3%
Reserve Fund Surcharge	7,204,421	7,204,421	1,718,699	1,879,639	160,940	9.4%
Other Revenue	5,746,424	5,746,424	1,436,612	1,187,080	(249,532)	-17.4%
Reclaimed Water Services	1,770,107	1,770,107	433,576	325,615	(107,961)	-24.9%
Public Health Licenses, Permits, Inspections	600,500	600,500	150,122	188,105	37,983	18.3%
Miscellaneous Franchise Fees	232,000	232,000	58,003	6,885	(51,118)	-88.1%
Interest	181,874	181,874	45,465	155,665	110,200	242.4%
Building Rental/Lease	144,800	144,800	36,206	30,168	(6,038)	-16.7%
Land & Infrastructure Rental/Lease	75,800	75,800	18,947	5,500	(13,447)	-71.0%
Property Sales	55,200	55,200	13,800	6,683	(7,117)	-51.6%
Scrap Sales	48,800	48,800	12,197	6,690	(5,507)	-45.2%
Development Fees	0	0	0	784	784	100.0%
Other Fines	0	0	0	289,700	289,700	100.0%
Total Revenue	548,807,215	548,807,215	131,922,589	140,749,114	8,826,525	6.7%
TRANSFERS IN						
CIP	10,300,000	10,300,000	0	0	0	0.0%
Austin Water Utility	3,400,000	3,400,000	850,002	850,030	28	0.0%
Support Services/Infrastructure Funds	300,582	300,582	75,144	131,382	56,238	74.8%
Austin Resource Recovery	130,431	130,431	32,607	0	(32,607)	-100.0%
Total Transfers In	14,131,013	14,131,013	957,753	981,412	23,659	2.5%
TOTAL AVAILABLE FUNDS	562,938,228	562,938,228	132,880,342	141,730,526	8,850,184	6.7%
PROGRAM REQUIREMENTS						
Treatment	77,840,734	77,840,734	19,840,150	20,166,158	(326,008)	-1.6%
Pipeline Operations	41,201,279	41,201,279	10,870,911	10,713,350	157,561	1.4%
Support Services	22,592,094	22,592,094	6,361,321	7,098,814	(737,493)	-11.6%
Environmental Affairs & Conservation	11,848,732	11,848,732	3,423,514	2,781,514	642,000	18.8%
Other Utility Program Requirements	11,494,210	11,494,210	4,173,725	3,097,749	1,075,976	25.8%
Engineering Services	8,504,005	8,504,005	3,058,989	3,173,048	(114,059)	-3.7%
Water Resources Management	8,275,601	8,275,601	2,520,286	2,264,601	255,685	10.1%
One Stop Shop	653,101	653,101	177,469	164,995	12,474	7.0%
Reclaimed Water Services	388,355	388,355	100,079	100,147	(68)	-0.1%
Total Program Requirements	182,798,111	182,798,111	50,526,444	49,560,376	966,068	1.9%
OTHER REQUIREMENTS						
Utility Billing System Support	18,317,220	18,317,220	4,662,565	4,579,305	83,260	1.8%
Accrued Payroll	745,854	745,854	186,463	0	186,463	100.0%
Interdepartmental Charges	166,242	166,242	41,560	41,502	58	0.1%
Market Study Adjustment	133,117	133,117	33,279	0	33,279	100.0%
Services-PID contract expense	75,000	75,000	65,625	75,000	(9,375)	-14.3%
Total Other Requirements	19,437,433	19,437,433	4,989,492	4,695,807	293,685	5.9%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	180,655,096	180,655,096	41,814,102	42,745,423	(931,321)	-2.2%
Trf to Utility D/S Sub Lien	11,345,846	11,345,846	2,856,846	2,856,446	400	0.0%
Trf to GO Debt Service	4,010,080	4,010,080	1,002,519	1,000,380	2,139	0.2%
Trf to Utility D/S Prior Lien	2,700,906	2,700,906	675,906	675,296	610	0.1%
Trf to Util D/S Tax/Rev Bonds	727,005	727,005	0	0	0	/0
Commercial paper interest	439,862	439,862	109,965	29,627	80,338	73.1%
Total Debt Service Requirements	199,878,795	199,878,795	46,459,338	47,307,172	(847,834)	-1.8%

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
TRANSFERS OUT						
Trf to General Fund	40,793,280	40,793,280	10,198,095	10,198,095	0	0.0%
Trf to Wastewater CIP Fund	23,250,000	23,250,000	5,624,000	5,624,000	0	0.0%
Trf to Water CIP Fund	17,300,000	17,300,000	4,130,000	4,130,000	0	0.0%
Trf to Administrative Support Fund	0	12,384,793	3,096,199	3,096,199	0	0.0%
Trf to Support Services Fund	12,384,793	0	0	0	0	0.0%
Trf to Water Revenue Stab Rsv	9,204,421	9,204,421	3,801,104	3,875,574	(74,470)	-2.0%
CTM Support	3,871,271	3,871,271	967,871	967,871	0	0.0%
Trf to Reclaimed Water Fund	3,400,000	3,400,000	850,030	850,030	0	0.0%
Trf to Economic Development	2,011,254	2,011,254	506,049	506,049	0	0.0%
Trf to Reclaimed Water CIP Fund	2,000,000	2,000,000	490,000	490,000	0	0.0%
Workers' Compensation	1,286,209	1,286,209	321,571	321,571	0	0.0%
Liability Reserve	400,000	400,000	100,030	100,030	0	0.0%
Trf to Radio Communication Fund	0	283,472	70,892	70,892	0	0.0%
Trf to Wireless Communication	283,472	0	0	0	0	0.0%
Trf to CTECC Support Fund	0	9,925	9,925	9,925	0	0.0%
Trf to CTECC Fund	9,925	0	0	0	0	0.0%
Total Transfers Out	116,194,625	116,194,625	30,165,766	30,240,236	(74,470)	-0.2%
TOTAL REQUIREMENTS	518,308,964	518,308,964	132,141,040	131,803,591	337,449	0.3%
EXCESS (DEFICIENCY)	44,629,264	44,629,264	739,302	9,926,935	9,187,633	1242.7%
ENDING BALANCE	122,034,979	122,034,979	78,145,017	93,213,513	15,068,496	19.3%
DEBT SERVICE COVERAGE RATIO		1.69	1.59	1.77		

Note: Numbers may not add due to rounding.

City of Austin, Texas

Austin Water Utility FUND SUMMARY - WATER As of December 2015

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
BEGINNING BALANCE	29,748,765	29,748,765	29,748,765	31,518,057	1,769,292	5.9%
REVENUE						
Water Revenue	277,632,006	277,632,006	66,280,771	74,765,477	8,484,706	12.8%
Reserve Fund Surcharge	7,204,421	7,204,421	1,718,699	1,879,639	160,940	9.4%
Other Revenue	2,791,136	2,791,136	697,790	486,274	(211,516)	-30.3%
Miscellaneous Franchise Fees	160,600	160,600	40,153	6,885	(33,268)	-82.9%
Building Rental/Lease	84,400	84,400	21,103	15,084	(6,019)	-28.5%
Interest	76,400	76,400	19,098	63,448	44,350	232.2%
Land & Infrastructure Rental/Lease	75,800	75,800	18,947	5,500	(13,447)	-71.0%
Scrap Sales	27,300	27,300	6,825	3,345	(3,480)	-51.0%
Property Sales	26,900	26,900	6,722	0	(6,722)	-100.0%
Other Fines	0	0	0	289,700	289,700	100.0%
Public Health Licenses, Permits, Inspections	0	0	0	10,463	10,463	100.0%
Total Revenue	288,078,963	288,078,963	68,810,108	77,525,815	8,715,707	12.7%
TRANSFERS IN						
CIP	7,100,000	7,100,000	0	0	0	0.0%
Support Services/Infrastructure Funds	150,291	150,291	37,572	65,691	28,119	74.8%
Total Transfers In	7,250,291	7,250,291	37,572	65,691	28,119	74.8%
TOTAL AVAILABLE FUNDS	295,329,254	295,329,254	68,847,680	77,591,506	8,743,826	12.7%
PROGRAM REQUIREMENTS						
Treatment	38,251,428	38,251,428	10,086,101	9,769,502	316,599	3.1%
Pipeline Operations	23,792,976	23,792,976	6,254,802	6,187,553	67,249	1.1%
Support Services	11,374,646	11,374,646	3,186,642	3,536,159	(349,517)	-11.0%
Environmental Affairs & Conservation	8,967,318	8,967,318	2,657,793	2,007,488	650,305	24.5%
Other Utility Program Requirements	6,885,199	6,885,199	2,361,003	1,433,708	927,295	39.3%
Water Resources Management	3,935,790	3,935,790	1,205,274	1,108,419	96,855	8.0%
Engineering Services	3,082,919	3,082,919	670,616	872,369	(201,753)	-30.1%
One Stop Shop	242,953	242,953	67,157	67,298	(141)	-0.2%
Total Program Requirements	96,533,229	96,533,229	26,489,388	24,982,496	1,506,892	5.7%
OTHER REQUIREMENTS						
Utility Billing System Support	13,466,330	13,466,330	3,427,793	3,366,583	61,210	1.8%
Accrued Payroll	377,669	377,669	94,417	0	94,417	100.0%
Interdepartmental Charges	83,121	83,121	20,780	20,751	29	0.1%
Market Study Adjustment	80,249	80,249	20,062	0	20,062	100.0%
Services-PID contract expense	37,500	37,500	28,125	37,500	(9,375)	-33.3%
Total Other Requirements	14,044,869	14,044,869	3,591,177	3,424,834	166,343	4.6%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	94,142,706	94,142,706	21,547,404	22,061,228	(513,824)	-2.4%
Tfr to Utility D/S Sub Lien	6,154,137	6,154,137	1,548,137	1,548,236	(99)	0.0%
Trf to GO Debt Service	1,923,523	1,923,523	480,758	479,806	952	0.2%
Tfr to Utility D/S Prior Lien	608,244	608,244	152,244	152,067	177	0.1%
Commercial paper interest	368,621	368,621	92,155	27,362	64,793	70.3%
Tfr to Util D/S Tax/Rev Bonds	269,021	269,021	0	0	0	0.0%
Total Debt Service Requirements	103,466,252	103,466,252	23,820,698	24,268,699	(448,001)	-1.9%

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
TRANSFERS OUT						
Trf to General Fund	21,157,159	21,157,159	5,289,259	5,289,259	0	0.0%
Trf to Water CIP Fund	17,300,000	17,300,000	4,130,000	4,130,000	0	0.0%
Trf to Water Revenue Stab Rsv	9,204,421	9,204,421	3,801,104	3,875,574	(74,470)	-2.0%
Trf to Administrative Support Fund	0	7,369,386	1,842,342	1,842,342	0	0.0%
Trf to Support Services Fund	7,369,386	0	0	0	0	0.0%
CTM Support	1,935,635	1,935,635	483,935	483,935	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	425,015	425,015	0	0.0%
Trf to Economic Development	1,087,301	1,087,301	271,901	271,901	0	0.0%
Workers' Compensation	643,105	643,105	160,777	160,777	0	0.0%
Trf to Radio Communication	0	283,472	70,892	70,892		
Trf to Wireless Communication	283,472	0	0	0	0	0.0%
Liability Reserve	200,000	200,000	50,015	50,015	0	0.0%
Trf to CTECC Support Fund	0	4,962	4,962	4,962		
Trf to CTECC Fund	4,962	0	0	0	0	0.0%
Total Transfers Out	60,885,441	60,885,441	16,530,202	16,604,672	(74,470)	-0.5%
TOTAL REQUIREMENTS	274,929,791	274,929,791	70,431,465	69,280,701	1,150,764	1.6%
EXCESS (DEFICIENCY)	20,399,463	20,399,463	(1,583,785)	8,310,805	9,894,590	-624.7%
ENDING BALANCE	50,148,228	50,148,228	28,164,980	39,828,862	11,663,882	41.4%
DEBT SERVICE COVERAGE RATIO		1.65	1.55	1.96		

Note: Numbers may not add due to rounding.

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

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
BEGINNING BALANCE	561,984	561,984	561,984	532,625	(29,359)	-5.2%
REVENUE						
Other Revenue	0	0	0	0	0	0.0%
Reclaimed Water Services	1,770,107	1,770,107	433,576	325,615	(107,961)	-24.9%
Interest	1,374	1,374	342	1,027	685	200.3%
Total Revenue	1,771,481	1,771,481	433,918	326,642	(107,276)	-24.7%
TRANSFERS IN						
Austin Water Utility	3,400,000	3,400,000	850,002	850,030	28	0.0%
Total Transfers In	3,400,000	3,400,000	850,002	850,030	28	0.0%
TOTAL AVAILABLE FUNDS	5,171,481	5,171,481	1,283,920	1,176,672	(107,248)	-8.4%
PROGRAM REQUIREMENTS						
Reclaimed Water Services	388,355	388,355	100,079	100,147	(68)	-0.1%
Other Utility Program Requirements	21,567	21,567	6,165	981	5,184	84.1%
Total Program Requirements	409,922	409,922	106,244	101,128	5,116	4.8%
OTHER REQUIREMENTS						
Accrued Payroll	2,729	2,729	682	0	682	100.0%
Market Study Adjustment	1,584	1,584	396	0	396	100.0%
Total Other Requirements	4,313	4,313	1,078	0	1,078	100.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	2,757,871	2,757,871	585,585	581,221	4,364	0.7%
Commercial paper interest	4,224	4,224	1,056	380	676	64.0%
Total Debt Service Requirements	2,762,095	2,762,095	586,641	581,601	5,040	0.9%
TRANSFERS OUT						
Trf to Reclaimed Water CIP Fnd	2,000,000	2,000,000	490,000	490,000	0	0.0%
Trf to General Fund	75,184	75,184	18,799	18,799	0	0.0%
Trf to Economic Development	4,204	4,204	4,204	4,204	0	0.0%
Total Transfers Out	2,079,388	2,079,388	513,003	513,003	0	0.0%
TOTAL REQUIREMENTS	5,255,718	5,255,718	1,206,966	1,195,732	11,234	0.9%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	(84,237)	(84,237)	76,954	(19,060)	(118,482)	-154.0%
ENDING BALANCE	477,747	477,747	638,938	513,565	(147,841)	-23.1%
DEBT SERVICE COVERAGE RATIO		0.64	0.74	0.56		

Note: Numbers may not add due to rounding.

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

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
BEGINNING BALANCE	47,094,966	47,094,966	47,094,966	51,235,896	4,140,930	8.8%
REVENUE						
Wastewater Revenue	255,115,283	255,115,283	61,718,191	61,901,125	182,934	0.3%
Other Revenue	2,955,288	2,955,288	738,822	700,806	(38,016)	-5.1%
Public Health Licenses, Permits, Inspections	600,500	600,500	150,122	177,642	27,408	18.3%
Interest	104,100	104,100	26,025	91,190	65,165	250.4%
Miscellaneous Franchise Fees	71,400	71,400	17,850	0	(17,850)	-100.0%
Building Rental/Lease	60,400	60,400	15,103	15,084	(19)	-0.1%
Property Sales	28,300	28,300	7,078	6,683	(395)	-5.6%
Scrap Sales	21,500	21,500	5,372	3,345	(2,027)	-37.7%
Development Fees	0	0	0	784	784	100.0%
Total Revenue	258,956,771	258,956,771	62,678,563	62,896,658	217,982	0.3%
TRANSFERS IN						
CIP	3,200,000	3,200,000	0	0	0	0.0%
Support Services/Infrastructure Funds	150,291	150,291	37,572	65,691	28,119	74.8%
Austin Resource Recovery Fund	130,431	130,431	32,607	0	(32,607)	-100.0%
Total Transfers In	3,480,722	3,480,722	70,179	65,691	(4,488)	-6.4%
TOTAL AVAILABLE FUNDS	262,437,493	262,437,493	62,748,742	62,962,349	213,494	0.3%
PROGRAM REQUIREMENTS						
Treatment	39,589,306	39,589,306	9,754,049	10,396,656	(642,607)	-6.6%
Pipeline Operations	17,408,303	17,408,303	4,616,109	4,525,797	90,312	2.0%
Support Services	11,217,448	11,217,448	3,174,679	3,562,655	(387,976)	-12.2%
Engineering Services	5,421,086	5,421,086	2,388,373	2,300,679	87,694	3.7%
Other Utility Program Requirements	4,587,444	4,587,444	1,806,557	1,663,060	143,497	7.9%
Water Resources Management	4,339,811	4,339,811	1,315,012	1,156,182	158,830	12.1%
Environmental Affairs & Conservation	2,881,414	2,881,414	765,721	774,026	(8,305)	-1.1%
One Stop Shop	410,148	410,148	110,312	97,697	12,615	11.4%
Total Program Requirements	85,854,960	85,854,960	23,930,812	24,476,752	(545,940)	-2.3%
OTHER REQUIREMENTS						
Utility Billing System Support	4,850,890	4,850,890	1,234,772	1,212,722	22,050	1.8%
Accrued Payroll	365,456	365,456	91,364	0	91,364	100.0%
Interdepartmental Charges	83,121	83,121	20,780	20,751	29	0.1%
Market Study Adjustment	51,284	51,284	12,821	0	12,821	100.0%
Services-PID contract expense	37,500	37,500	37,500	37,500	0	0.0%
Total Other Requirements	5,388,251	5,388,251	1,397,237	1,270,973	(126,264)	-9.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	83,754,519	83,754,519	19,681,113	20,102,974	(421,861)	-2.1%
Tfr to Utility D/S Sub Lien	5,191,709	5,191,709	1,308,709	1,308,210	499	0.0%
Trf to GO Debt Service	2,086,557	2,086,557	521,761	520,574	1,187	0.2%
Tfr to Utility D/S Prior Lien	2,092,662	2,092,662	523,662	523,229	433	0.1%
Commercial paper interest	67,017	67,017	16,754	1,885	14,869	88.7%
Tfr to Util D/S Tax/Rev Bonds	457,984	457,984	0	0	0	0.0%
Total Debt Service Requirements	93,650,448	93,650,448	22,051,999	22,456,872	(404,873)	-1.8%

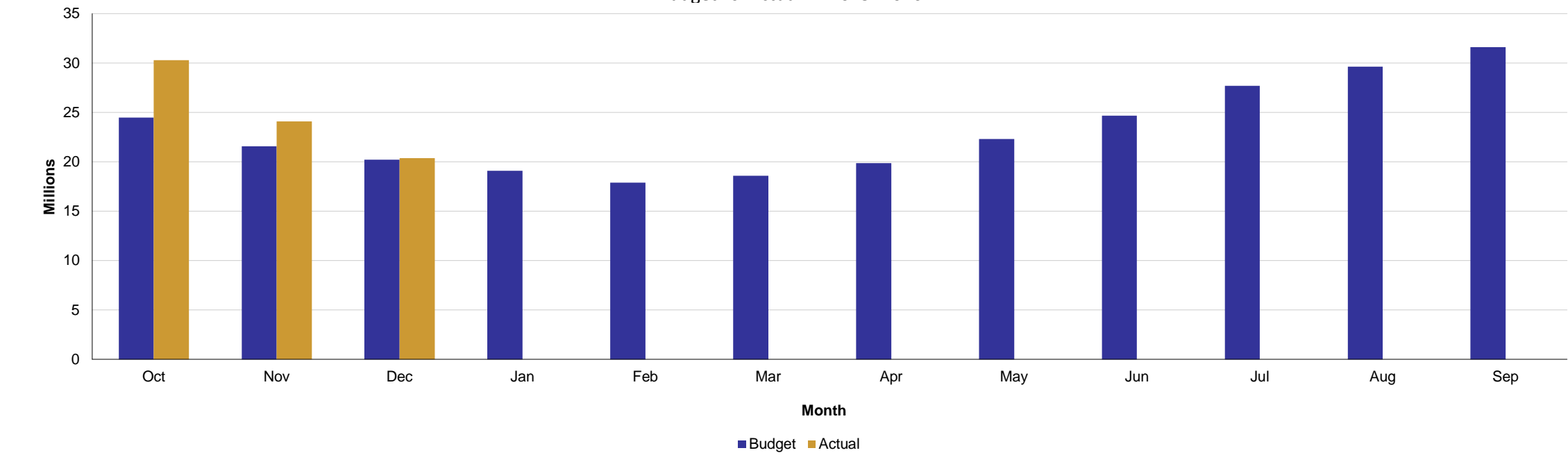
	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
TRANSFERS OUT						
Trf to Wastewater CIP Fund	23,250,000	23,250,000	5,624,000	5,624,000	0	0.0%
Trf to General Fund	19,560,937	19,560,937	4,890,037	4,890,037	0	0.0%
Trf to Administrative Support Fund	0	5,015,407	1,253,857	1,253,857	0	0.0%
Trf to Support Services Fund	5,015,407	0	0	0	0	0.0%
CTM Support	1,935,636	1,935,636	483,936	483,936	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	425,015	425,015	0	0.0%
Trf to Economic Development	919,749	919,749	229,944	229,944	0	0.0%
Workers' Compensation	643,104	643,104	160,794	160,794	0	0.0%
Liability Reserve	200,000	200,000	50,015	50,015	0	0.0%
Trf to CTECC Support Fund	0	4,963	4,963	4,963	0	0.0%
Trf to CTECC Fund	4,963	0	0	0	0	0.0%
Total Transfers Out	53,229,796	53,229,796	13,122,561	13,122,561	0	0.0%
TOTAL REQUIREMENTS	238,123,455	238,123,455	60,502,609	61,327,158	(1,077,077)	-1.8%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	24,314,038	24,314,038	2,246,133	1,635,191	1,290,571	2.1%
ENDING BALANCE	71,409,004	71,409,004	49,341,099	52,871,087	5,431,501	10.9%
DEBT SERVICE COVERAGE RATIO		1.75	1.65	1.61		

Note: Numbers may not add due to rounding.

REVENUES

Water Services Revenues by Month

Budget vs. Actual FY 2015 -2016

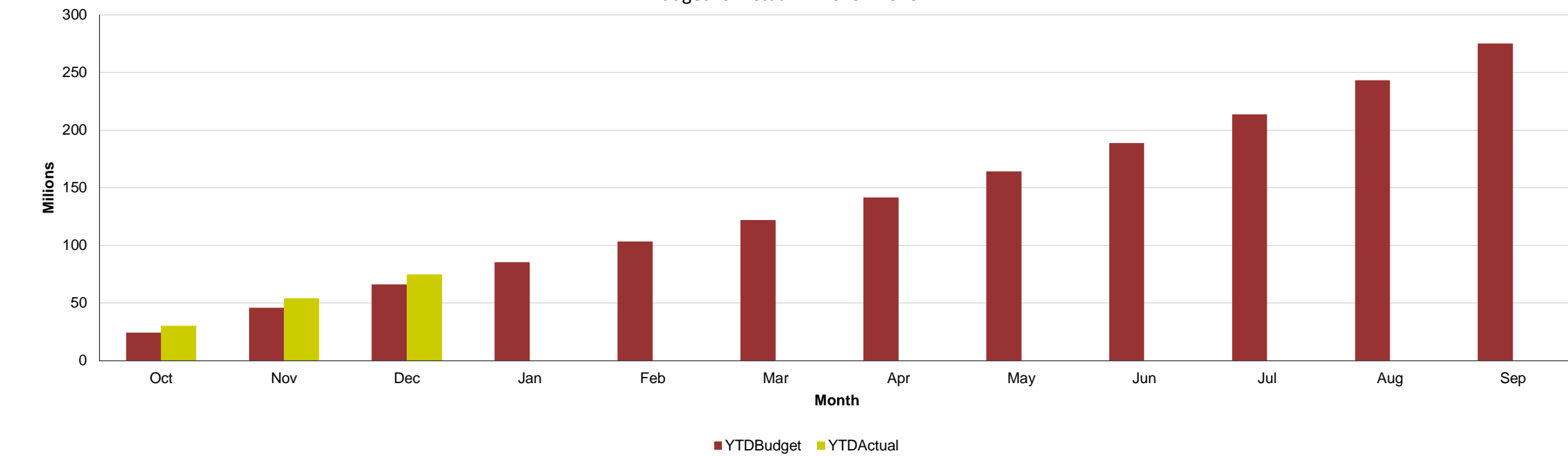


FY 2015 - 2016 Water Service Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	24.48	21.57	20.23	19.10	17.90	18.59	19.87	22.30	24.66	27.70	29.63	31.61
Actual	30.31	24.10	20.36									
Variance \$	5.83	2.53	0.13									
Variance %	23.8%	11.7%	0.6%									

Water Services Revenues by Year-to-Date

Budget vs. Actual FY 2015 - 2016



FY 2015 - 2016 Water Service Revenues by Year-to-Date With Variances (Millions)

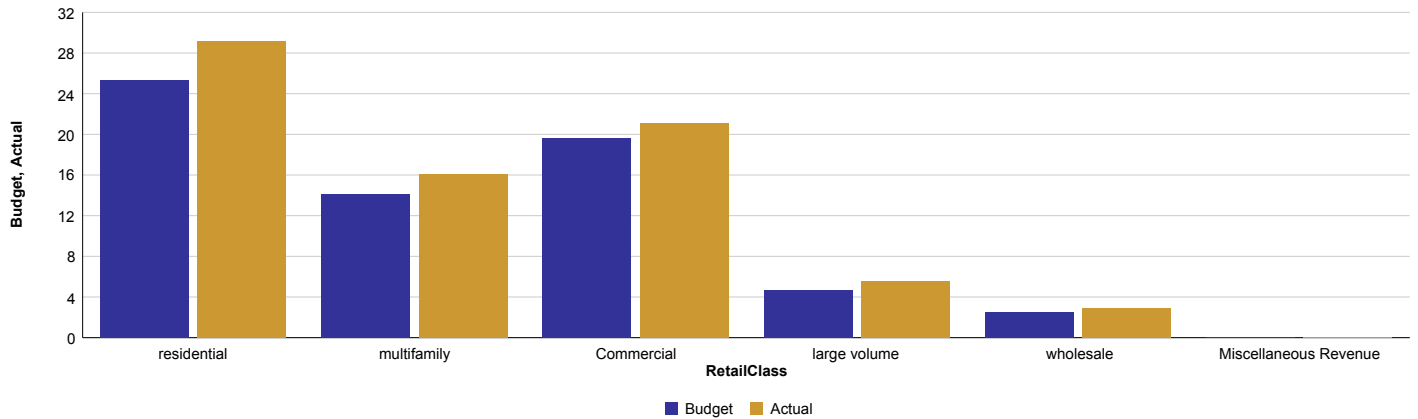
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	24.48	46.05	66.28	85.38	103.28	121.87	141.74	164.04	188.70	213.75	243.38	275.00
YTD Actual	30.31	54.41	74.76									
Variance \$	5.83	8.36	8.48									
Variance %	23.8%	18.2%	12.8%									

Water service revenues for December 2015 totaled \$20.36 million. This is \$0.13 million, or 0.6%, more than the budget allotment for the month. For the fiscal year, water service revenues totaled \$74.76 million, which is \$8.48 million or 12.8% more than the budget allotment.

Billed water consumption for December 2015 totaled 2.84 billion gallons (BG). This was 0.07 BG, or 2.4%, less than projected for the month. For the fiscal year, billed water consumption totaled 10.32 BG. This was 0.74 BG, or 7.7%, more than projected.

Year-to-Date Water Service Revenues by Customer Class

Budget vs. Actual FY 2015 - 2016



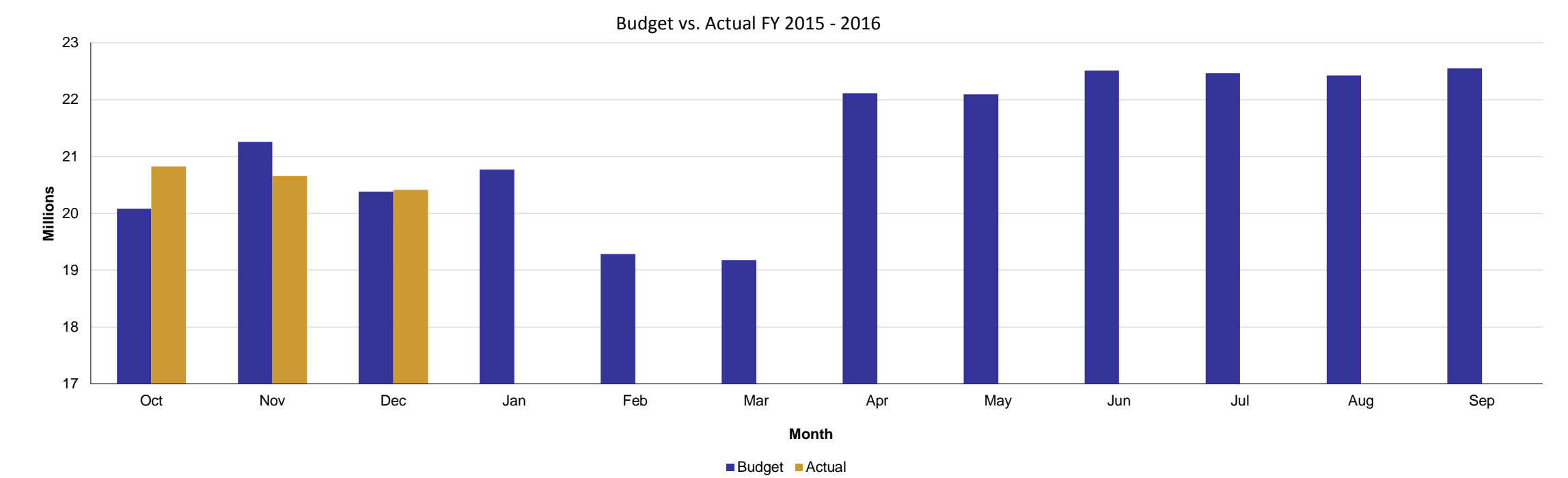
FY 2015 - 2016 Year-to-Date Water Service Revenues by Customer Class With Variances (Millions)

	residential	multifamily	Commercial	large volume	wholesale	Miscellaneous Revenue	Total
Budget	25.36	14.15	19.61	4.65	2.51	0.00	66.28
Actual	29.22	16.06	21.08	5.51	2.90	0.00	74.76
Variance \$	3.85	1.91	1.47	0.86	0.39	0.00	8.48
Variance %	15.2%	13.5%	7.5%	18.6%	15.4%		12.8%

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 December, before any accounts receivable adjustments.

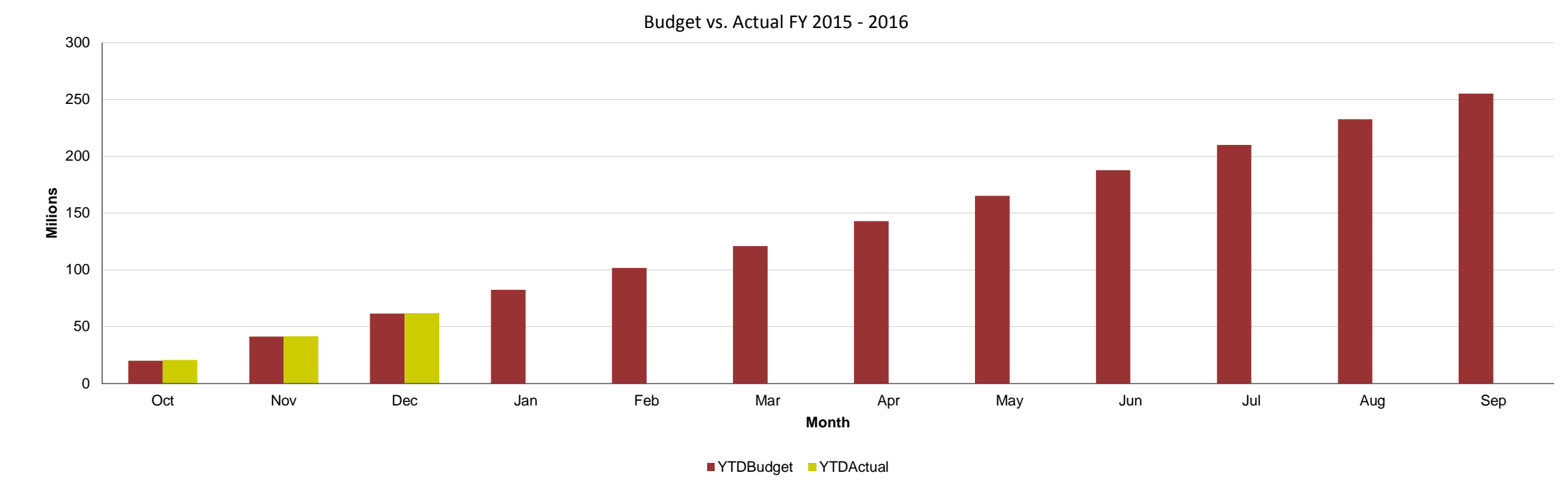
All five customer classes are above projections. Overall, water revenues are 12.8% higher than projected.

WasteWater Services Revenues by Month



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	20.08	21.26	20.38	20.77	19.28	19.18	22.11	22.10	22.51	22.46	22.43	22.55
Actual	20.83	20.66	20.42									
Variance \$	0.74	(0.60)	0.04									
Variance %	3.7%	-2.8%	0.2%									

WasteWater Services Revenues by Year-to-Date



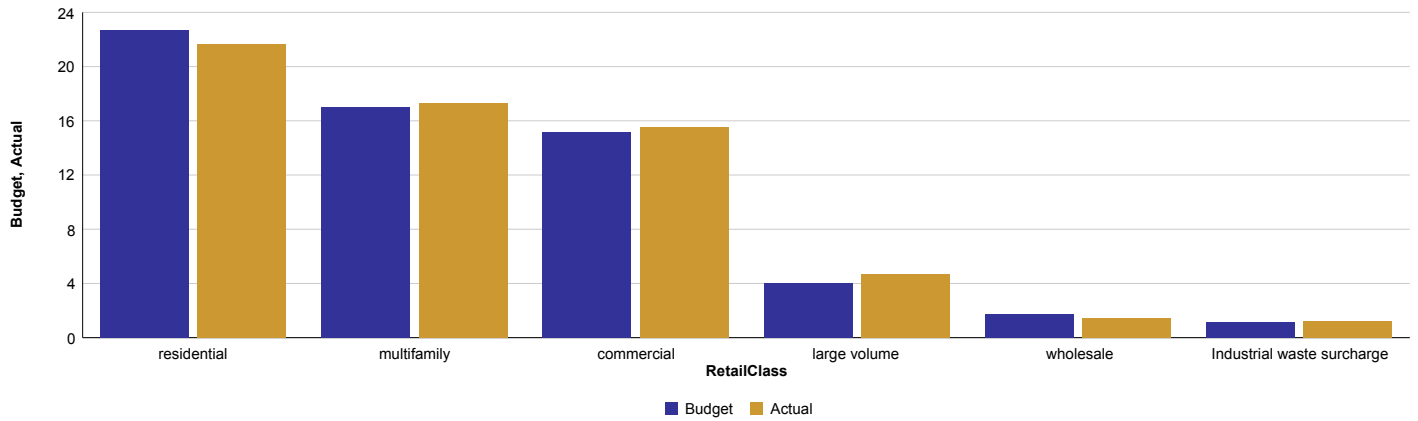
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	20.08	41.34	61.72	82.49	101.77	120.95	143.06	165.16	187.67	210.14	232.56	255.12
YTD Actual	20.83	41.49	61.90									
Variance \$	0.74	0.15	0.18									
Variance %	3.7%	0.4%	0.3%									

Wastewater service revenues for December 2015 totaled \$20.42 million. This is \$0.04 million or 0.2% more than the budget allotment for the month. For the fiscal year, Wastewater service revenues totaled \$61.90 million. This is \$0.18 million, or 0.3%, more than the budget allotment.

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 2015 - 2016

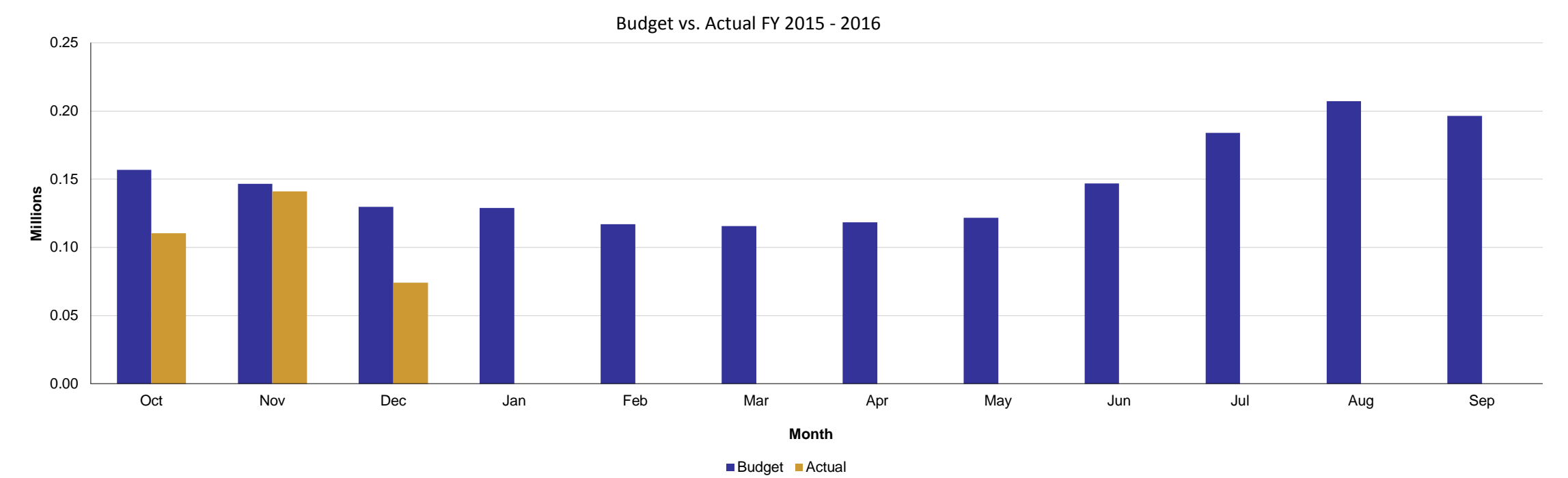


FY 2015 - 2016 Year-to-Date WasteWater Service Revenues by Customer Class With Variances (Millions)

	residential	multifamily	commercial	large volume	wholesale	Industrial waste surcharge	Total
Budget	22.68	17.01	15.15	4.01	1.71	1.15	61.72
Actual	21.67	17.30	15.56	4.70	1.45	1.22	61.90
Variance \$	(1.01)	0.29	0.41	0.70	(0.26)	0.07	0.18
Variance %	-4.5%	1.7%	2.7%	17.4%	-15.4%	6.1%	0.3%

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 Wholesale are below projections by 4.5% and 15.4%, respectively. These negative variances are largely offset by the Large Volume revenues' positive variance of 17.4%. Overall, wastewater revenues are 0.3% above projections.

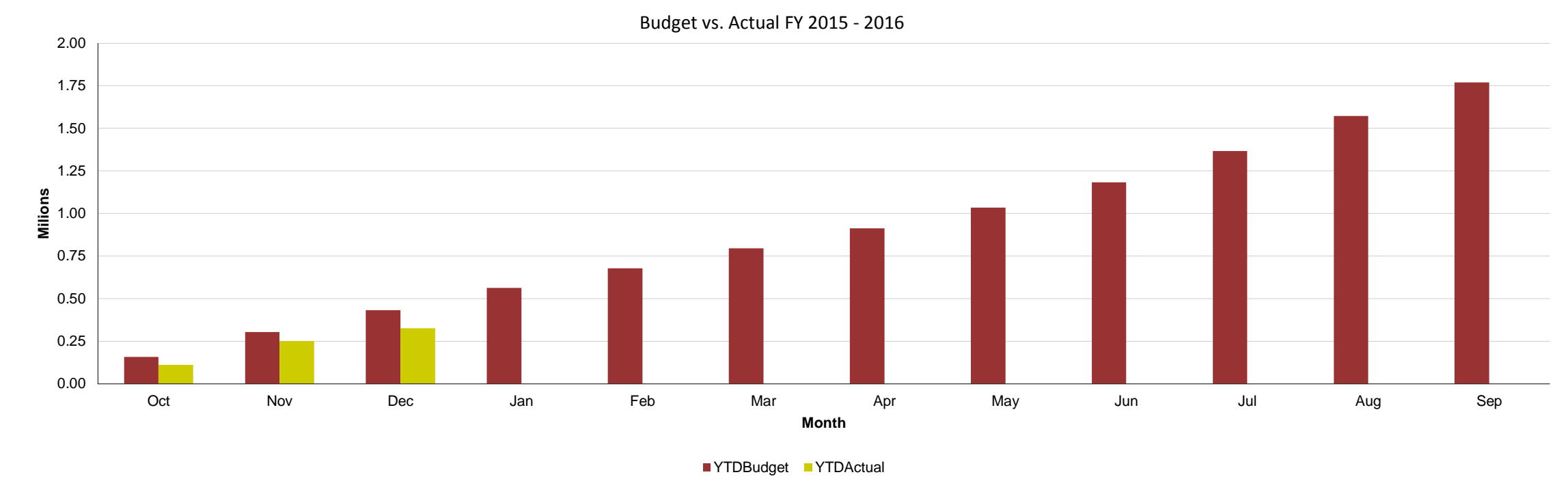
Reclaimed Services Revenues by Month



FY 2015 - 2016 Reclaimed Service Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	0.16	0.15	0.13	0.13	0.12	0.12	0.12	0.12	0.15	0.18	0.21	0.20
Actual	0.11	0.14	0.07									
Variance \$	(0.05)	(0.01)	(0.06)									
Variance %	-29.6%	-3.9%	-42.9%									

Reclaimed Services Revenues by Year-to-Date

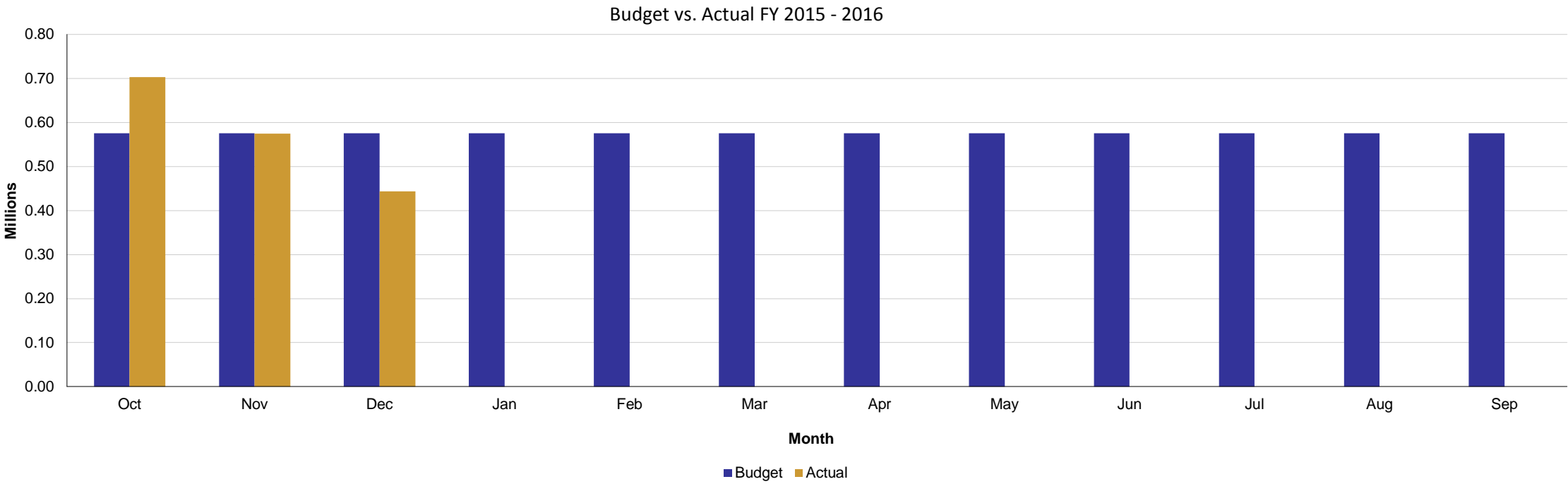


FY 2015 - 2016 Reclaimed Service Revenues by Year-to-Date With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	0.16	0.30	0.43	0.56	0.68	0.80	0.91	1.04	1.18	1.37	1.57	1.77
YTD Actual	0.11	0.25	0.33									
Variance \$	(0.05)	(0.05)	(0.10)									
Variance %	-29.6%	-17.2%	-24.9%									

Reclaimed Water service revenues for December 2015 totaled \$0.07 million. This is \$0.06 million or 42.9% less than the budget allotment for the month. For the fiscal year, Reclaimed Water service revenues totaled \$0.33 million. This is \$0.10 million or 24.9% less than the budget allotment.

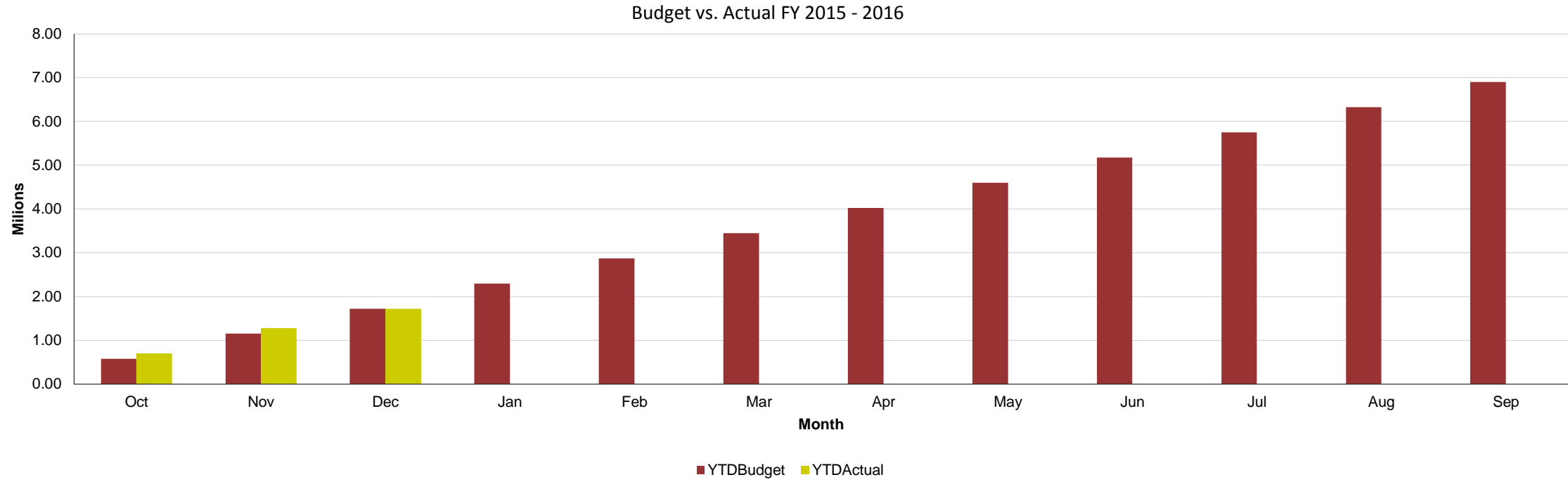
Miscellaneous Revenues by Month



FY 2015 - 2016 Miscellaneous Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58
Actual	0.70	0.57	0.44									
Variance \$	0.13	(0.00)	(0.13)									
Variance %	22.2%	-0.1%	-22.8%									

Miscellaneous Revenues by Year-to-Date



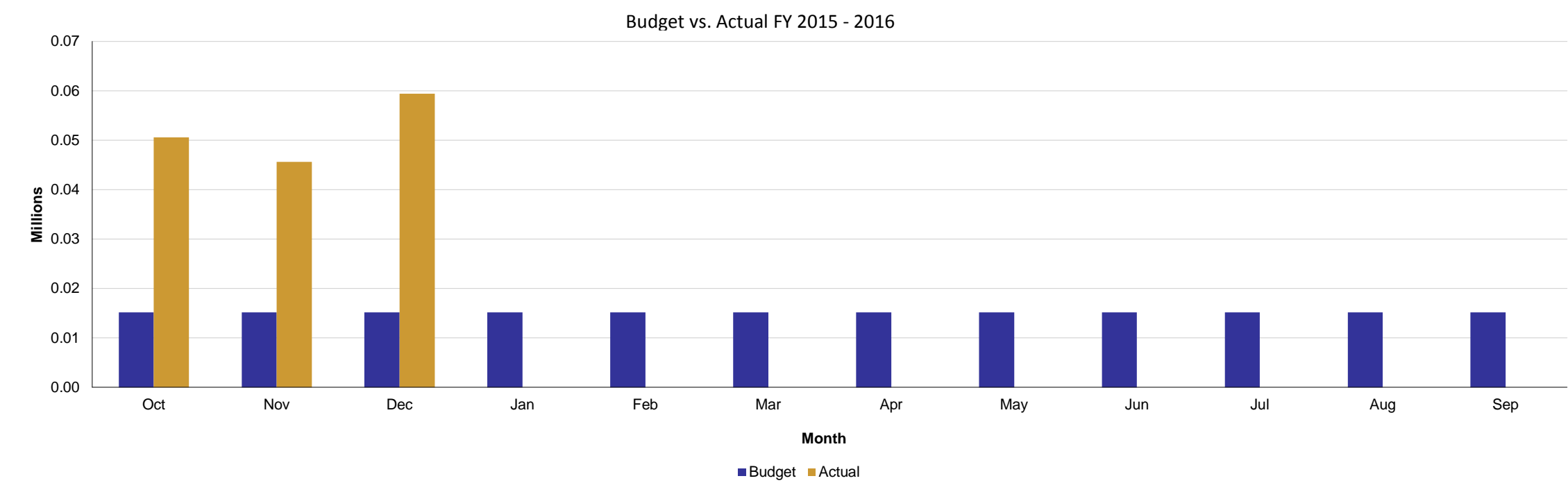
FY 2015 - 2016 Miscellaneous Revenues by Year-to-Date With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	0.58	1.15	1.73	2.30	2.88	3.45	4.03	4.60	5.18	5.75	6.33	6.90
YTD Actual	0.70	1.28	1.72									
Variance \$	0.13	0.13	(0.01)									
Variance %	22.2%	11.0%	-0.3%									

Miscellaneous revenues include revenue from sources other than water and wastewater services, primarily from telecommunication lease agreement fees. Miscellaneous revenues for December 2015 totaled \$0.44 million. This is \$0.13 million, or 22.8%, less than the budget allotment for the month.

The combined miscellaneous revenues for the fiscal year totaled \$1.72 million. This is \$0.01 million, or 0.3%, less than the budget allotment.

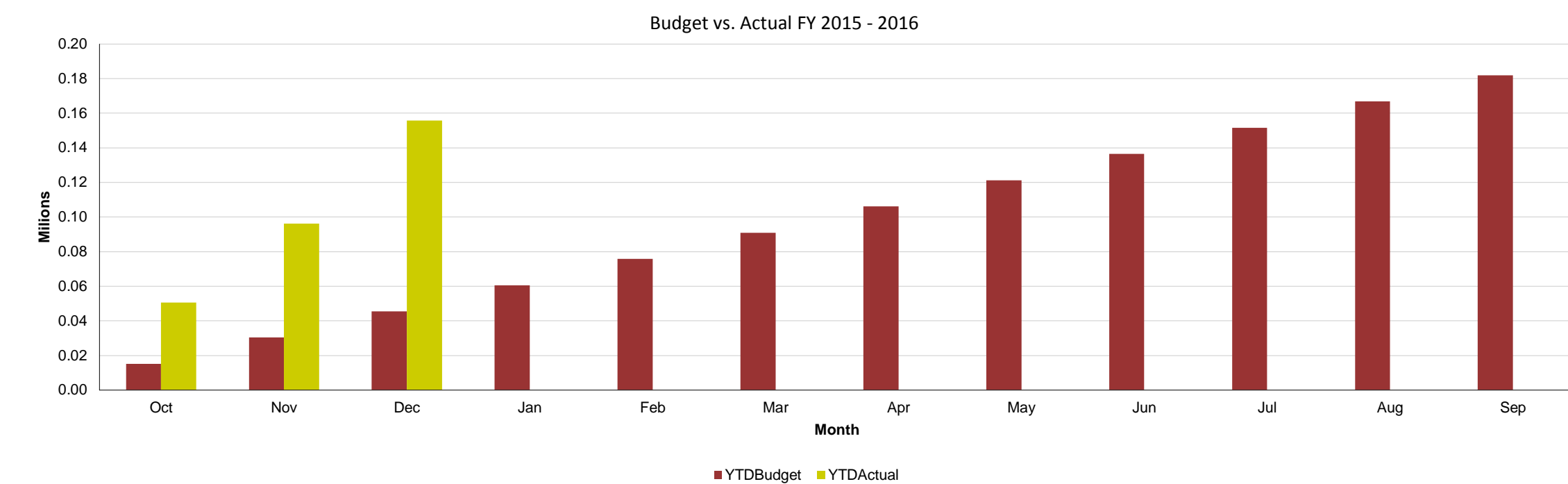
Interest Income by Month



FY 2015 - 2016 Interest Income by Month With Variances (Millions)

	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	0.05	0.05	0.06									
Variance \$	0.04	0.03	0.04									
Variance %	234.0%	201.0%	292.1%									

Interest Income by Year-to-Date



FY 2015 - 2016 Interest Income by Year-to-Date With Variances (Millions)

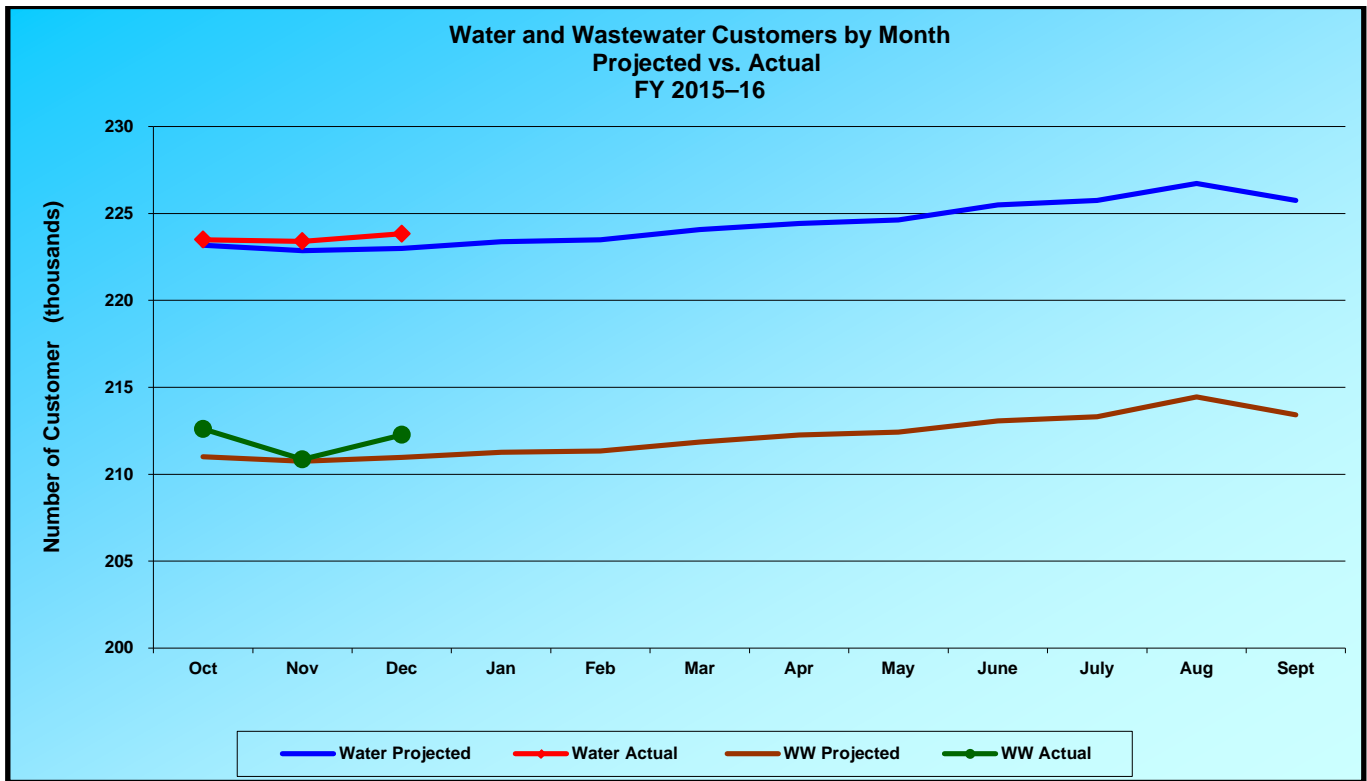
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	0.02	0.03	0.05	0.06	0.08	0.09	0.11	0.12	0.14	0.15	0.17	0.18
YTD Actual	0.05	0.10	0.16									
Variance \$	0.04	0.07	0.11									
Variance %	234.0%	217.5%	242.4%									

Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income for December 2015 totaled \$59,428. This is \$0.04 million more than the budget allotment for the month.

Interest income for the fiscal year totaled \$155,665. This total is 242.4% more than the budget allotment due to market conditions which have resulted in improved interest earnings.

CUSTOMER DEMAND CHARACTERISTICS

Number of Customers



FY 2015–16 Number of Water and Wastewater Customers Compared to Projections

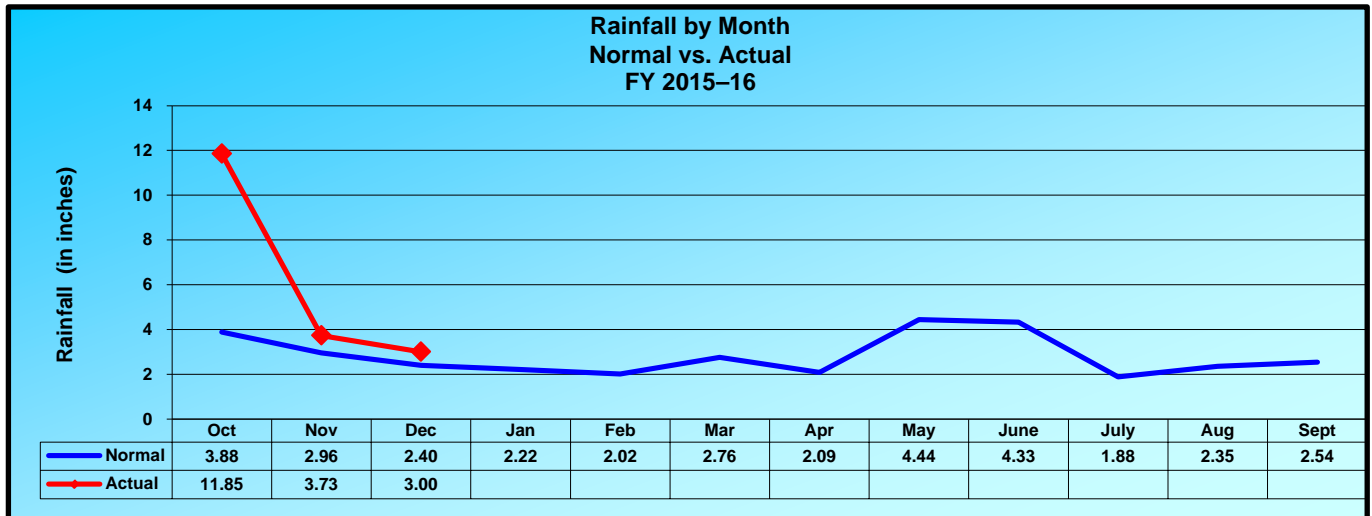
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
<u>Water</u>												
Projected	223,166	222,857	222,987	223,383	223,495	224,079	224,419	224,622	225,490	225,757	226,723	225,747
Actual	223,491	223,396	223,833									
Variance	325	539	846									
Monthly Change	6,457	(95)	437									
<u>Wastewater</u>												
Projected	210,997	210,741	210,969	211,269	211,333	211,849	212,262	212,416	213,072	213,308	214,441	213,411
Actual	212,605	210,856	212,260									
Variance	1,608	115	1,291									
Monthly Change	8123	(1,749)	1,404									

The actual number of water customers as of December 31, 2015, was 223,833. This was 437 more customers than last month, and 846 more customers than projected for this date. There were 223,162 water customers as of September 30, 2015.

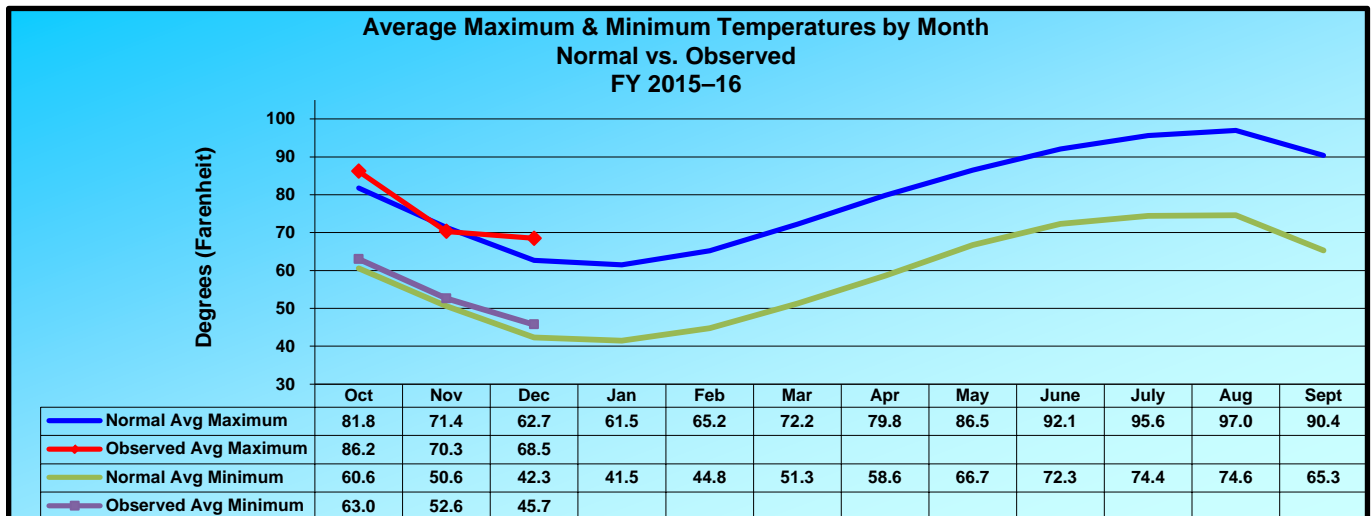
The actual number of wastewater customers as of December 31, 2015, was 212,260. This was 1,404 more customers than last month, and 1,291 more customers than projected for this date. There were 212,260 wastewater customers as of September 30, 2015.

The projected number of customers for fiscal year 2015–16 was determined in April 2015 using an historical 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



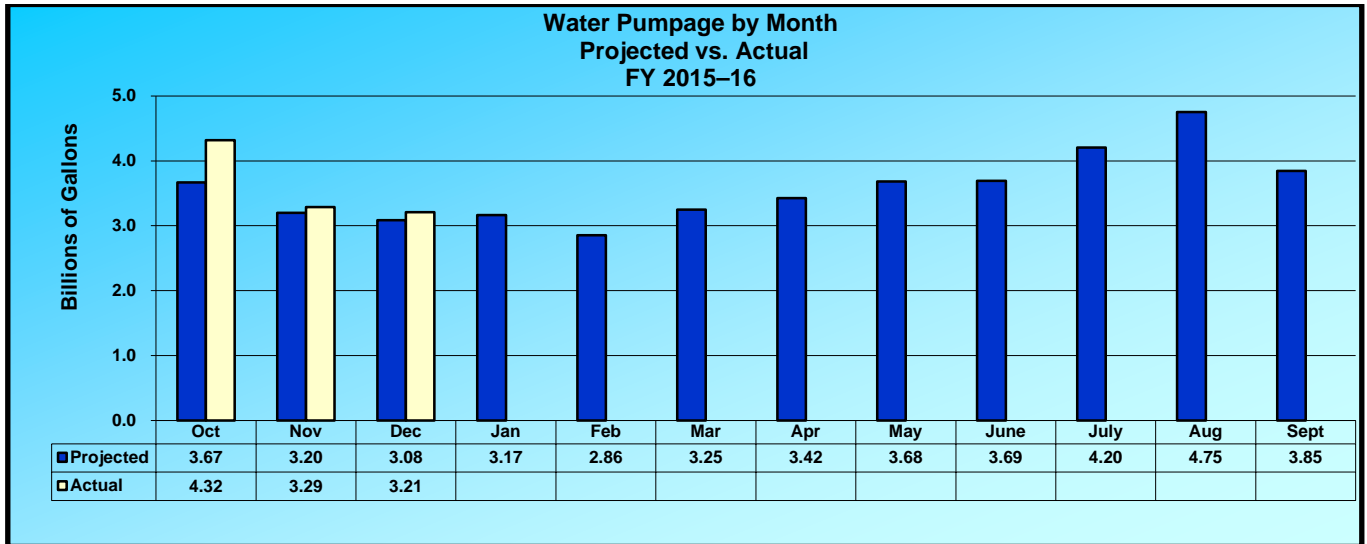
Monthly normal rainfall is based on a 30-year history as reported by the National Weather Service for Austin-Camp Mabry. Last fiscal year the total rainfall was 51.83 inches, 53% more than the normal amount of 33.88 inches. In December, there were 3.0 inches of rain, 0.60 inches above normal for the month. For the fiscal year to date, rainfall has totaled 18.58 inches, 101% more than the normal amount of 9.34 inches; this overage primarily results from the Halloween 2015 flooding in Central Texas. 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.



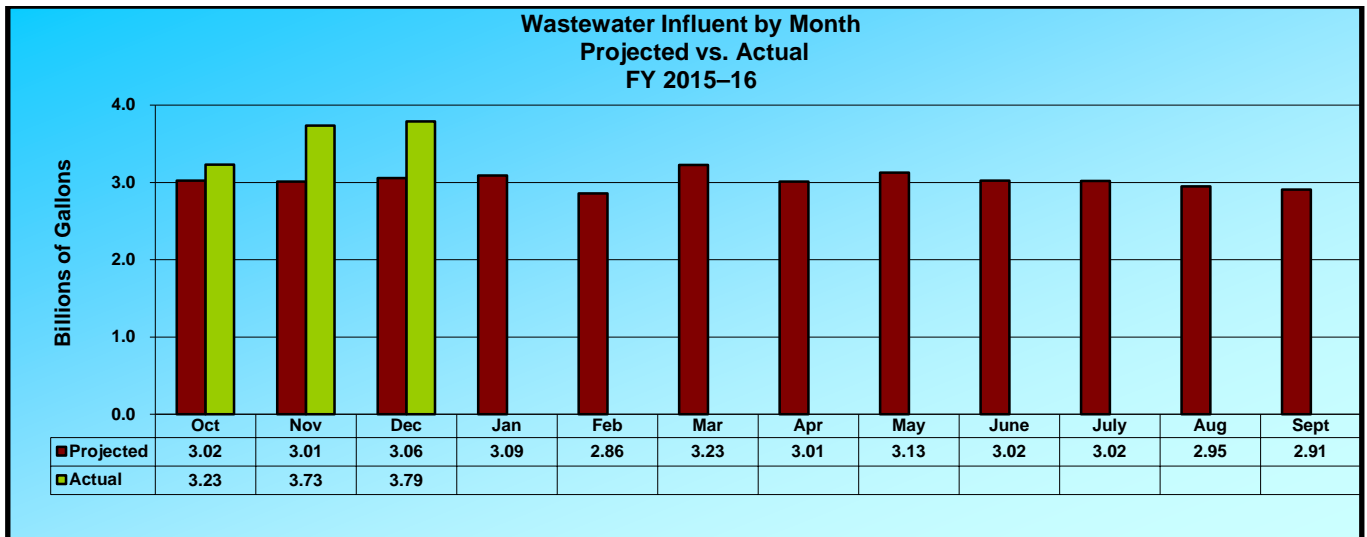
Monthly average maximum and minimum temperatures are reported by the National Weather Service for Austin-Camp Mabry. On average, last fiscal year's temperatures were consistent with historical norms. This fiscal year temperatures are warmer than historic norms, on average.

The combined storage capacity in the Highland Lakes' two water storage reservoirs, Travis and Buchanan, is at 89%.

Water Pumpage and Influent Flow by Month

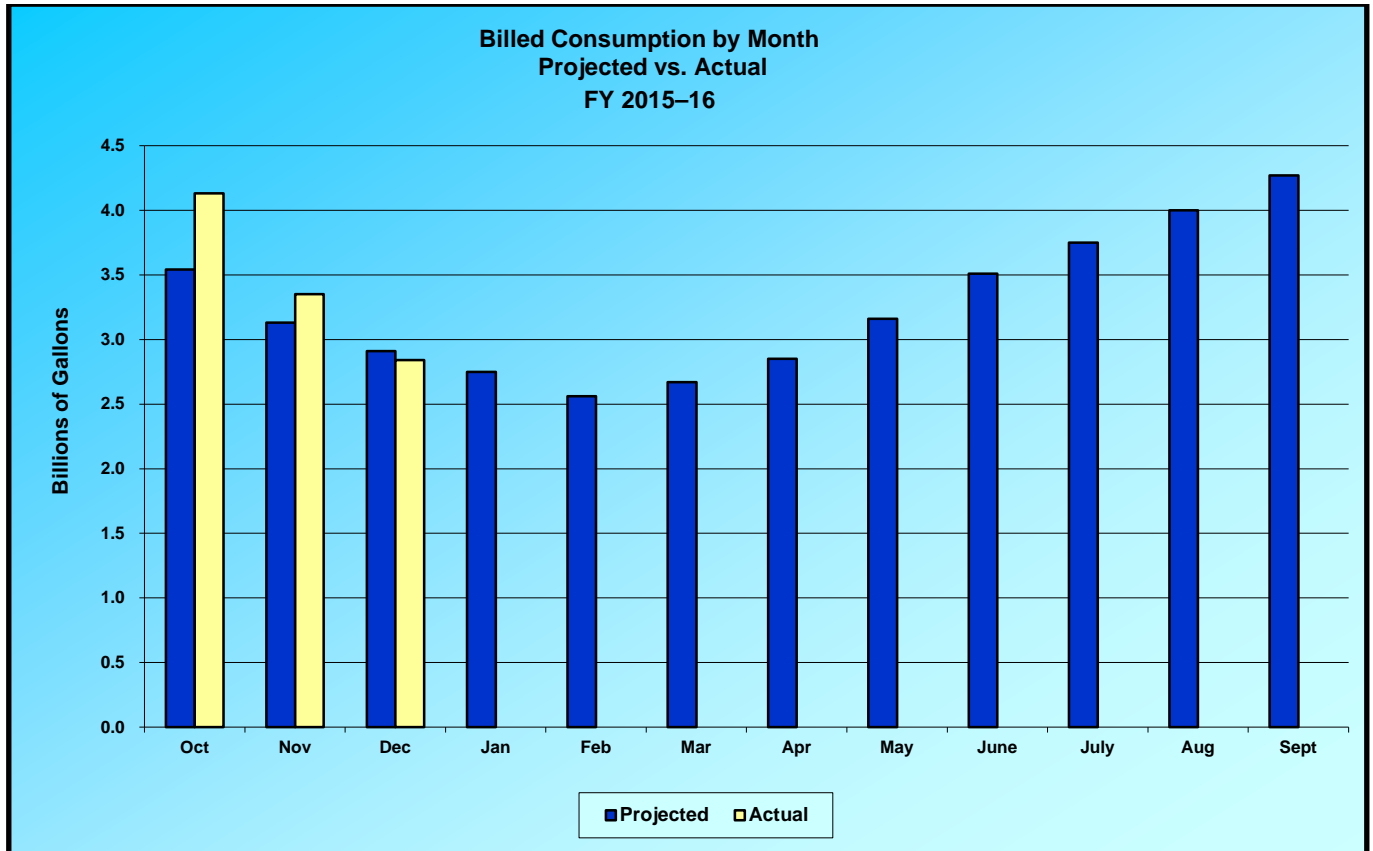


Pumpage during December 2015 averaged 103.64 MGD for a total of 3.21 BG for the month. This compares to a daily average of 117.61 MGD for this fiscal year through December, and a daily average of 113.76 MGD for fiscal year 2014–15 through December.



Influent during December 2015 averaged 122.41 MGD for a total of 3.79 BG for the month. This compares to a daily average of 116.95 MGD for this fiscal year through December, and an average of 97.16 MGD for fiscal year 2014–15 through December.

Billed Water Consumption

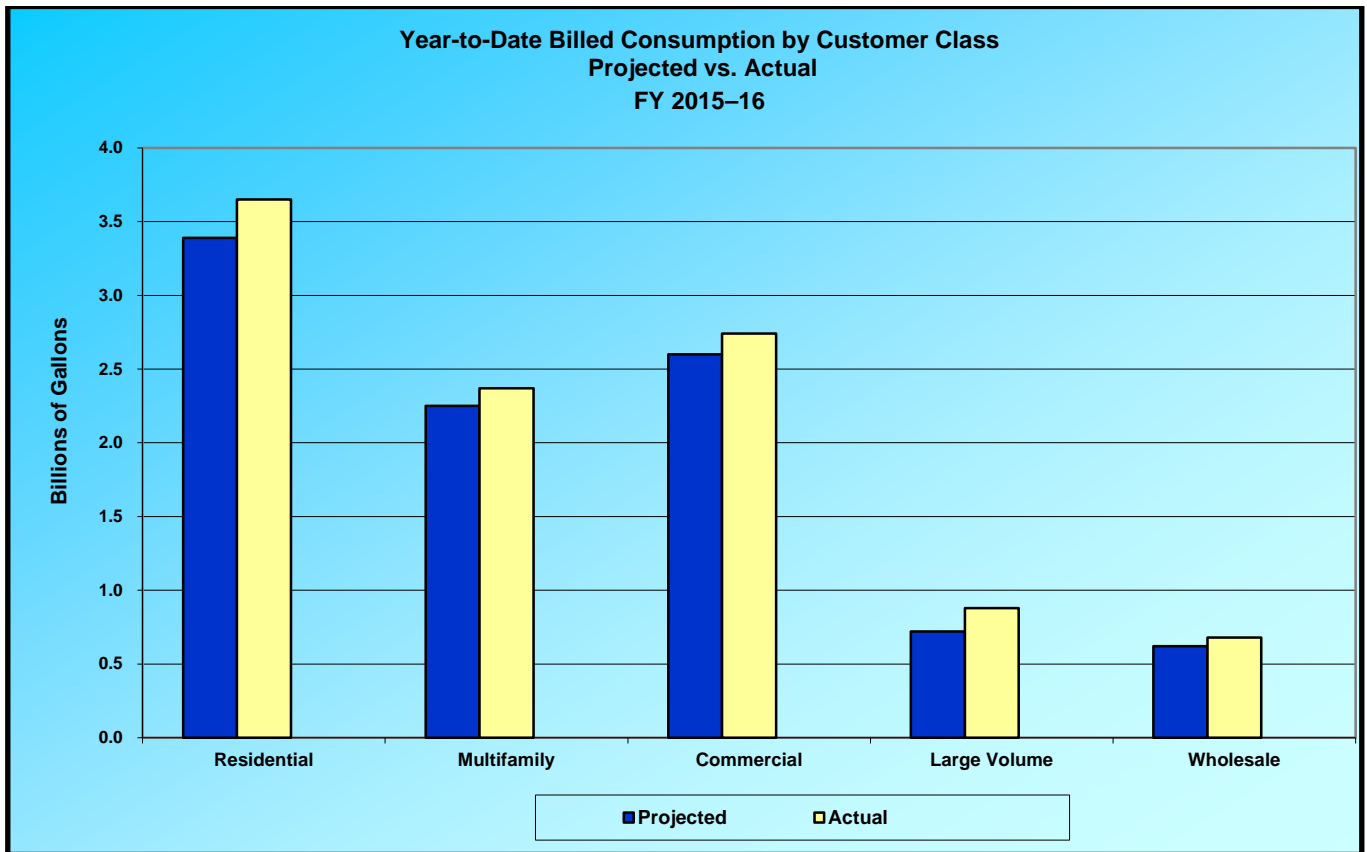


FY 2015–16 Billed Consumption by Month and Year-to-Date (Billions of Gallons)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
<u>Month</u>												
Projected	3.54	3.13	2.91	2.75	2.56	2.67	2.85	3.16	3.51	3.75	4.00	4.27
Actual	4.13	3.35	2.84									
Variance	0.59	0.22	(0.07)									
Variance %	16.7%	7.0%	-2.4%									
<u>YTD</u>												
Projected	3.54	6.67	9.58	12.32	14.88	17.54	20.39	23.55	27.07	30.81	34.82	39.09
Actual	4.13	7.48	10.32									
Variance	0.59	0.81	0.74									
Variance %	16.7%	12.1%	7.7%									

Actual billed water consumption for December 2015 was 2.84 BG. This was 0.07 BG, or 2.4%, less than projected for the month. For the fiscal year, actual billed water consumption was 10.32 BG. This was 0.74 BG, or 7.7%, more than projected for the period.

Billed Water Consumption (continued)

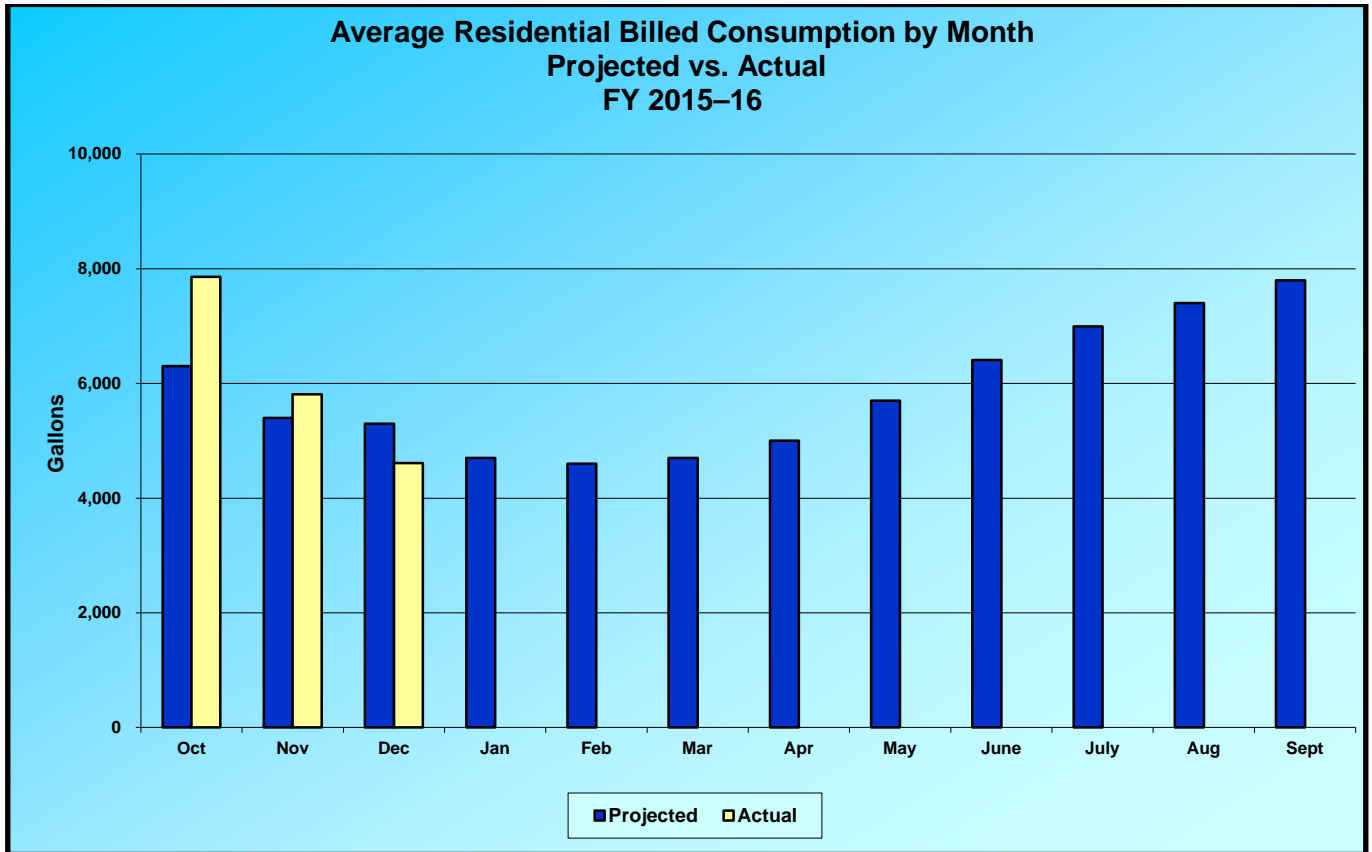


FY 2015–16 Year-to-Date Billed Consumption by Customer Class With Variances (Billions of Gallons)

	Residential	Multifamily	Commercial	Large Volume	Wholesale
<u>YTD</u>					
Projected	3.39	2.25	2.60	0.72	0.62
Actual	3.65	2.37	2.74	0.88	0.68
Variance	0.26	0.12	0.14	0.16	0.06
Variance %	7.7%	5.3%	5.4%	22.2%	9.7%

For the fiscal year through December 2015, billed water consumption was 10.32 BG. This was 0.74 BG, or 7.7%, more than projected for all customer classes combined. All customer classes were above projections for the month.

Billed Water Consumption (continued)

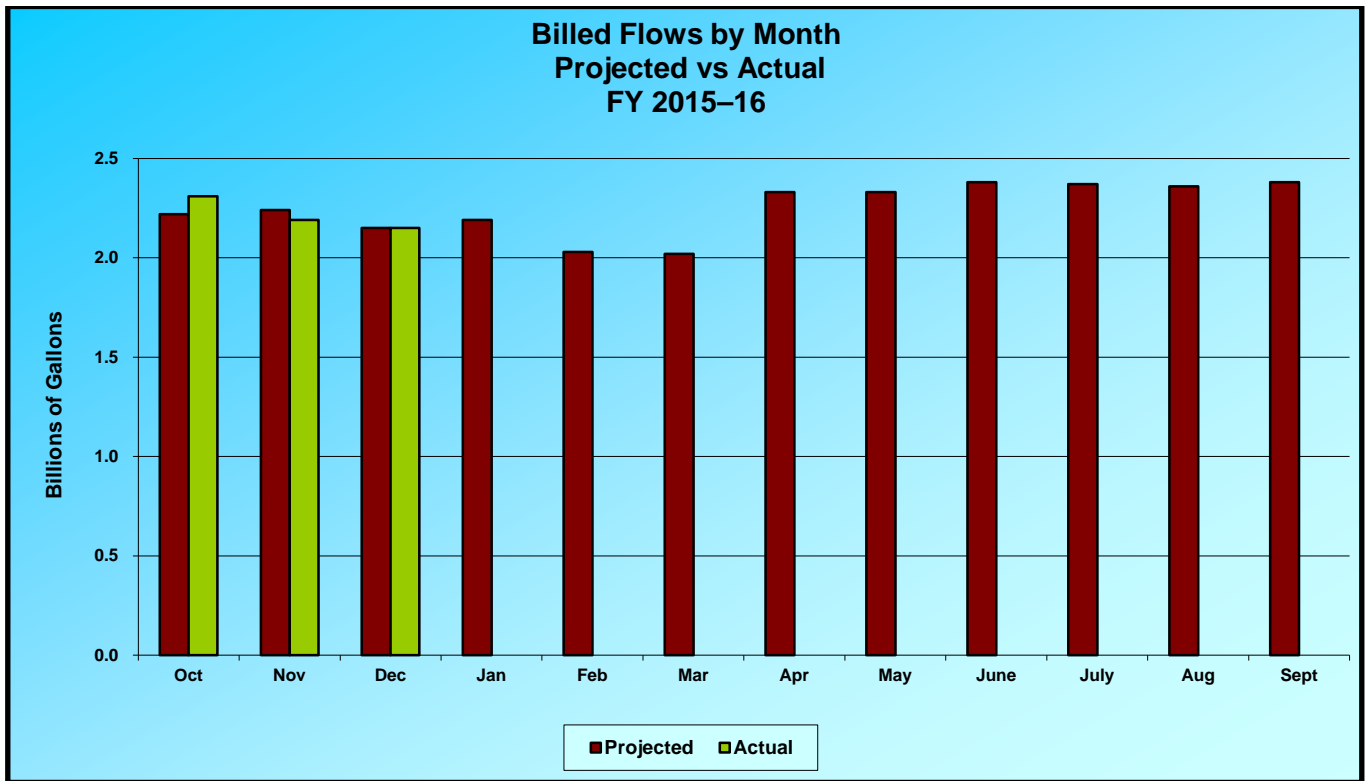


FY 2015–16 Average Residential Billed Consumption by Month

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Projected	6,300	5,400	5,300	4,700	4,600	4,700	5,000	5,700	6,410	6,995	7,400	7,800
Actual	7,857	5,813	4,613									
Variance	1,557	413	(687)									
Variance %	24.7%	7.6%	-13.0%									

Average Residential billed consumption for December 2015 was 4,613 gallons. This was 687 gallons, or 13.0%, less than projected for the month.

Billed Wastewater Flows



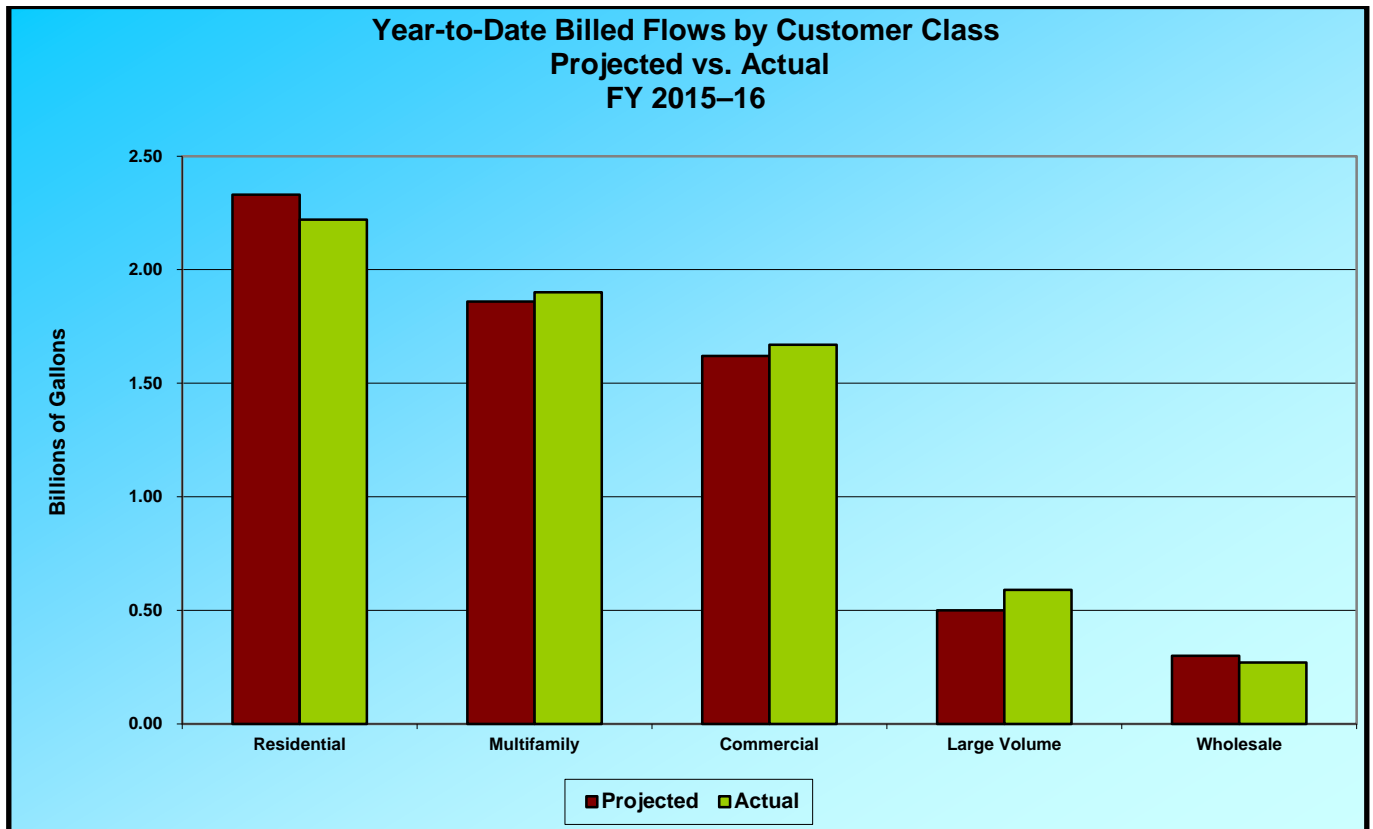
FY 2015–16 Billed Flows by Month and Year-to-Date (Billions of Gallons)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
<u>Month</u>												
Projected	2.22	2.24	2.15	2.19	2.03	2.02	2.33	2.33	2.38	2.37	2.36	2.38
Actual	2.31	2.19	2.15									
Variance	0.09	(0.05)	0.0									
Variance %	4.1%	-2.2%	0.0%									
<u>YTD</u>												
Projected	2.22	4.46	6.61	8.80	10.83	12.85	15.18	17.51	19.88	22.25	24.61	26.99
Actual	2.31	4.50	6.65									
Variance	0.09	0.04	0.04									
Variance %	4.1%	0.9%	0.6%									

Actual billed flows for December 2015 were 2.15 BG. This matched the projection for the month. For the fiscal year, actual billed flows were 6.65 BG. This was 0.04 BG, or 0.6%, more than projected flows for the year.

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)

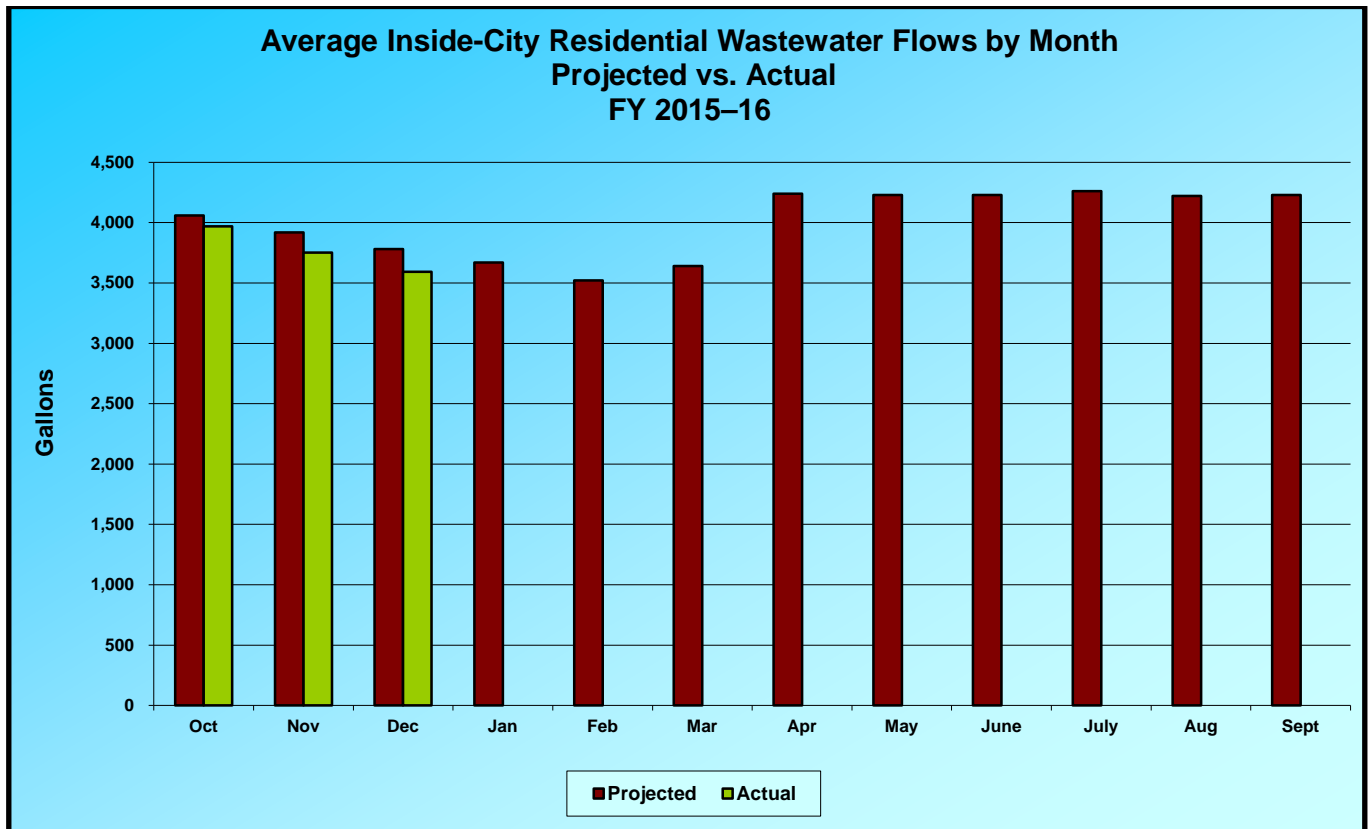


FY 2015-16 Year-to-Date Billed Flows by Customer Class With Variances (Billions of Gallons)

	Residential	Multifamily	Commercial	Large Volume	Wholesale
<u>YTD</u>					
Projected	2.33	1.86	1.62	0.50	0.30
Actual	2.22	1.90	1.67	0.59	0.27
Variance	(0.11)	0.04	0.05	0.09	(0.03)
Variance %	-4.7%	2.2%	3.1%	18.0%	-10.0%

Overall, billed wastewater flows were 6.65 BG for the fiscal year through December 2015. As shown in the table above, billed wastewater flows were below projections in two of the five customer classes. However, the Large Volume class exceeded projected billed volume by 18.0 % and offset the lower billed flows in other classes.

Billed Wastewater Flows (continued)



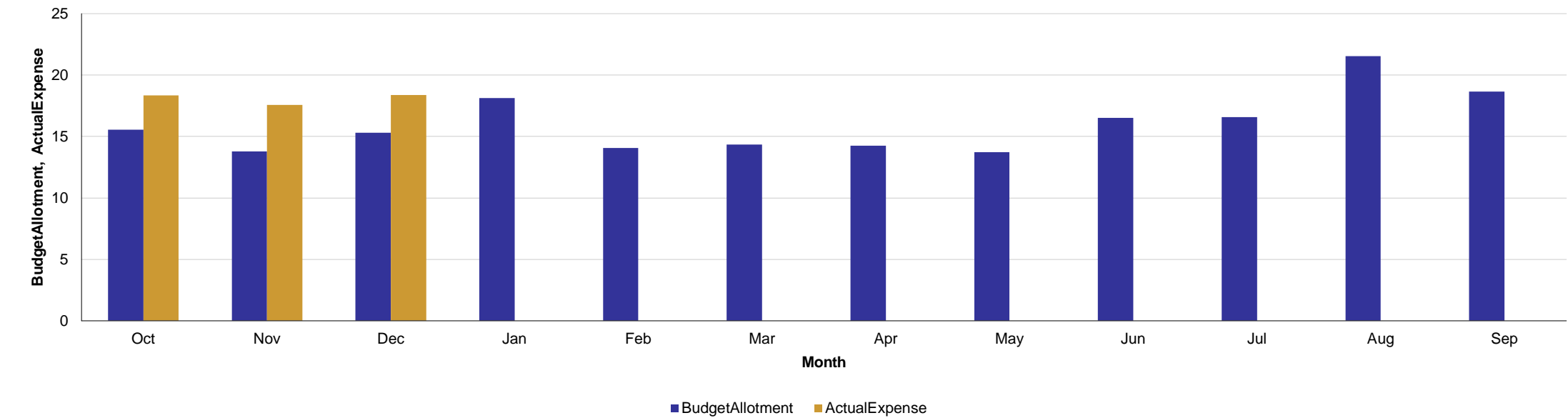
FY 2015–16 Average Inside City Residential Flows by Month

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Projected	4,060	3,920	3,780	3,670	3,520	3,640	4,240	4,230	4,230	4,260	4,220	4,230
Actual	3,970	3,752	3,593									
Variance	(90)	(168)	(187)									
Variance %	-2.2%	-4.3%	-4.9%									

The average Residential billed flow for December 2015 was 3,593 gallons. This was 187 gallons, or 4.%, less than projected for the month.

OPERATING REQUIREMENTS

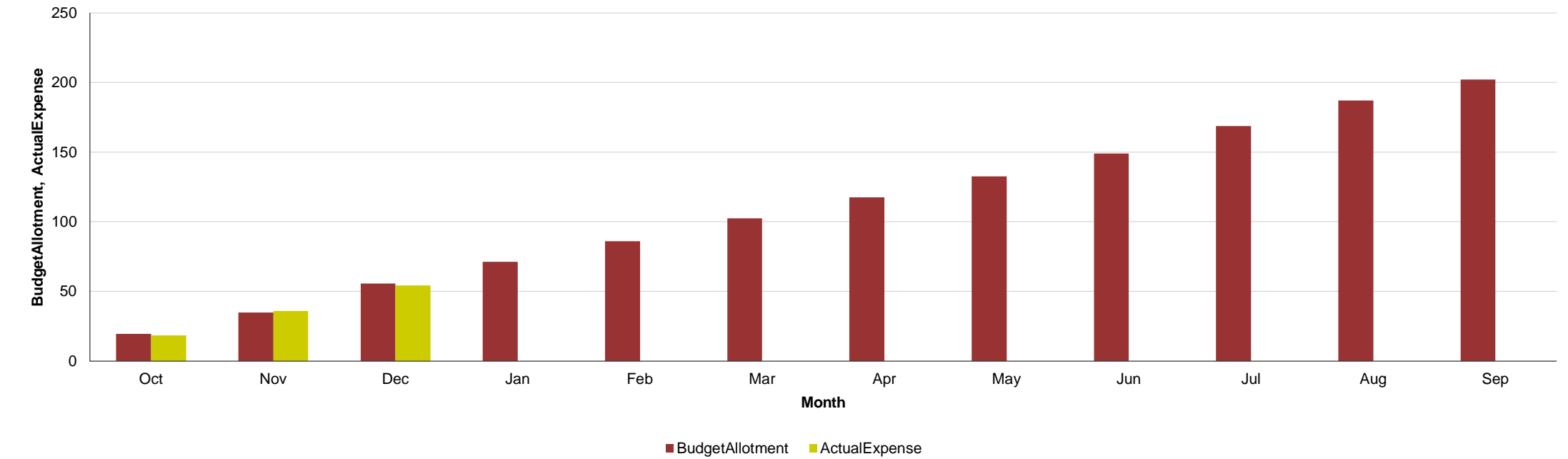
Operating Requirements by Month
Budget vs Actual FY 2015 - 2016



FY 2015 - 2016 Operating Requirements by Month With Variances (Millions)

Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
BudgetAllotment	19.39	15.41	20.71	15.65	14.84	16.46	15.02	15.05	16.36	19.74	18.45	15.13
ActualExpense	18.34	17.55	18.37									
Variance \$	1.06	(2.14)	2.34									
Variance %	5.5%	-13.9%	11.3%									

Operating Requirements by Year-to-Date
Budget vs Actual FY 2015 - 2016



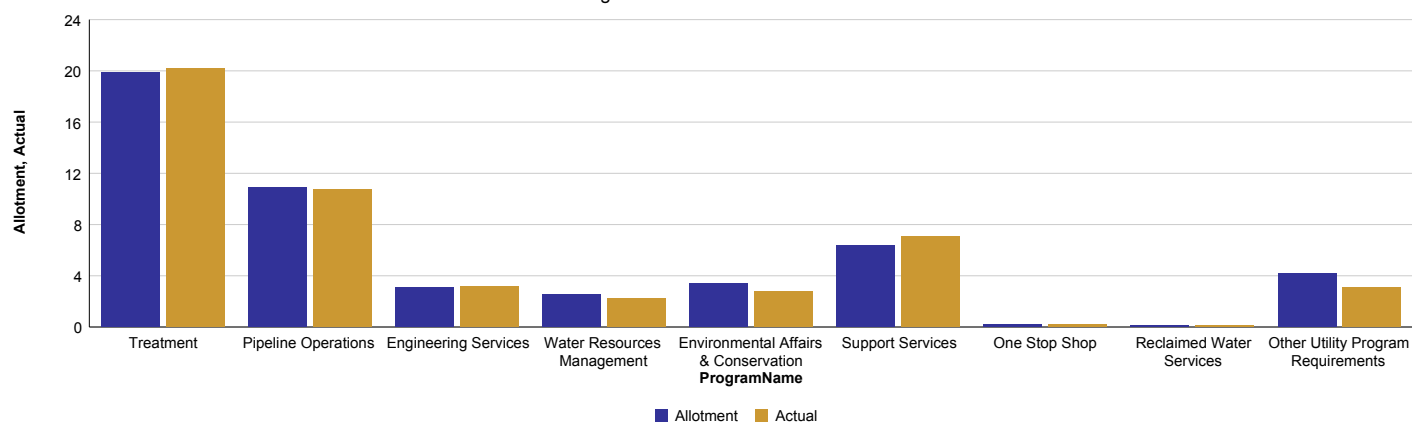
FY 2015 - 2016 Operating Requirements by Year-to-Date With Variances (Millions)

YTD	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
BudgetAllotment	19.39	34.80	55.52	71.17	86.01	102.47	117.49	132.54	148.91	168.65	187.10	202.24
ActualExpense	18.34	35.89	54.26									
Variance \$	1.06	(1.08)	1.26									
Variance %	5.5%	-3.1%	2.3%									

Total Operating Requirements for the fiscal year through December 2015 were \$28.41 million for water, \$25.75 million for wastewater, and \$0.10 million for reclaimed water. The combined Operating Requirements of \$54.26 million were \$1.26 million or 2.3% below the budget allotment.

YTD Operating Requirements by Program

Budget vs. Actual FY 2015 - 2016



FY 2015 - 2016 YTD Operating Requirements by Program through December 2015 (Millions)

	Treatment	Pipeline Operations	Engineering Services	Water Resources Management	Environmental Affairs & Conservation	Support Services	One Stop Shop	Reclaimed Water Services	Other Utility Program Requirements	Total
Allotment	19.84	10.87	3.06	2.52	3.42	6.36	0.18	0.10	4.17	50.53
Actual	20.17	10.71	3.17	2.26	2.78	7.10	0.16	0.10	3.10	49.56
Variance \$	(0.33)	0.16	(0.11)	0.26	0.64	(0.74)	0.01	0.00	1.08	0.97
Variance %	-1.6%	1.4%	-3.7%	10.1%	18.8%	-11.6%	7.0%	-0.1%	25.8%	1.9%

Total Operating Program Requirements as of December 31, 2015 were \$24.98 million for Water, \$24.48 million for Wastewater, and \$0.10 million for Reclaimed Water. The combined Operating Program Requirements of \$49.56 million were \$0.97 million or 1.9% below the allotment.

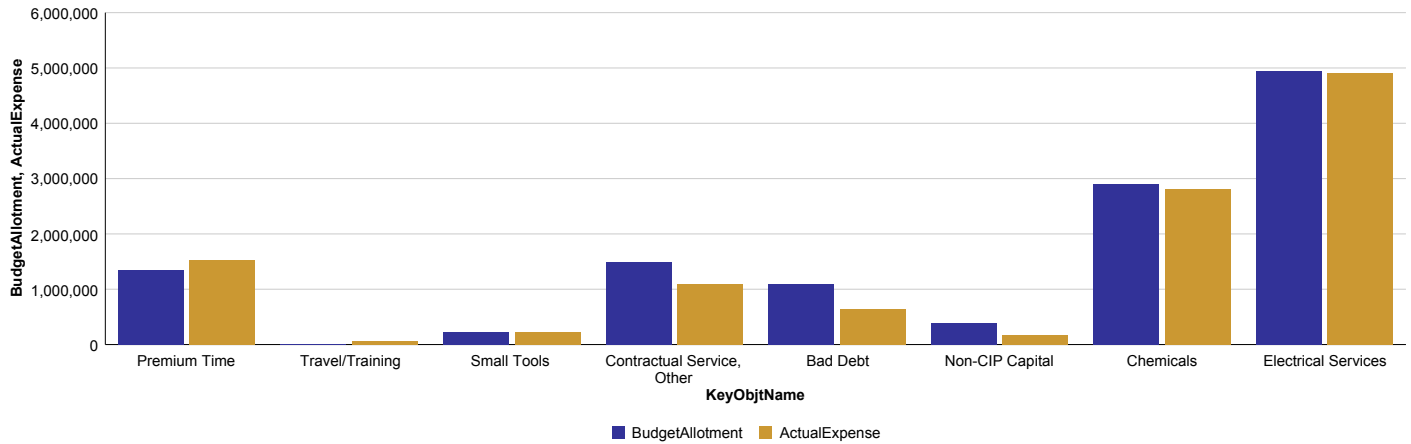
Water Resources Management was \$0.26 million or 10.1% below allotment due to lower than estimated expenses for temporary employees.

Environmental Affairs & Conservation was \$0.64 million or 18.8% below allotment due to lower than anticipated expenses in several areas such as Water Conservation service contracts, advertising and publication, temporary employees, as well as lower spending for the Water Conservation Rebate Program.

Support Services was \$0.74 million or 11.6% above allotment due to several large encumbrances for security services, computer software maintenance, and cellular phones.

Other Utility Program Requirements was \$1.08 million or 25.8% below allotment due to lower than estimated spending for bad debt expense; commercial paper administration expense; and legal services.

YTD Key Operating Object Codes - Budget Vs Actual - FY 2015 - 2016



FY 2015 - 2016 YTD Operating Requirements Key Object Codes With Variance through December 2015

	Premium Time	Travel/Training	Small Tools	Contractual Service, Other	Bad Debt	Non-CIP Capital	Chemicals	Electrical Services	Total
BudgetAllotment	1,345,336	12,299	222,611	1,497,857	1,098,403	391,997	2,899,294	4,936,994	12,404,791
ActualExpense	1,522,453	58,342	232,431	1,094,269	642,291	176,125	2,808,675	4,906,660	11,441,244
Variance \$	(177,117)	(46,043)	(9,819)	403,589	456,112	215,872	90,620	30,334	963,547
Variance %	-13.2%	-374.4%	-4.4%	26.9%	41.5%	55.1%	3.1%	0.6%	7.8%

Premium Time was \$177,117 or 13.2% above allotment primarily due to higher than estimated spending in Distribution System Maintenance, Wastewater Treatment, and Pump Stations & Reservoir Maintenance Divisions.

Travel and Training was \$46,043 or 374.4% above allotment primarily due to higher than estimated spending during the first quarter of the fiscal year.

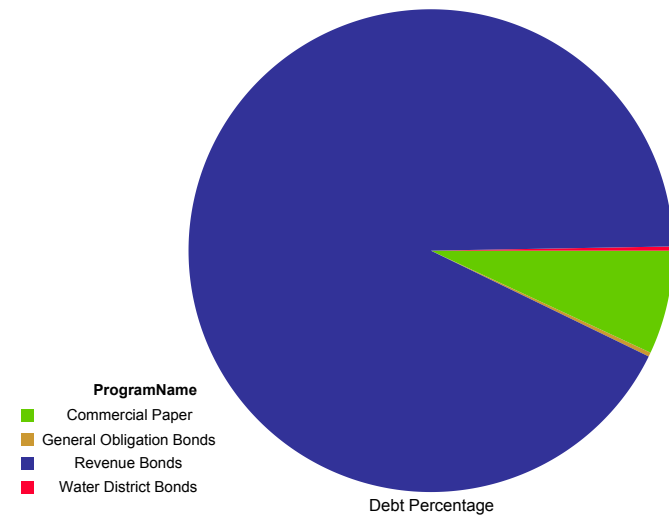
Contractual Service, Other was \$403,589 or 26.9% below allotment due to lower than estimated spending in the Water Conservation Division and lower spending for emergency service contracts for the Utility as a whole.

Non-CIP Capital was \$215,872 or 55.1% below allotment due to lower than estimated spending in Wastewater Treatment Division.

DEBT OUTSTANDING & DEBT SERVICE

Total Debt outstanding By Type

Total Debt as of December 2015 \$2,412,459,293 (Principal Only)



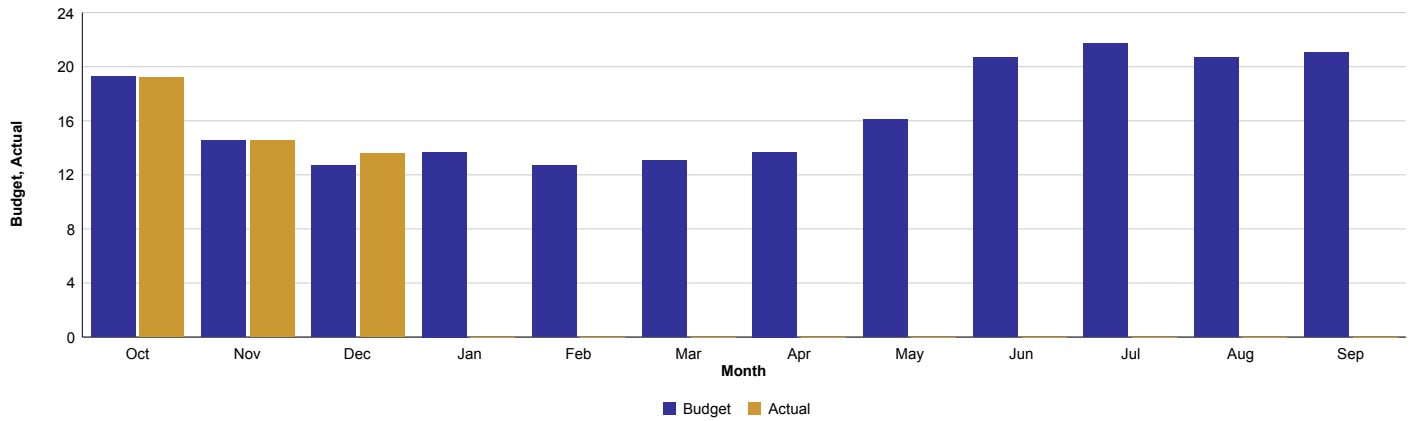
	Debt Outstanding \$	Debt Outstanding %
Commercial Paper	168,535,000	7.0%
General Obligation Bonds*	8,705,690	0.4%
Revenue Bonds*	2,229,808,917	92.4%
Water District Bonds	5,409,686	0.2%
Total	2,412,459,293	100%

*Amount outstanding will be adjusted based on audited accounting entries from the Controller's Office.

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	11,009.89
2016	10,777.94

Combined Debt Service by Month (in Millions)

Budget vs. Actual - FY 2015 - 2016

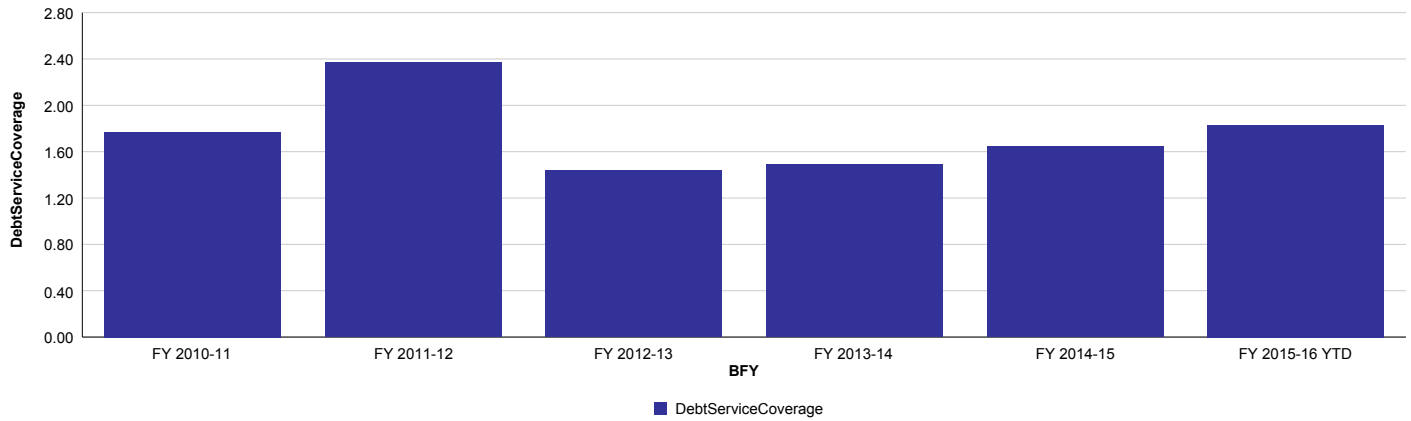


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Budget	19.25	14.52	12.69	13.69	12.69	13.06	13.69	16.08	20.71	21.71	20.71	21.07	199.88
Actual	19.21	14.54	13.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	47.31

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 December was \$13.56 million, \$0.87 million more than projected for the month. Combined debt service for the fiscal year was \$47.31 million or \$0.85 million more than projected.

Debt Service Coverage

FY 2010- 2011 thru 2015-2016

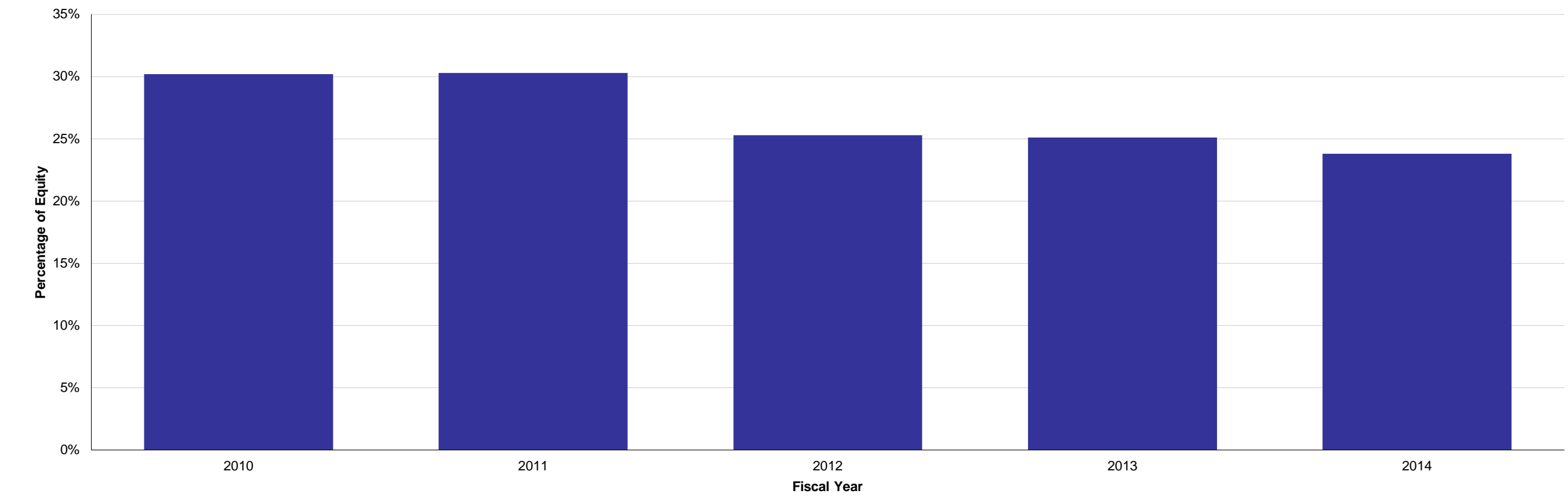


DebtServiceCoverage	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16 YTD
Debt Service Coverage	1.77	2.37	1.44	1.49	1.65	1.77

The Debt Service Coverage graph above indicates how much revenue, 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. The ratios reflected for FY10-11 through FY13-14 are audited, as reflected in the City's Comprehensive Annual Financial Report (CAFR). The FY14-15 ratio is based on Close II financial data and is unaudited; upon finalization of the CAFR the FY14-15 ratio will be updated to reflect audited results.

Percent of Equity in Utility Systems

FY 2010 through FY 2014



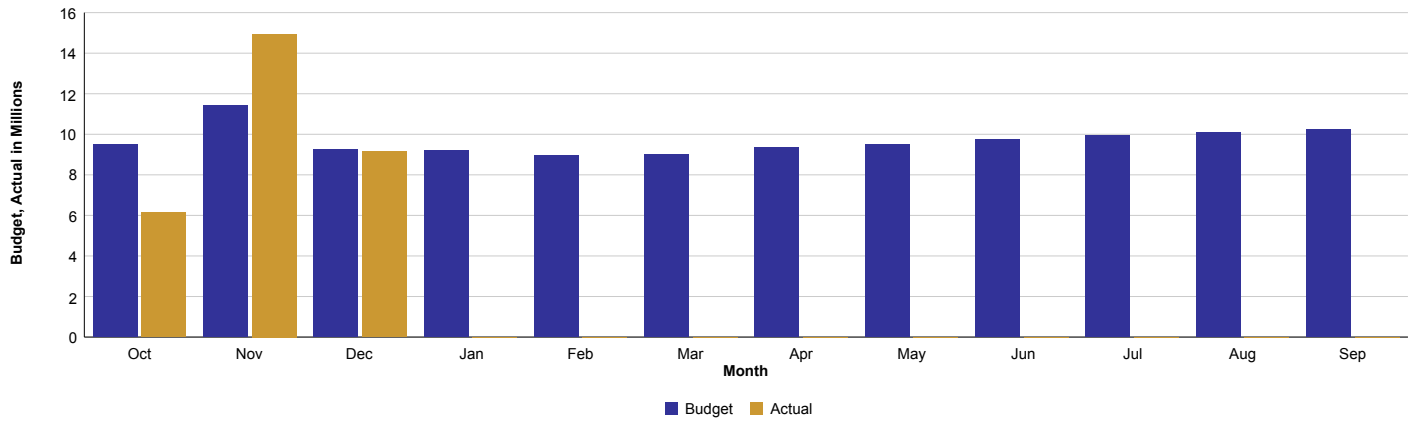
Percentage of Equity	2010	2011	2012	2013	2014
Percent of Equity	30.2%	30.3%	25.3%	25.1%	23.8%

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.

OTHER REQUIREMENTS

Total Transfers Out by Month

Budget vs. Actual - FY 2015-2016

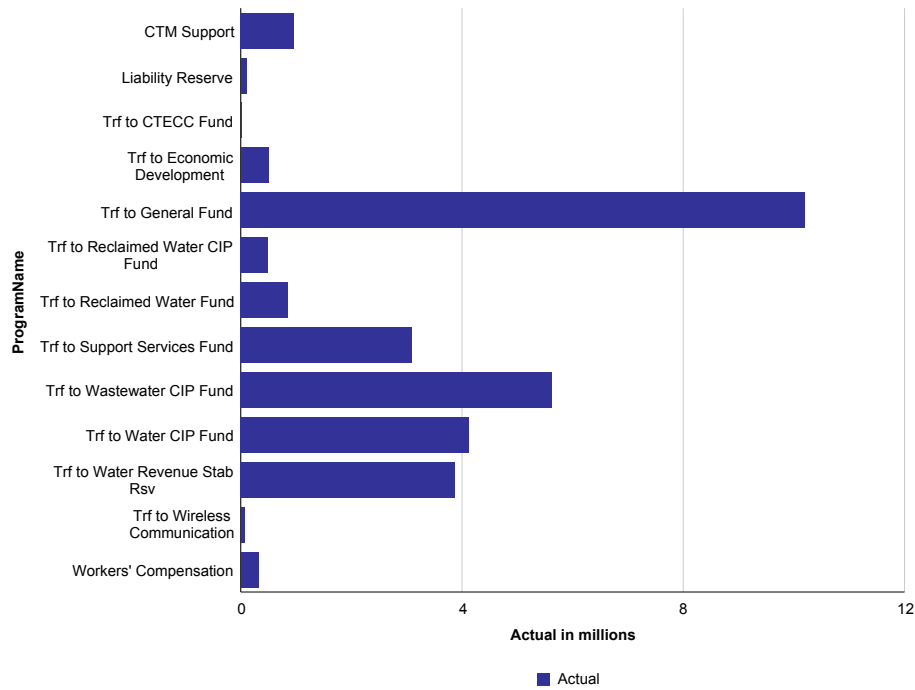


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total YTD
Budget	9.52	11.42	9.23	9.20	8.97	9.01	9.36	9.51	9.72	9.95	10.10	10.22	30.17
Actual	6.15	14.95	9.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.24

Transfers Out for the fiscal year through December totaled \$30.24 million. This was \$0.74 million more than the budget for the year because the transfer to the Water Revenue Stability Reserve Fund was slightly more than budgeted.

Transfers Out includes transfers for Support Services to the City; Capital Improvement Program; Communication and Technology Management Fund (CTM); Combined Transportation, Emergency and Communications Center (CTECC); General Fund; Liability Reserve Fund; Water Revenue Stability Reserve Fund; Wireless Communications Fund; Economic Development Fund; Reclaimed Water Fund; and Workers' Compensation Fund.

**Transfers Out by Type
Actual Year-to-Date- FY 2015-2016**

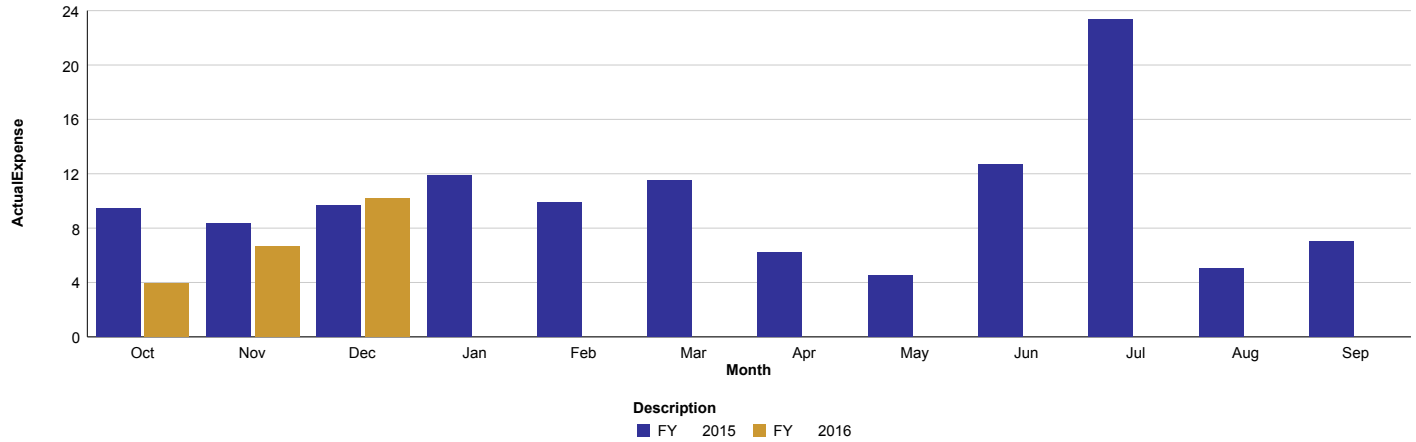


Transfer Out By Type (in millions)	Actual
Trf to General Fund	10.20
Trf to Economic Development	0.51
CTM Support	0.97
Liability Reserve	0.10
Trf to CTECC Fund	0.01
Trf to Reclaimed Water CIP Fund	0.49
Trf to Reclaimed Water Fund	0.85
Trf to Support Services Fund	3.10
Trf to Wastewater CIP Fund	5.62
Trf to Water CIP Fund	4.13
Trf to Water Revenue Stab Rsv	3.88
Trf to Wireless Communication	0.07
Workers' Compensation	0.32
Total	30.24

Transfers Out for the fiscal year through December totaled \$30.24 million. This was \$0.74 million more than the budget for the year because the transfer to the Water Revenue Stability Reserve Fund was slightly more than budgeted.

Transfers Out includes transfers for Support Services to the City; Capital Improvement Program; Communication and Technology Management Fund (CTM); Combined Transportation, Emergency and Communications Center (CTECC); General Fund; Liability Reserve Fund; Water Revenue Stability Reserve Fund; Wireless Communications Fund; Economic Development Fund; Reclaimed Water Fund; and Workers' Compensation Fund.

Actual CIP Expenditures by Month - FY 2015 - 2016 (in Millions)

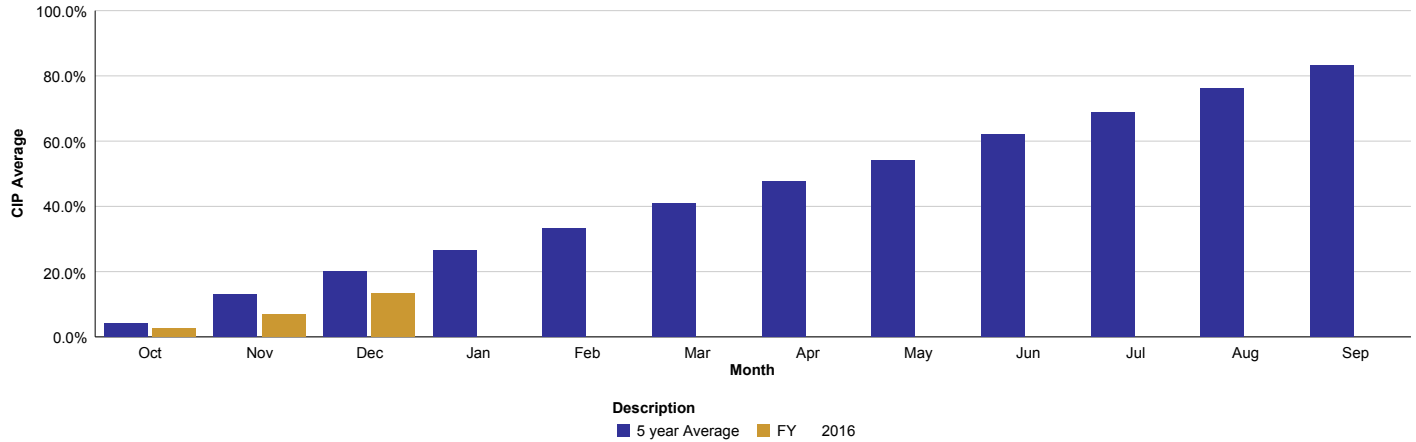


ActualExpense	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
FY 2015	9.43	8.32	9.70	11.86	9.92	11.53	6.21	4.54	12.66	23.35	5.08	7.03	119.63
FY 2016	3.93	6.63	10.16										20.72

CIP expenditures for the fiscal year through December 2015 totaled \$9.56 million for water, \$10.50 million for wastewater, and \$0.66 million for reclaimed, for a combined total of \$20.72, or 13.4% of the FY 2015-16 CIP spending plan.

The approved CIP spending plan for FY 2015-16 was \$76.46 million for water, \$66.50 million for wastewater, and \$11.39 million for reclaimed for a combined total of \$154.35 million.

YTD Cumulative CIP Expenditures As a Percentage of Spending Plan - FY 2015 - 2016



CIPPercent	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2015	5.2%	9.8%	15.1%	21.6%	27.1%	33.4%	36.8%	39.3%	46.3%	59.1%	61.9%	65.7%
FY 2016	2.5%	6.8%	13.4%									
5 year Average	4.1%	13.0%	20.2%	26.5%	33.3%	41.0%	47.6%	54.1%	61.9%	68.9%	76.1%	83.3%

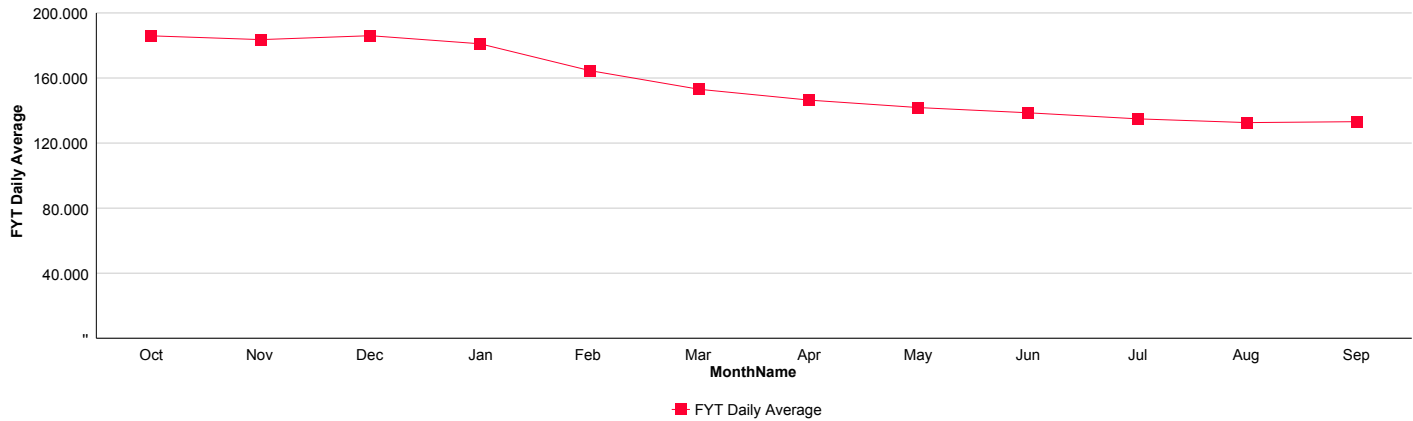
CIP expenditures for the fiscal year through December 2015 totaled \$9.56 million for water, \$10.50 million for wastewater, and \$0.66 million for reclaimed, for a combined total of \$20.72, or 13.4% of the FY 2015-16 CIP spending plan.

The approved CIP spending plan for FY 2015-16 was \$76.46 million for water, \$66.50 million for wastewater, and \$11.39 million for reclaimed for a combined total of \$154.35 million.

CASH BALANCES

Combined FYTD Daily Average Cash Balance at Month End

FY 2015 - 2016



FY 2015 - 2016 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	73.25	81.98	81.36	0	0	0	0	0	0	0	0	0
Wastewater	95.80	96.15	99.04	0	0	0	0	0	0	0	0	0
Reclaimed	2.71	2.52	2.35	0	0	0	0	0	0	0	0	0

Ending_Balance	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Operating	64.11	68.30	73.59	0	0	0	0	0	0	0	0	0
Capital Recovery Fee	18.70	20.41	22.55	0	0	0	0	0	0	0	0	0
CIP	69.49	69.87	64.02	0	0	0	0	0	0	0	0	0
Revenue Stability Reserve Fund	19.46	22.06	22.59	0	0	0	0	0	0	0	0	0

FYT Daily Average	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FYTD Daily Average	185.93	183.60	186.01	181.05	164.59	153.06	146.43	141.82	138.62	134.90	132.58	133.14

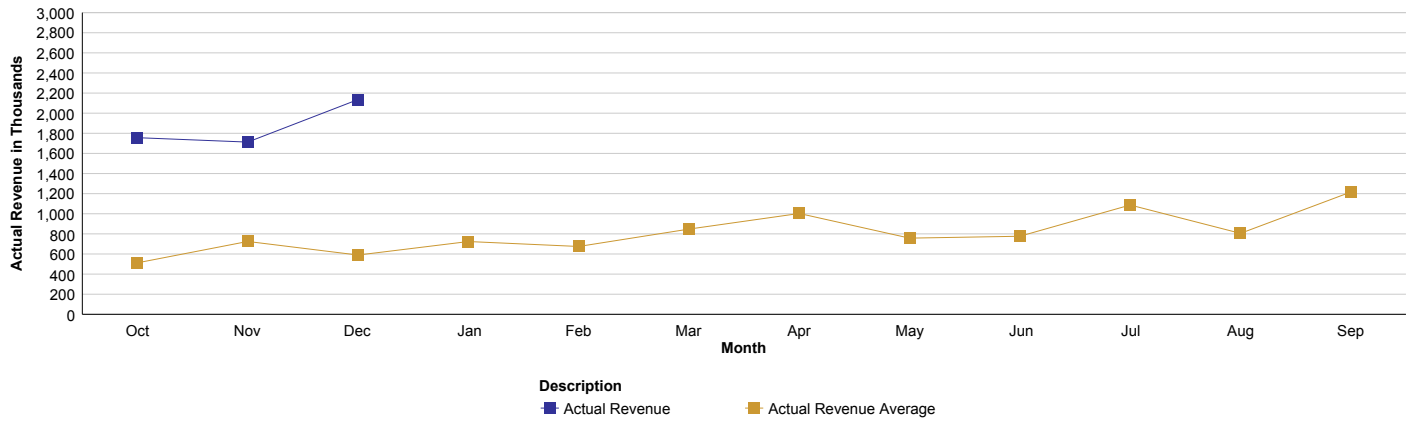
Combined cash balances for Water, Wastewater, and Reclaimed for the month of December 2015 totaled \$182.75 million. The combined cash balance is made up of Operating, CIP, Capital Recovery Fee, and Revenue Stability Reserve Fund cash balances. The average daily cash balance for the fiscal year was \$186.01 million at the end of December.

Combined Operating Cash Balances totaled \$73.59 million. Combined CIP Cash Balances totaled \$64.02 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 \$22.59 million.

Capital Recovery Fee Cash Balances totaled \$22.55 million at the end of the month. 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 2010 - 2016

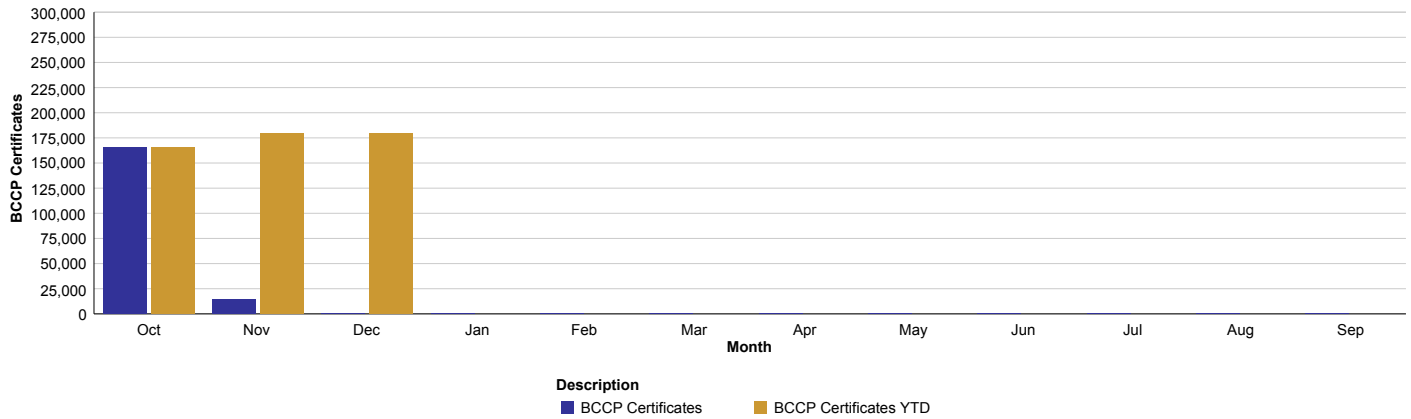


FY 2015 - 2016 CRF Collections by Month, Water, Wastewater, and Total (in Thousands)

ActualRevenue	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Water	1,206	1,304	1,476										3,985
Wastewater	551	409	660										1,619
Total	1,756	1,713	2,136										5,605

Capital Recovery Fee (CRF) collections and interest for the month of December 2015 were \$1.48 million from Water and \$0.66 million from Wastewater for a total of \$2.14 million. For the fiscal year, a total of \$5.61 million in CRFs and interest has been collected. CRF collections in December were \$1.55 million more than the five year average of \$0.59 million.

BCCP Revenue Year-to-Date
BCCP Certificates and Interest Earned FY 2015 - 2016



FY 2015 - 2016 BCCP Revenues by Month with Ending Balances

Amount	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Beginning Balance	0	165,352	180,367	0	0	0	0	0	0	0	0	0
Interest	214	265	303	0	0	0	0	0	0	0	0	0
BCCP Cert	165,138	14,750	0	0	0	0	0	0	0	0	0	0
Ending Balance	165,352	180,367	180,670	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0

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 December 2015, interest in the amount of \$303 accrued. The overall ending balance fiscal year-to-date is \$180,670.