



City of Austin, Texas
Austin Water

Financial Status Report
For the Period Ending January 31, 2016

Status Report Based on Unaudited Financial Information



MEMORANDUM

TO: Greg Meszaros, Director
Austin Water

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

DATE: February 26, 2016

SUBJECT: Unaudited Financial Status Report for the Period Ended January 31, 2016

Attached is Austin Water's Financial Status Report. The combined fund balance at the end of January was \$100.16 million, or \$19.15 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 \$2.85 million below allotments, and revenues and transfers in were \$10.42 million above projections.

Significant rainfall in the fall of 2015 improved the lake levels in Travis and Buchanan, and these levels have held. The lake system was at 89 percent full at the end of January. 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 January. The Executive Summary includes more discussion of revenue highlights.

Actual spending for operating requirements was below budget allotments by a total of \$2.39 million. Payments for debt service requirements were below allotments by \$0.06 million, and transfers out were below allotments by \$0.01 million. Total requirements were below allotments by \$2.85 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

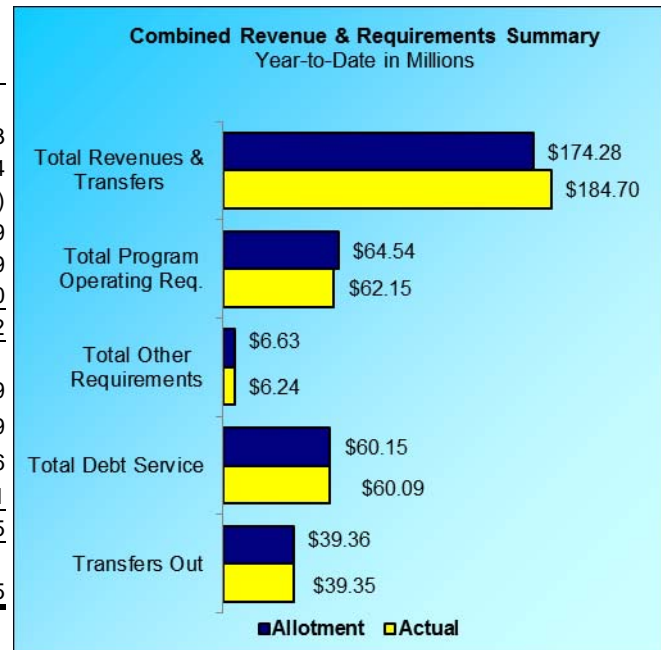


Financial Status Report

Period Ending January 31, 2016

The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of January 31, 2016, was \$100.16 million. The combined balance was \$19.15 million more than projected for this date, as shown below:

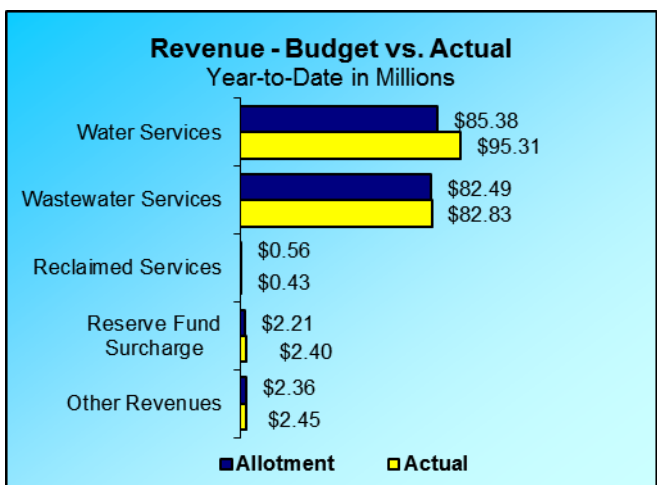
	Allotment	Actual	Difference
Beginning Balance	\$ 77.41	\$ 83.29	\$ 5.88
Water Services	\$ 85.38	\$ 95.31	\$ 9.93
Wastewater Services	82.49	82.83	0.34
Reclaimed Services	0.56	0.43	(0.13)
Reserve Fund Surcharge	2.21	2.40	0.19
Other Revenues	2.36	2.45	0.09
Transfers In	1.28	1.28	0.00
Total Revenues & Transfers	\$ 174.28	\$ 184.70	\$ 10.42
Total Program Operating Req.	\$ 64.54	\$ 62.15	2.39
Total Other Requirements	6.63	6.24	0.39
Total Debt Service	60.15	60.09	0.06
Transfers Out	39.36	39.35	0.01
Total Revenue Requirements	\$ 170.68	\$ 167.83	\$ 2.85
Ending balance	\$ 81.01	\$ 100.16	\$ 19.15
Debt Service Coverage	1.65	1.88	



Revenue Highlights

Total revenues for the fiscal year through January were \$184.70 million. This is \$10.42 million or 6.0% more than projected.

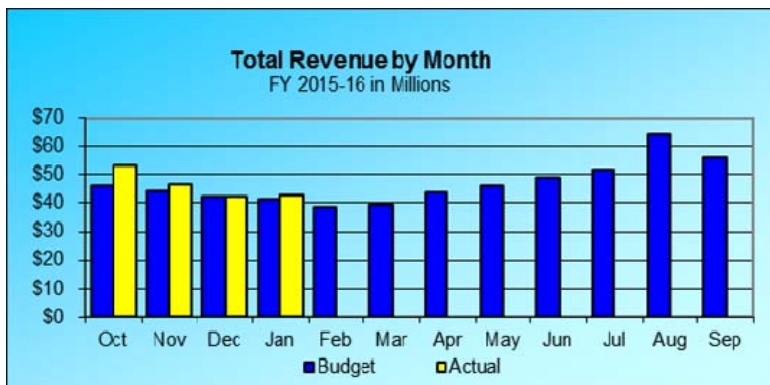
- Water services were \$95.31 million, or 11.6% above projections.
- Wastewater services were \$82.83 million, or 0.4% above projections.
- Reclaimed services were \$0.43 million, or 24.0% below projections.
- Reserve fund surcharge was \$2.40 million, or 8.3% above projections.
- Other revenues, including miscellaneous and interest income totaled \$2.45 million, or 3.9% more than projected.
- Transfers In were \$1.28 million, or 0.5% more than budgeted amounts.



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

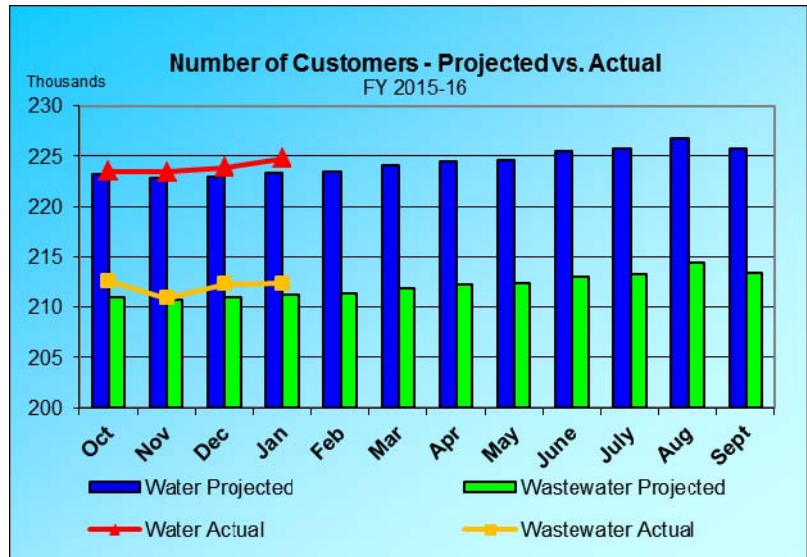
Wastewater Services were above projections in three customer classes and the industrial waste surcharge to offset revenues below projections in the Residential and Wholesale classes.

Revenues and Transfers In for January were \$42.97 million, which was \$1.57 million or 3.8% above the projection.



User Characteristics

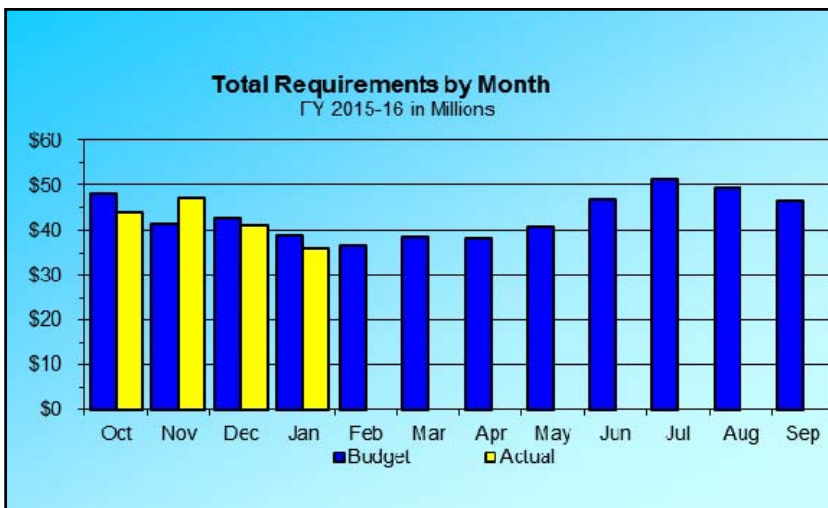
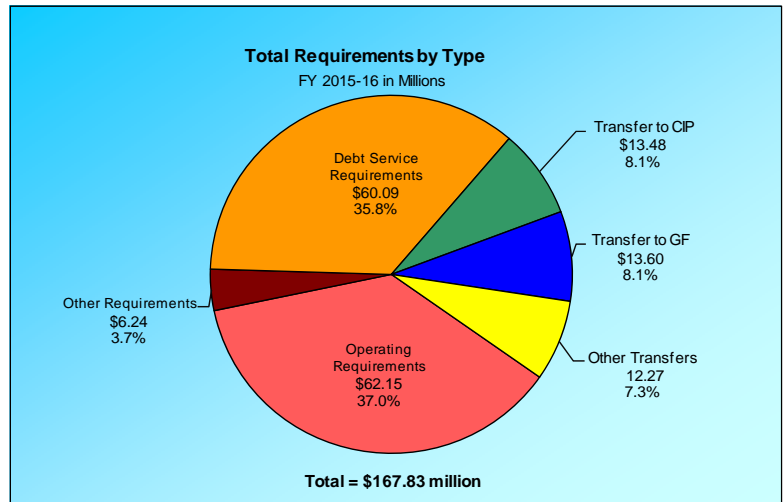
	Projected	Actual
Water Customers	223,383	224,769
Wastewater Customers	211,269	212,323
Monthly Pumpage	3.17	3.19
YTD Pumpage	13.11	14.01
Monthly Billed Use	2.75	2.87
YTD Billed Use	12.32	13.19
Monthly Influent Flow	3.09	3.30
YTD Influent Flow	12.18	14.06
Monthly Billed Flow	2.19	2.22
YTD Billed Flow	8.80	8.87
(Above in Billions of Gallons)		
Avg. Residential Use (gal)	4,700	4,790
Avg. Residential Flow (gal)	3,670	3,684



Requirement Highlights

Total requirements for the fiscal year through January were \$167.83 million. This is \$2.85 million, or 1.7%, less than the budget allotments. The graph at right shows the proportions of these requirements to the whole.

- Total program operating requirements were \$62.15 million, or 3.7% less than budgeted.
- Total other requirements were \$6.24 million, or 6.0% less than budgeted.
- Debt service requirements were \$60.09 million, or 0.1% less than budgeted.
- Transfers out consist of transfers to Capital Improvement Projects, General Fund, and Other Transfers. These total \$39.35 million, slightly less than budget allotments.



Three of the nine program areas (Treatment, Engineering Services, and Support Services) had higher expenditures than projected. These variances were more than 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 \$36.03 million for the month, resulting in 6.5% or \$2.51 million less than the budget allotment for the month.

City of Austin, Texas
Austin Water Utility
FUND SUMMARY - COMBINED
As of January 2016

	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	85,379,615	95,311,148	9,931,533	11.6%
Wastewater Services	255,115,283	255,115,283	82,489,294	82,829,283	339,989	0.4%
Reserve Fund Surcharge	7,204,421	7,204,421	2,212,700	2,396,907	184,207	8.3%
Other Revenue	5,746,424	5,746,424	1,915,480	1,614,753	(300,727)	-15.7%
Reclaimed Water Services	1,770,107	1,770,107	562,430	427,507	(134,923)	-24.0%
Public Health Licenses, Permits, Inspections	600,500	600,500	200,164	204,052	3,888	-5.2%
Miscellaneous Franchise Fees	232,000	232,000	77,336	6,885	(70,451)	-91.1%
Interest	181,874	181,874	60,620	220,586	159,966	263.9%
Building Rental/Lease	144,800	144,800	48,272	30,168	(18,104)	-37.5%
Land & Infrastructure Rental/Lease	75,800	75,800	25,264	5,500	(19,764)	-78.2%
Property Sales	55,200	55,200	18,400	0	(18,400)	-100.0%
Scrap Sales	48,800	48,800	16,264	6,690	(9,574)	-58.9%
Development Fees	0	0	0	1,008	1,008	100.0%
Other Fines	0	0	0	363,875	363,875	100.0%
Total Revenue	548,807,215	548,807,215	173,005,839	183,418,362	10,412,523	6.0%
TRANSFERS IN						
CIP	10,300,000	10,300,000	0	0	0	0.0%
Austin Water Utility	3,400,000	3,400,000	1,133,336	1,133,360	24	0.0%
Support Services/Infrastructure Funds	300,582	300,582	100,192	150,182	49,990	49.9%
Austin Resource Recovery	130,431	130,431	43,476	0	(43,476)	-100.0%
Total Transfers In	14,131,013	14,131,013	1,277,004	1,283,542	6,538	0.5%
TOTAL AVAILABLE FUNDS	562,938,228	562,938,228	174,282,843	184,701,904	10,419,061	6.0%
PROGRAM REQUIREMENTS						
Treatment	77,840,734	77,840,734	25,656,183	25,725,989	(69,806)	-0.3%
Pipeline Operations	41,201,279	41,201,279	14,153,031	13,762,458	390,573	2.8%
Support Services	22,592,094	22,592,094	8,038,915	8,580,220	(541,305)	-6.7%
Environmental Affairs & Conservation	11,848,732	11,848,732	4,285,634	3,551,696	733,938	17.1%
Other Utility Program Requirements	11,494,210	11,494,210	5,213,489	3,671,193	1,542,296	29.6%
Engineering Services	8,504,005	8,504,005	3,715,351	3,722,384	(7,033)	-0.2%
Water Resources Management	8,275,601	8,275,601	3,114,212	2,798,700	315,512	10.1%
One Stop Shop	653,101	653,101	228,519	206,089	22,430	9.8%
Reclaimed Water Services	388,355	388,355	130,056	127,953	2,103	1.6%
Total Program Requirements	182,798,111	182,798,111	64,535,390	62,146,682	2,388,708	3.7%
OTHER REQUIREMENTS						
Utility Billing System Support	18,317,220	18,317,220	6,216,754	6,105,740	111,014	1.8%
Accrued Payroll	745,854	745,854	248,619	0	248,619	100.0%
Interdepartmental Charges	166,242	166,242	55,414	55,362	52	0.1%
Market Study Adjustment	133,117	133,117	44,373	0	44,373	100.0%
Services-PID contract expense	75,000	75,000	66,667	75,000	(8,333)	-12.5%
Total Other Requirements	19,437,433	19,437,433	6,631,827	6,236,102	395,725	6.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	180,655,096	180,655,096	52,704,941	52,760,946	(56,005)	-0.1%
Tfr to Utility D/S Sub Lien	11,345,846	11,345,846	4,619,846	4,618,273	1,573	0.0%
Trf to GO Debt Service	4,010,080	4,010,080	2,005,040	2,000,760	4,280	0.2%
Tfr to Utility D/S Prior Lien	2,700,906	2,700,906	675,906	675,296	610	0.1%
Tfr to Util D/S Tax/Rev Bonds	727,005	727,005	0	0	0	0.0%
Commercial paper interest	439,862	439,862	146,621	33,957	112,664	76.8%
Total Debt Service Requirements	199,878,795	199,878,795	60,152,354	60,089,232	63,122	0.1%

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
TRANSFERS OUT						
Trf to General Fund	40,793,280	40,793,280	13,597,560	13,597,560	0	0.0%
Trf to Wastewater CIP Fund	23,250,000	23,250,000	7,517,000	7,517,000	0	0.0%
Trf to Water CIP Fund	17,300,000	17,300,000	5,320,000	5,320,000	0	0.0%
Trf to Support Services Fund	12,384,793	12,384,793	4,128,265	4,128,265	0	0.0%
Trf to Water Revenue Stab Rsv	9,204,421	9,204,421	4,401,472	4,392,843	8,629	0.2%
CTM Support	3,871,271	3,871,271	1,290,471	1,290,471	0	0.0%
Trf to Reclaimed Water Fund	3,400,000	3,400,000	1,133,360	1,133,360	0	0.0%
Trf to Economic Development	2,011,254	2,011,254	673,294	673,294	0	0.0%
Trf to Reclaimed Water CIP Fund	2,000,000	2,000,000	636,000	636,000	0	0.0%
Workers' Compensation	1,286,209	1,286,209	428,753	428,753	0	0.0%
Liability Reserve	400,000	400,000	133,360	133,360	0	0.0%
Trf to Wireless Communication	283,472	283,472	94,512	94,512	0	0.0%
Trf to CTECC Fund	9,925	9,925	9,925	9,925	0	0.0%
Total Transfers Out	116,194,625	116,194,625	39,363,972	39,355,343	8,629	0.0%
TOTAL REQUIREMENTS	518,308,964	518,308,964	170,683,543	167,827,359	2,856,184	1.7%
EXCESS (DEFICIENCY)	44,629,264	44,629,264	3,599,300	16,874,545	13,275,245	368.8%
ENDING BALANCE	122,034,979	122,034,979	81,005,015	100,161,123	19,156,108	23.6%
DEBT SERVICE COVERAGE RATIO		1.69	1.65	1.88		

Note: Numbers may not add due to rounding.

City of Austin, Texas

Austin Water Utility FUND SUMMARY - WATER As of January 2016

	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	85,379,615	95,311,148	9,931,533	11.6%
Reserve Fund Surcharge	7,204,421	7,204,421	2,212,700	2,396,907	184,207	8.3%
Other Revenue	2,791,136	2,791,136	930,384	693,140	(237,244)	-25.5%
Miscellaneous Franchise Fees	160,600	160,600	53,536	6,885	(46,651)	-87.1%
Building Rental/Lease	84,400	84,400	28,136	15,084	(13,052)	-46.4%
Interest	76,400	76,400	25,464	89,900	64,436	253.0%
Land & Infrastructure Rental/Lease	75,800	75,800	25,264	5,500	(19,764)	-78.2%
Scrap Sales	27,300	27,300	9,100	3,345	(5,755)	-63.2%
Property Sales	26,900	26,900	8,964	0	(8,964)	-100.0%
Other Fines	0	0	0	363,875	363,875	100.0%
Public Health Licenses, Permits, Inspections	0	0	0	14,230	14,230	100.0%
Total Revenue	288,078,963	288,078,963	88,673,163	98,900,015	10,226,852	11.5%
TRANSFERS IN						
CIP	7,100,000	7,100,000	0	0	0	0.0%
Support Services/Infrastructure Funds	150,291	150,291	50,096	75,091	24,995	49.9%
Total Transfers In	7,250,291	7,250,291	50,096	75,091	24,995	49.9%
TOTAL AVAILABLE FUNDS	295,329,254	295,329,254	88,723,259	98,975,106	10,251,847	11.6%
PROGRAM REQUIREMENTS						
Treatment	38,251,428	38,251,428	12,870,790	12,511,694	359,096	2.8%
Pipeline Operations	23,792,976	23,792,976	8,141,754	8,006,022	135,732	1.7%
Support Services	11,374,646	11,374,646	4,035,388	4,287,869	(252,481)	-6.3%
Environmental Affairs & Conservation	8,967,318	8,967,318	3,300,923	2,573,462	727,461	22.0%
Other Utility Program Requirements	6,885,199	6,885,199	2,982,289	1,736,712	1,245,577	41.8%
Water Resources Management	3,935,790	3,935,790	1,483,007	1,358,245	124,762	8.4%
Engineering Services	3,082,919	3,082,919	877,637	1,109,570	(231,933)	-26.4%
One Stop Shop	242,953	242,953	85,640	83,783	1,857	2.2%
Total Program Requirements	96,533,229	96,533,229	33,777,428	31,667,357	2,110,071	6.2%
OTHER REQUIREMENTS						
Utility Billing System Support	13,466,330	13,466,330	4,570,391	4,488,777	81,614	1.8%
Accrued Payroll	377,669	377,669	125,890	0	125,890	100.0%
Interdepartmental Charges	83,121	83,121	27,707	27,681	26	0.1%
Market Study Adjustment	80,249	80,249	26,750	0	26,750	100.0%
Services-PID contract expense	37,500	37,500	29,167	37,500	(8,333)	-28.6%
Total Other Requirements	14,044,869	14,044,869	4,779,905	4,553,958	225,947	4.7%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	94,142,706	94,142,706	27,473,539	27,284,098	189,441	0.7%
Tfr to Utility D/S Sub Lien	6,154,137	6,154,137	2,512,137	2,511,688	449	0.0%
Trf to GO Debt Service	1,923,523	1,923,523	961,680	959,612	2,068	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	122,874	31,356	91,518	74.5%
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	31,222,474	30,938,821	283,653	0.9%

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
TRANSFERS OUT						
Trf to General Fund	21,157,159	21,157,159	7,052,359	7,052,359	0	0.0%
Trf to Water CIP Fund	17,300,000	17,300,000	5,320,000	5,320,000	0	0.0%
Trf to Water Revenue Stab Rsv	9,204,421	9,204,421	4,401,472	4,392,843	8,629	0.2%
Trf to Administrative Support Fund	7,369,386	7,369,386	2,456,458	2,456,458	0	0.0%
CTM Support	1,935,635	1,935,635	645,235	645,235	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	566,680	566,680	0	0.0%
Trf to Economic Development	1,087,301	1,087,301	362,501	362,501	0	0.0%
Workers' Compensation	643,105	643,105	214,369	214,369	0	0.0%
Trf to Wireless Communication	283,472	283,472	94,512	94,512	0	0.0%
Liability Reserve	200,000	200,000	66,680	66,680	0	0.0%
Trf to CTECC Fund	4,962	4,962	4,962	4,962	0	0.0%
Total Transfers Out	60,885,441	60,885,441	21,185,228	21,176,599	8,629	0.0%
TOTAL REQUIREMENTS	274,929,791	274,929,791	90,965,035	88,336,735	2,628,300	2.9%
EXCESS (DEFICIENCY)	20,399,463	20,399,463	(2,241,776)	10,638,371	12,880,147	-574.6%
ENDING BALANCE	50,148,228	50,148,228	27,506,989	42,156,428	14,649,439	53.3%
DEBT SERVICE COVERAGE RATIO		1.65	1.55	1.98		

Note: Numbers may not add due to rounding.

City of Austin, Texas
Austin Water Utility
FUND SUMMARY - RECLAIMED WATER
As of January 2016

	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	562,430	427,507	(134,923)	-24.0%
Interest	1,374	1,374	456	1,517	1,061	232.6%
Total Revenue	1,771,481	1,771,481	562,886	429,024	(133,862)	-23.8%
TRANSFERS IN						
Austin Water Utility	3,400,000	3,400,000	1,133,336	1,133,360	24	0.0%
Total Transfers In	3,400,000	3,400,000	1,133,336	1,133,360	24	0.0%
TOTAL AVAILABLE FUNDS	5,171,481	5,171,481	1,696,222	1,562,384	(133,838)	-7.9%
PROGRAM REQUIREMENTS						
Reclaimed Water Services	388,355	388,355	130,056	127,953	2,103	1.6%
Other Utility Program Requirements	21,567	21,567	8,112	6,133	1,979	24.4%
Total Program Requirements	409,922	409,922	138,168	134,086	4,082	3.0%
OTHER REQUIREMENTS						
Accrued Payroll	2,729	2,729	910	0	910	100.0%
Market Study Adjustment	1,584	1,584	528	0	528	100.0%
Total Other Requirements	4,313	4,313	1,438	0	1,438	100.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	2,757,871	2,757,871	718,585	714,280	4,305	0.6%
Commercial paper interest	4,224	4,224	1,408	447	961	68.3%
Total Debt Service Requirements	2,762,095	2,762,095	719,993	714,727	5,266	0.7%
TRANSFERS OUT						
Trf to Reclaimed Water CIP Fnd	2,000,000	2,000,000	636,000	636,000	0	0.0%
Trf to General Fund	75,184	75,184	25,064	25,064	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	665,268	665,268	0	0.0%
TOTAL REQUIREMENTS	5,255,718	5,255,718	1,524,867	1,514,081	10,786	0.7%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	(84,237)	(84,237)	171,355	48,303	(144,624)	-84.4%
ENDING BALANCE	477,747	477,747	733,339	580,928	(173,983)	-23.7%
DEBT SERVICE COVERAGE RATIO		0.64	0.78	0.60		

Note: Numbers may not add due to rounding.

City of Austin, Texas
Austin Water Utility
FUND SUMMARY - WASTEWATER
As of January 2016

	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	82,489,294	82,829,283	339,989	0.4%
Other Revenue	2,955,288	2,955,288	985,096	921,613	(63,483)	-6.4%
Public Health Licenses, Permits, Inspections	600,500	600,500	200,164	189,822	(10,485)	-5.2%
Interest	104,100	104,100	34,700	129,169	94,469	272.2%
Miscellaneous Franchise Fees	71,400	71,400	23,800	0	(23,800)	-100.0%
Building Rental/Lease	60,400	60,400	20,136	15,084	(5,052)	-25.1%
Property Sales	28,300	28,300	9,436	0	(9,436)	-100.0%
Scrap Sales	21,500	21,500	7,164	3,345	(3,819)	-53.3%
Development Fees	0	0	0	1,008	1,008	100.0%
Total Revenue	258,956,771	258,956,771	83,769,790	84,089,323	319,390	0.4%
TRANSFERS IN						
CIP	3,200,000	3,200,000	0	0	0	0.0%
Support Services/Infrastructure Funds	150,291	150,291	50,096	75,091	24,995	49.9%
Austin Resource Recovery Fund	130,431	130,431	43,476	0	(43,476)	-100.0%
Total Transfers In	3,480,722	3,480,722	93,572	75,091	(18,481)	-19.8%
TOTAL AVAILABLE FUNDS	262,437,493	262,437,493	83,863,362	84,164,414	300,909	0.4%
PROGRAM REQUIREMENTS						
Treatment	39,589,306	39,589,306	12,785,393	13,214,295	(428,902)	-3.4%
Pipeline Operations	17,408,303	17,408,303	6,011,277	5,756,436	254,841	4.2%
Support Services	11,217,448	11,217,448	4,003,527	4,292,351	(288,824)	-7.2%
Engineering Services	5,421,086	5,421,086	2,837,714	2,612,814	224,900	7.9%
Other Utility Program Requirements	4,587,444	4,587,444	2,223,088	1,928,348	294,740	13.3%
Water Resources Management	4,339,811	4,339,811	1,631,205	1,440,455	190,750	11.7%
Environmental Affairs & Conservation	2,881,414	2,881,414	984,711	978,234	6,477	0.7%
One Stop Shop	410,148	410,148	142,879	122,306	20,573	14.4%
Total Program Requirements	85,854,960	85,854,960	30,619,794	30,345,239	274,555	0.9%
OTHER REQUIREMENTS						
Utility Billing System Support	4,850,890	4,850,890	1,646,363	1,616,963	29,400	1.8%
Accrued Payroll	365,456	365,456	121,819	0	121,819	100.0%
Interdepartmental Charges	83,121	83,121	27,707	27,681	26	0.1%
Market Study Adjustment	51,284	51,284	17,095	0	17,095	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	1,850,484	1,682,144	(168,340)	-9.1%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	83,754,519	83,754,519	24,512,817	24,762,568	(249,751)	-1.0%
Tfr to Utility D/S Sub Lien	5,191,709	5,191,709	2,107,709	2,106,585	1,124	0.1%
Trf to GO Debt Service	2,086,557	2,086,557	1,043,360	1,041,148	2,212	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	22,339	2,154	20,185	90.4%
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	28,209,887	28,435,684	(225,797)	-0.8%

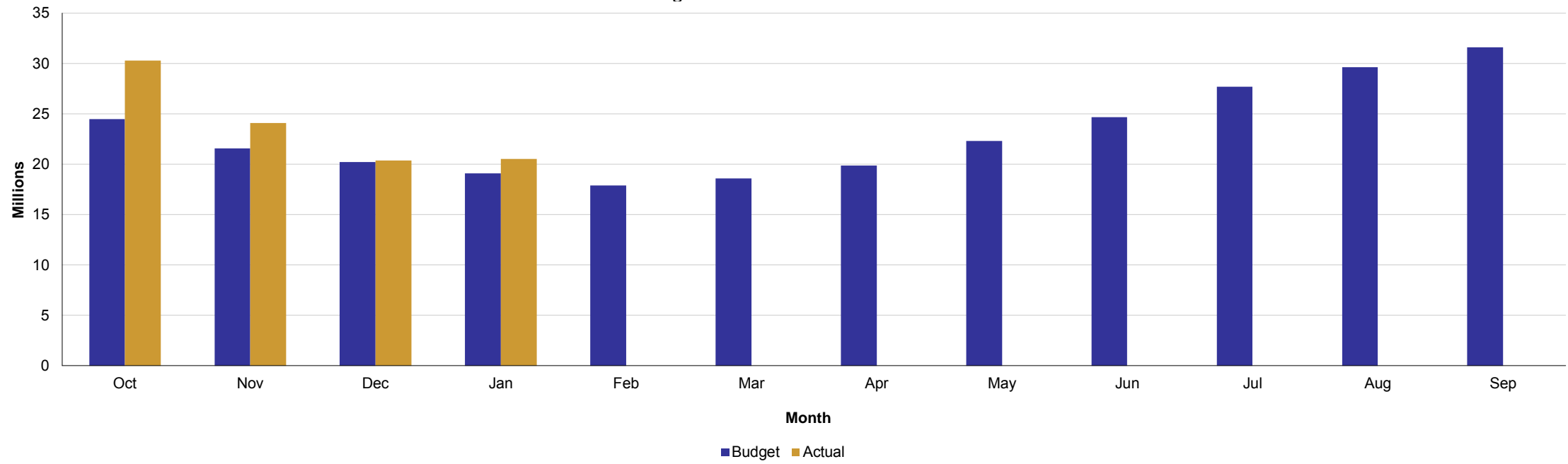
	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
TRANSFERS OUT						
Trf to Wastewater CIP Fund	23,250,000	23,250,000	7,517,000	7,517,000	0	0.0%
Trf to General Fund	19,560,937	19,560,937	6,520,137	6,520,137	0	0.0%
Trf to Support Services Fund	5,015,407	5,015,407	1,671,807	1,671,807	0	0.0%
CTM Support	1,935,636	1,935,636	645,236	645,236	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	566,680	566,680	0	0.0%
Trf to Economic Development	919,749	919,749	306,589	306,589	0	0.0%
Workers' Compensation	643,104	643,104	214,384	214,384	0	0.0%
Liability Reserve	200,000	200,000	66,680	66,680	0	0.0%
Trf to CTECC Fund	4,963	4,963	4,963	4,963	0	0.0%
Total Transfers Out	53,229,796	53,229,796	17,513,476	17,513,476	0	0.0%
TOTAL REQUIREMENTS	238,123,455	238,123,455	78,193,641	77,976,543	(119,582)	-0.2%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	24,314,038	24,314,038	5,669,721	6,187,871	420,491	0.5%
ENDING BALANCE	71,409,004	71,409,004	52,764,687	57,423,767	4,561,421	9.3%
DEBT SERVICE COVERAGE RATIO		1.75	1.80	1.81		

Note: Numbers may not add due to rounding.

REVENUES

Water Services Revenues by Month

Budget vs. Actual FY 2015 -2016

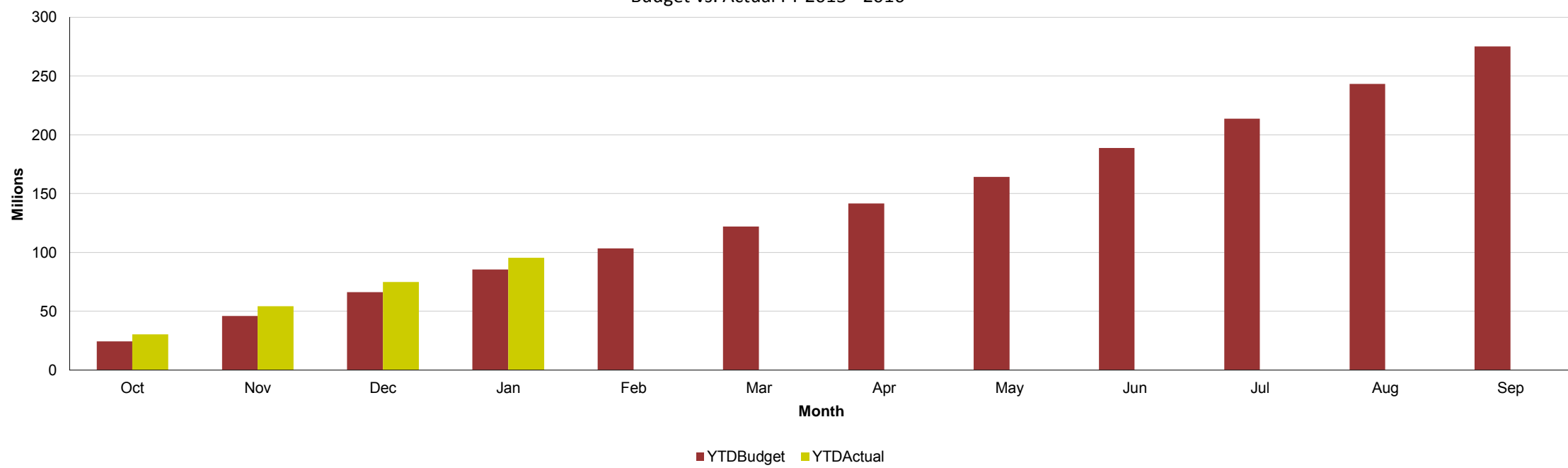


FY 2015 - 2016 Water Service Revenues by Month With Variances (Millions)

	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	20.55								
Variance \$	5.83	2.53	0.13	1.45								
Variance %	23.8%	11.7%	0.6%	7.6%								

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)

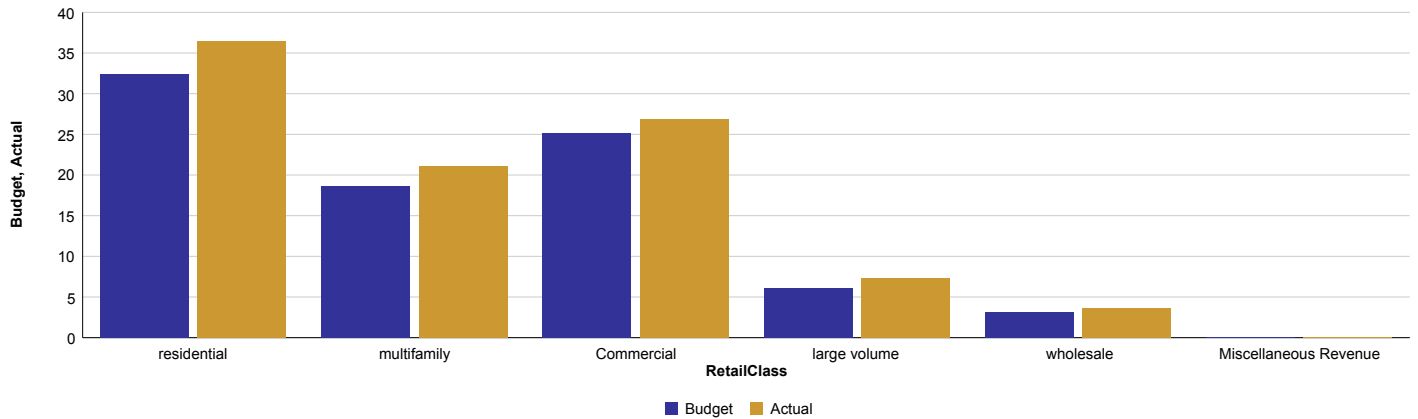
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	24.48	46.05	66.28	85.38	103.28	121.87	141.74	164.04	188.70	213.75	243.38	275.00
YTD Actual	30.31	54.41	74.76	95.31								
Variance \$	5.83	8.36	8.48	9.93								
Variance %	23.8%	18.2%	12.8%	11.6%								

Water service revenues for January 2016 totaled \$20.55 million. This is \$1.45 million, or 7.6%, more than the budget allotment for the month. For the fiscal year, water service revenues totaled \$95.31 million, which is \$9.93 million or 11.6% more than the budget allotment.

Billed water consumption for January 2016 totaled 2.87 billion gallons (BG). This was 0.12 BG, or 4.4%, more than projected for the month. For the fiscal year, billed water consumption totaled 13.19 BG. This was 0.87 BG, or 7.1%, 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)

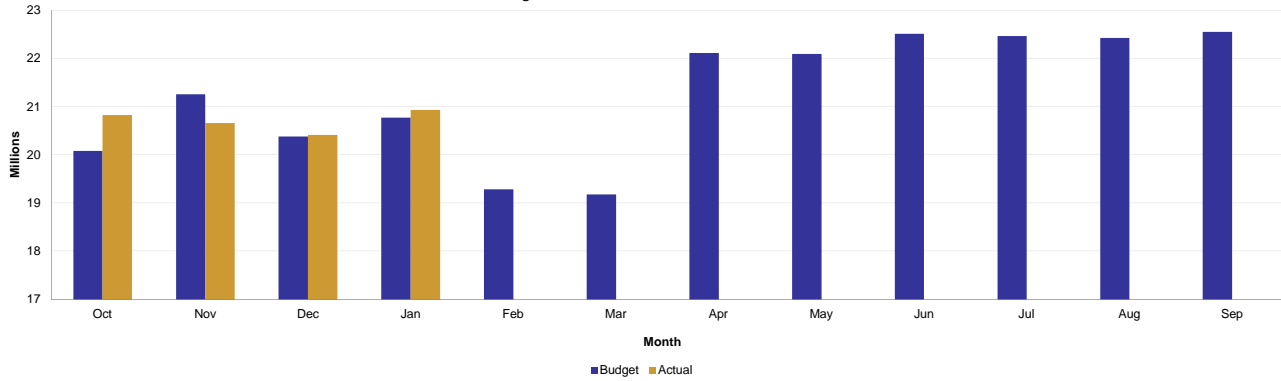
	residential	multifamily	Commercial	large volume	wholesale	Miscellaneous Revenue	Total
Budget	32.40	18.62	25.12	6.06	3.19	0.00	85.38
Actual	36.51	21.14	26.81	7.28	3.57	0.00	95.31
Variance \$	4.11	2.52	1.69	1.22	0.39	0.00	9.93
Variance %	12.7%	13.6%	6.7%	20.1%	12.2%		11.6%

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 January, before any accounts receivable adjustments.

All five customer classes are above projections. Overall, water revenues are 11.6% higher than projected.

WasteWater Services Revenues by Month

Budget vs. Actual FY 2015 - 2016

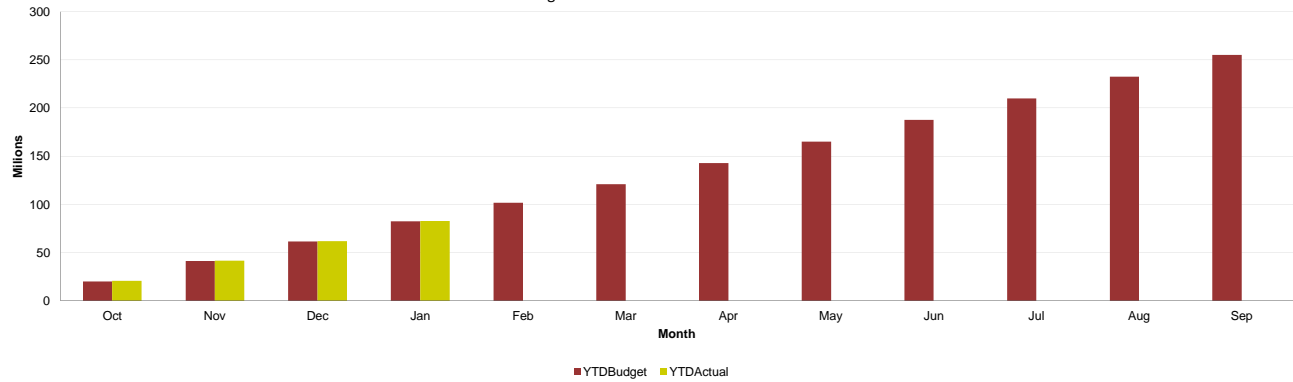


FY 2015 - 2016 Wastewater Service Revenues by Month With Variances (Millions)

	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	20.93								
Variance \$	0.74	(0.60)	0.04	0.16								
Variance %	3.7%	-2.8%	0.2%	0.8%								

WasteWater Services Revenues by Year-to-Date

Budget vs. Actual FY 2015 - 2016



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

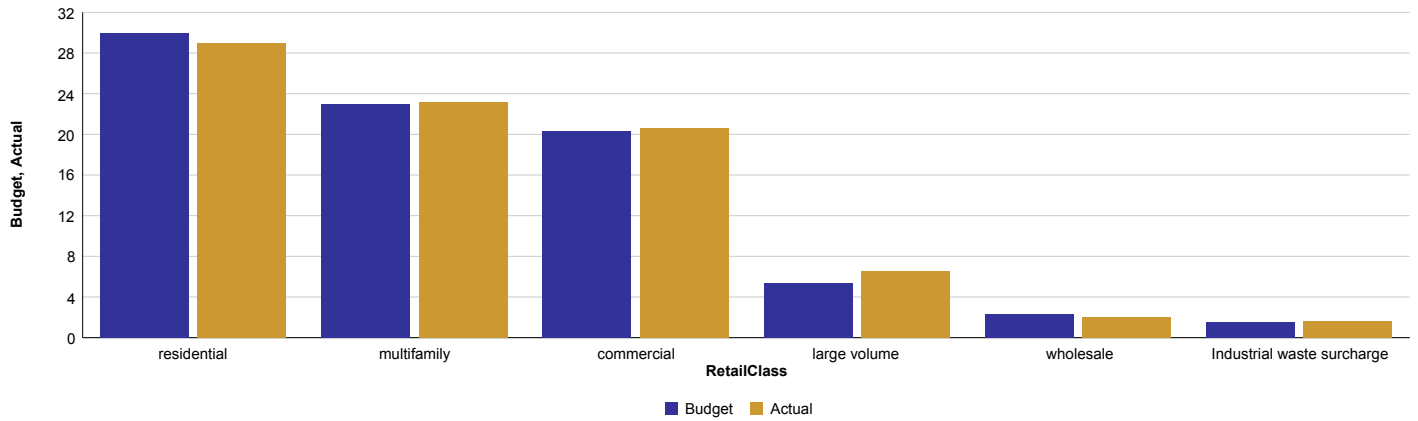
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	20.08	41.34	61.72	82.49	101.77	120.95	143.06	165.16	187.67	210.14	232.56	255.12
YTD Actual	20.83	41.49	61.90	82.83								
Variance \$	0.74	0.15	0.18	0.34								
Variance %	3.7%	0.4%	0.3%	0.4%								

Wastewater service revenues for January 2016 totaled \$20.93 million. This is \$0.16 million or 0.8% more than the budget allotment for the month. For the fiscal year, Wastewater service revenues totaled \$82.83 million. This is \$0.34 million, or 0.4%, 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



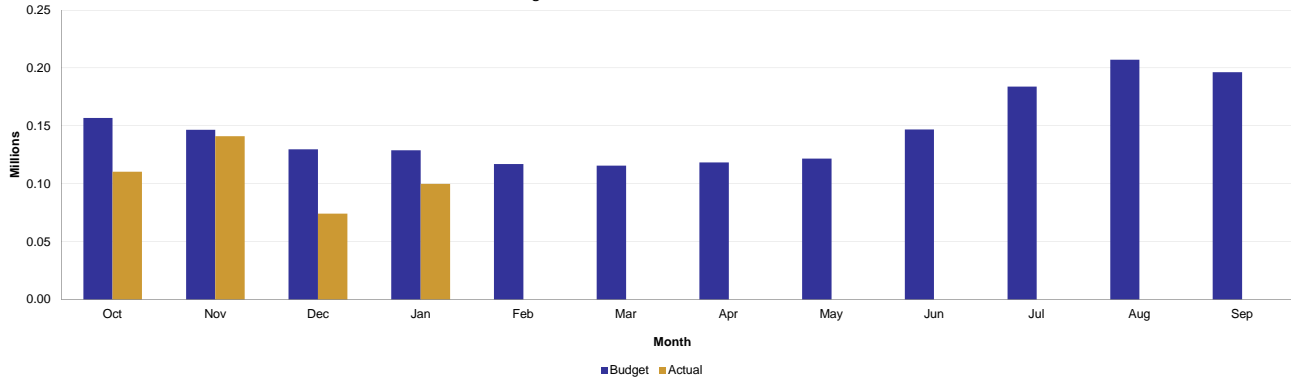
FY 2015 - 2016 Year-to-Date WasteWater Service Revenues by Customer Class With Variances (Millions)

	residential	multifamily	commercial	large volume	wholesale	Industrial waste surcharge	Total
Budget	29.96	23.01	20.32	5.38	2.29	1.53	82.49
Actual	28.93	23.17	20.59	6.52	2.03	1.59	82.83
Variance \$	(1.03)	0.15	0.26	1.14	(0.25)	0.06	0.34
Variance %	-3.4%	0.7%	1.3%	21.3%	-11.1%	4.0%	0.4%

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 Wholesale are below projections by 3.4% and 11.1%, respectively. These negative variances are largely offset by the Large Volume revenues' positive variance of 21.3%. Overall, wastewater revenues are 0.4% above projections.

Reclaimed Services Revenues by Month

Budget vs. Actual FY 2015 - 2016

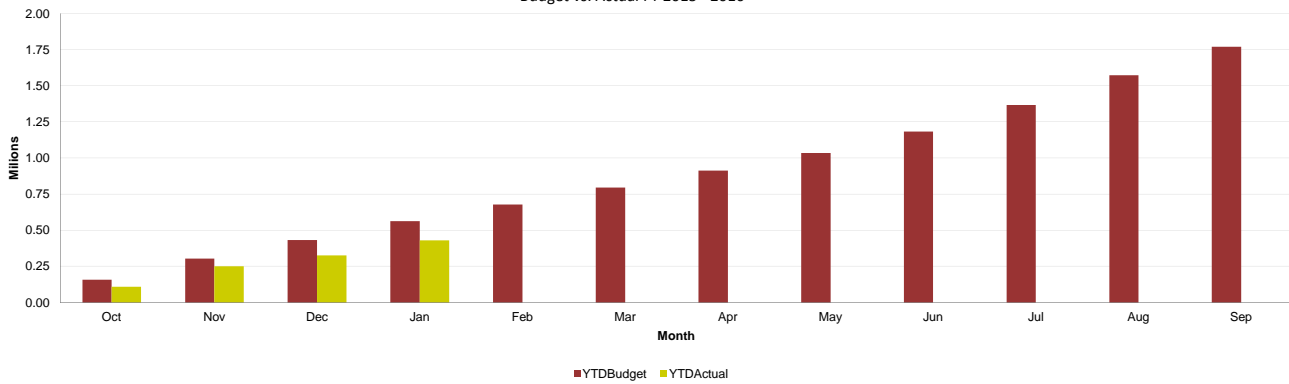


FY 2015 - 2016 Reclaimed Service Revenues by Month With Variances (Millions)

	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	0.10								
Variance \$	(0.05)	(0.01)	(0.06)	(0.03)								
Variance %	-29.6%	-3.9%	-42.9%	-20.9%								

Reclaimed Services Revenues by Year-to-Date

Budget vs. Actual FY 2015 - 2016



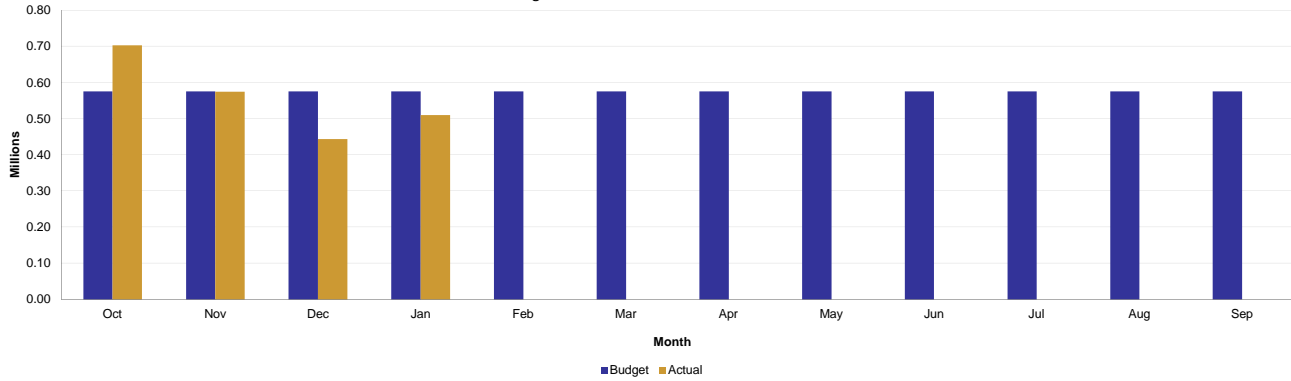
FY 2015 - 2016 Reclaimed Service Revenues by Year-to-Date With Variances (Millions)

	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	0.43								
Variance \$	(0.05)	(0.05)	(0.10)	(0.13)								
Variance %	-29.6%	-17.2%	-24.9%	-24.0%								

Reclaimed Water service revenues for January 2016 totaled \$0.10 million. This is \$0.03 million or 20.9% less than the budget allotment for the month. For the fiscal year, Reclaimed Water service revenues totaled \$0.43 million. This is \$0.13 million or 24.0% less than the budget allotment.

Miscellaneous Revenues by Month

Budget vs. Actual FY 2015 - 2016

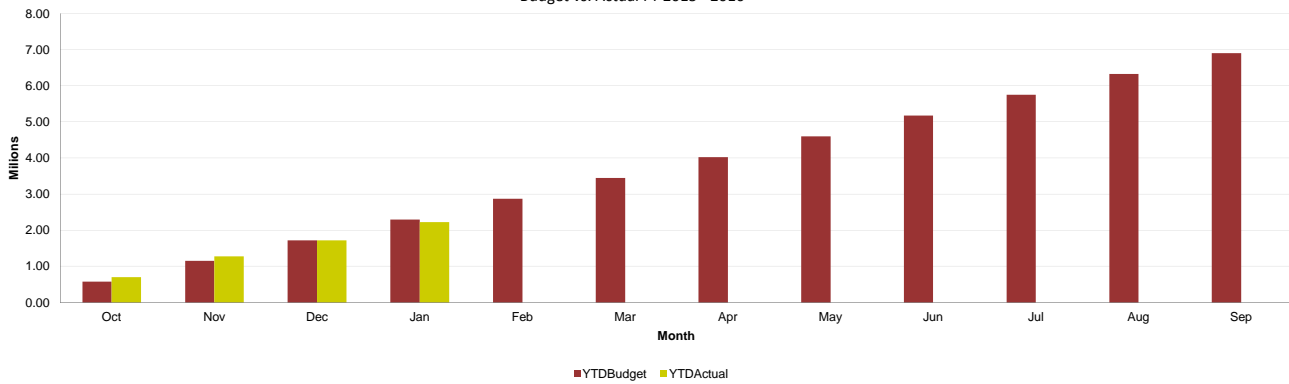


FY 2015 - 2016 Miscellaneous Revenues by Month With Variances (Millions)

	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	0.51								
Variance \$	0.13	(0.00)	(0.13)	(0.06)								
Variance %	22.2%	-0.1%	-22.8%	-11.1%								

Miscellaneous Revenues by Year-to-Date

Budget vs. Actual FY 2015 - 2016



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

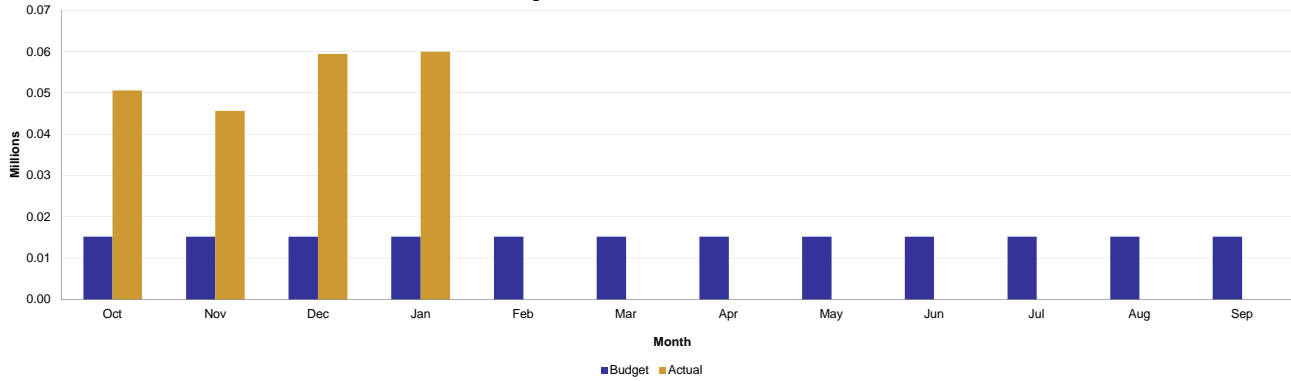
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	0.58	1.15	1.73	2.30	2.88	3.45	4.03	4.60	5.18	5.75	6.33	6.90
YTD Actual	0.70	1.28	1.72	2.23								
Variance \$	0.13	0.13	(0.01)	(0.07)								
Variance %	22.2%	11.0%	-0.3%	-3.0%								

Miscellaneous revenues include revenue from sources other than water and wastewater services, primarily from telecommunication lease agreement fees. Miscellaneous revenues for January 2016 totaled \$0.51 million. This is \$0.06 million, or 11.1%, less than the budget allotment for the month.

The combined miscellaneous revenues for the fiscal year totaled \$2.33 million. This is \$0.07 million, or 3.0%, less than the budget allotment.

Interest Income by Month

Budget vs. Actual FY 2015 - 2016

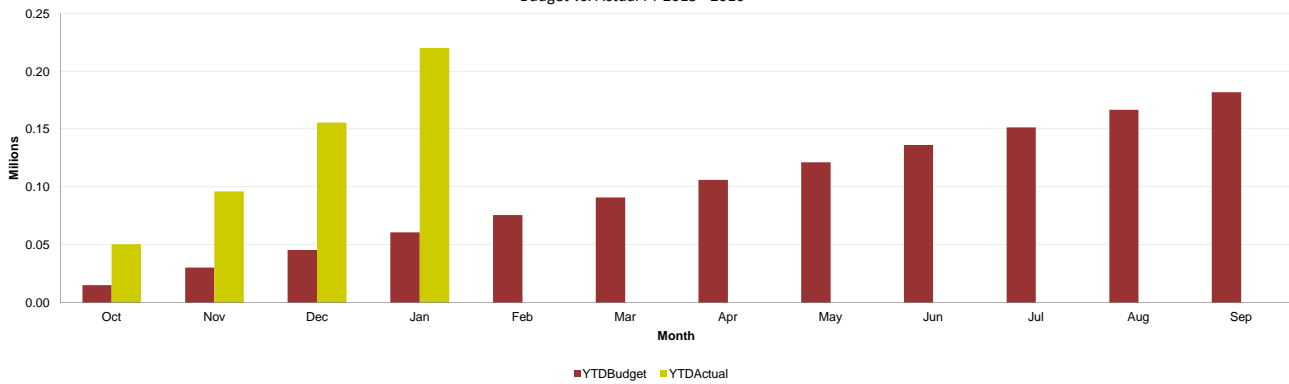


FY 2015 - 2016 Interest Income by Month With Variances (Millions)

	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	0.06								
Variance \$	0.04	0.03	0.04	0.04								
Variance %	234.0%	201.0%	292.1%	328.4%								

Interest Income by Year-to-Date

Budget vs. Actual FY 2015 - 2016



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

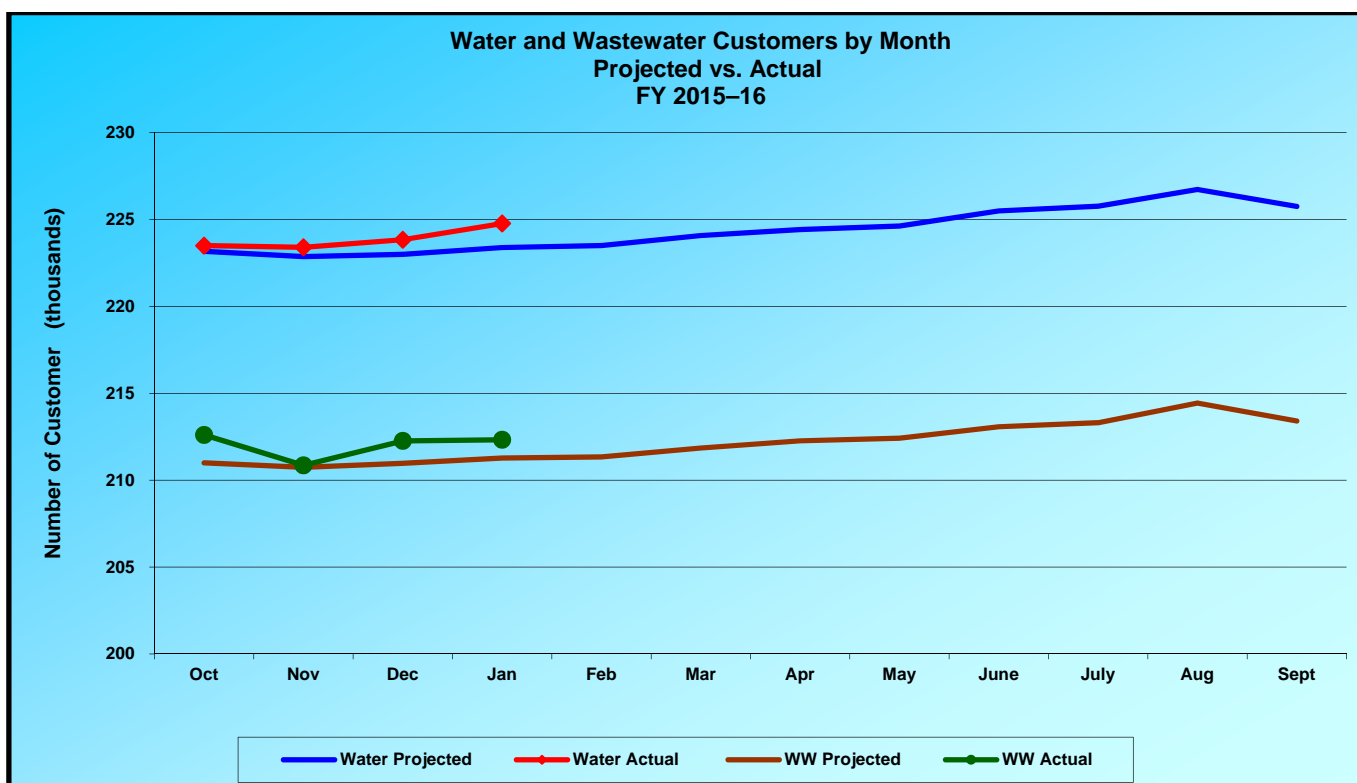
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	0.02	0.03	0.05	0.06	0.08	0.09	0.11	0.12	0.14	0.15	0.17	0.18
YTD Actual	0.05	0.10	0.16	0.22								
Variance \$	0.04	0.07	0.11	0.16								
Variance %	234.0%	217.5%	242.4%	263.9%								

Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income for January 2016 totaled \$64,921. This is \$0.04 million more than the budget allotment for the month.

Interest income for the fiscal year totaled \$220,586. This total is 263.9% 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

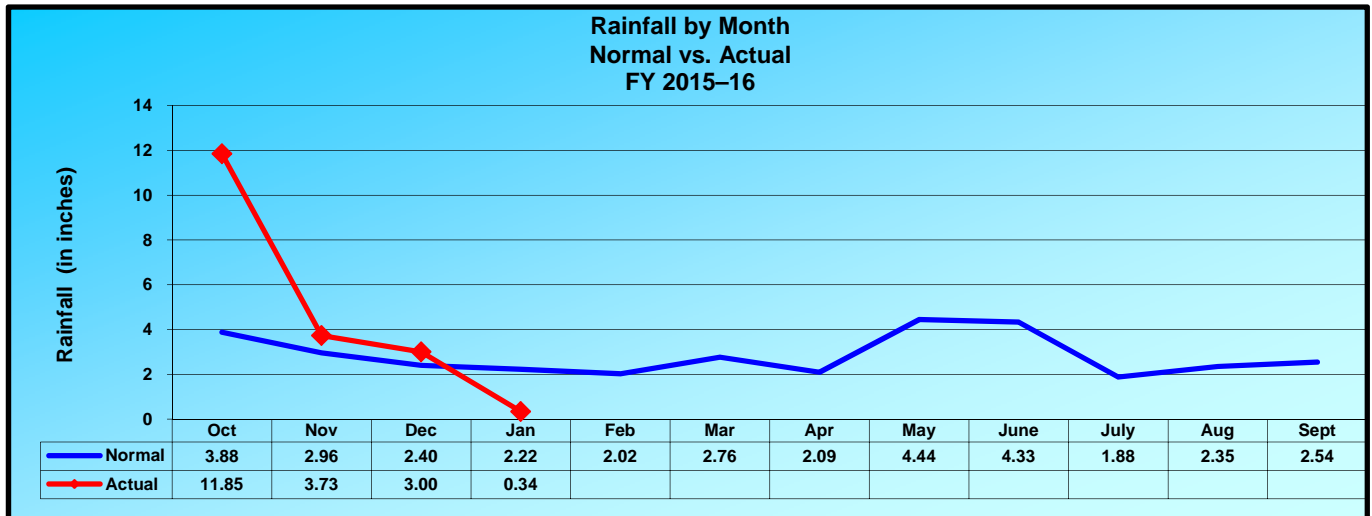
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Water												
Projected	223,166	222,857	222,987	223,383	223,495	224,079	224,419	224,622	225,490	225,757	226,723	225,747
Actual	223,491	223,396	223,833	224,769								
Variance	325	539	846	1,386								
Monthly Change	6,457	(95)	437	936								
Wastewater												
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	212,323								
Variance	1,608	115	1,291	1,054								
Monthly Change	8123	(1,749)	1,404	63								

The actual number of water customers as of January 31, 2016, was 224,769. This was 936 more customers than last month, and 1,386 more customers than projected for this date. There have been some anomalies in the data for the actual water customer count. These are being investigated and will be revised if necessary in future reports. There were 223,162 water customers as of September 30, 2015.

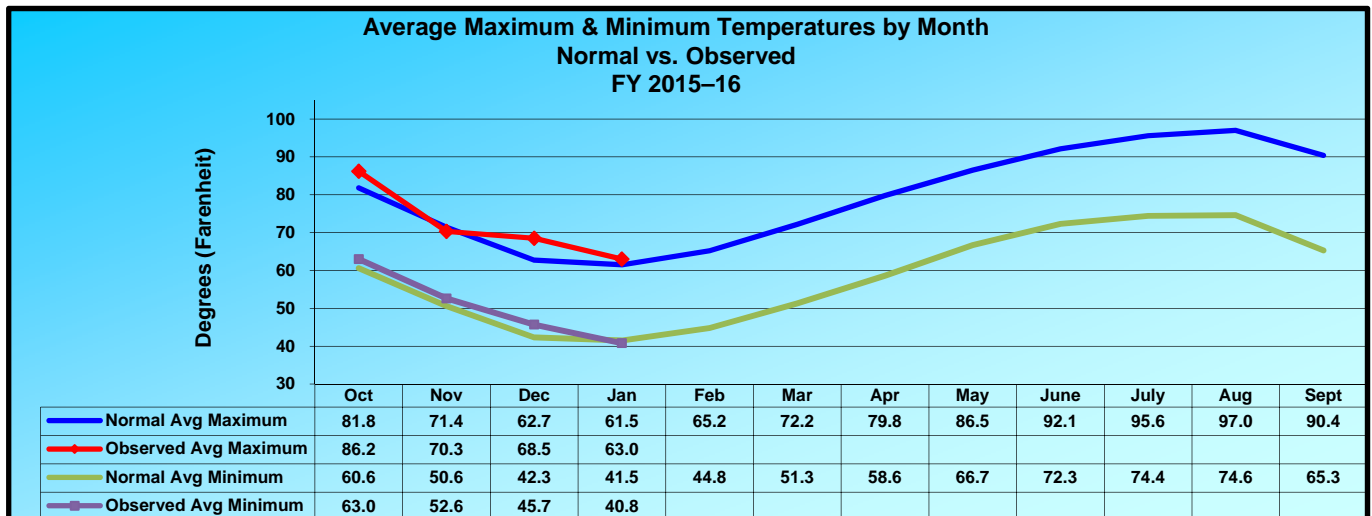
The actual number of wastewater customers as of January 31, 2016, was 212,323. This was 63 more customers than last month, and 1,054 more customers than projected for this date. There were 212,260 wastewater customers as of September 30, 2015.

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



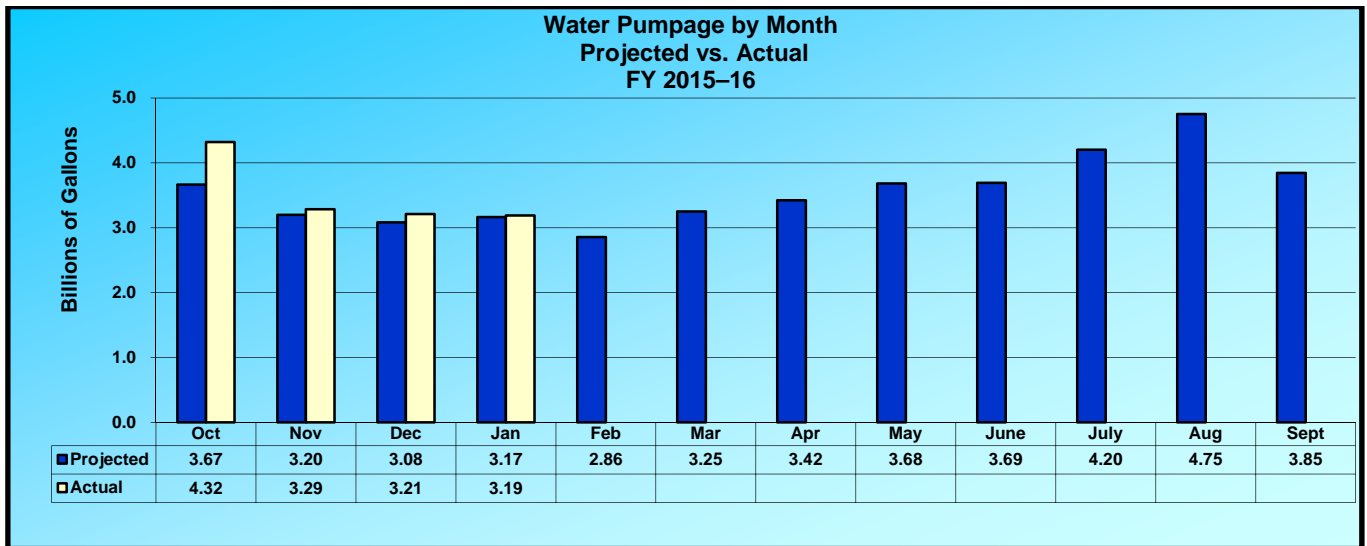
Monthly normal rainfall is based on a 30-year history as reported by the National Weather Service for Austin-Camp Mabry. Last fiscal year the total rainfall was 51.83 inches, 53% more than the normal amount of 33.88 inches. In January, there were 0.34 inches of rain, 1.88 inches below normal for the month. For the fiscal year to date, rainfall has totaled 18.92 inches, 65% more than the normal amount of 11.46 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.



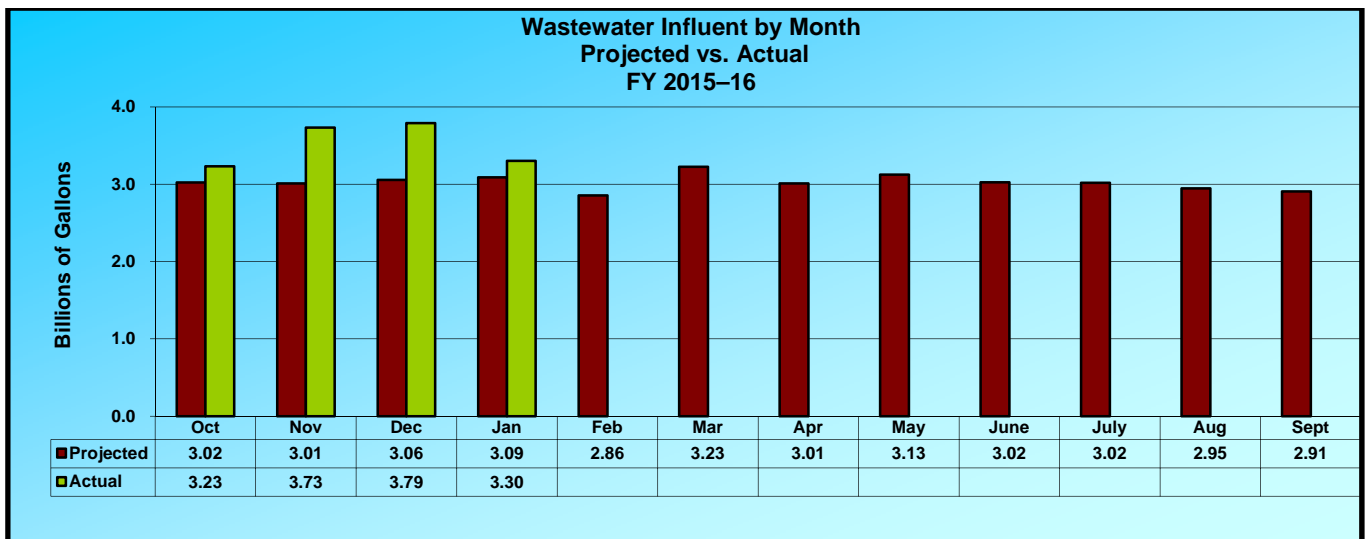
Monthly average maximum and minimum temperatures are reported by the National Weather Service for Austin-Camp Mabry. On average, last fiscal year's temperatures were consistent with historical norms. This fiscal year temperatures are slightly warmer than historic norms, on average.

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

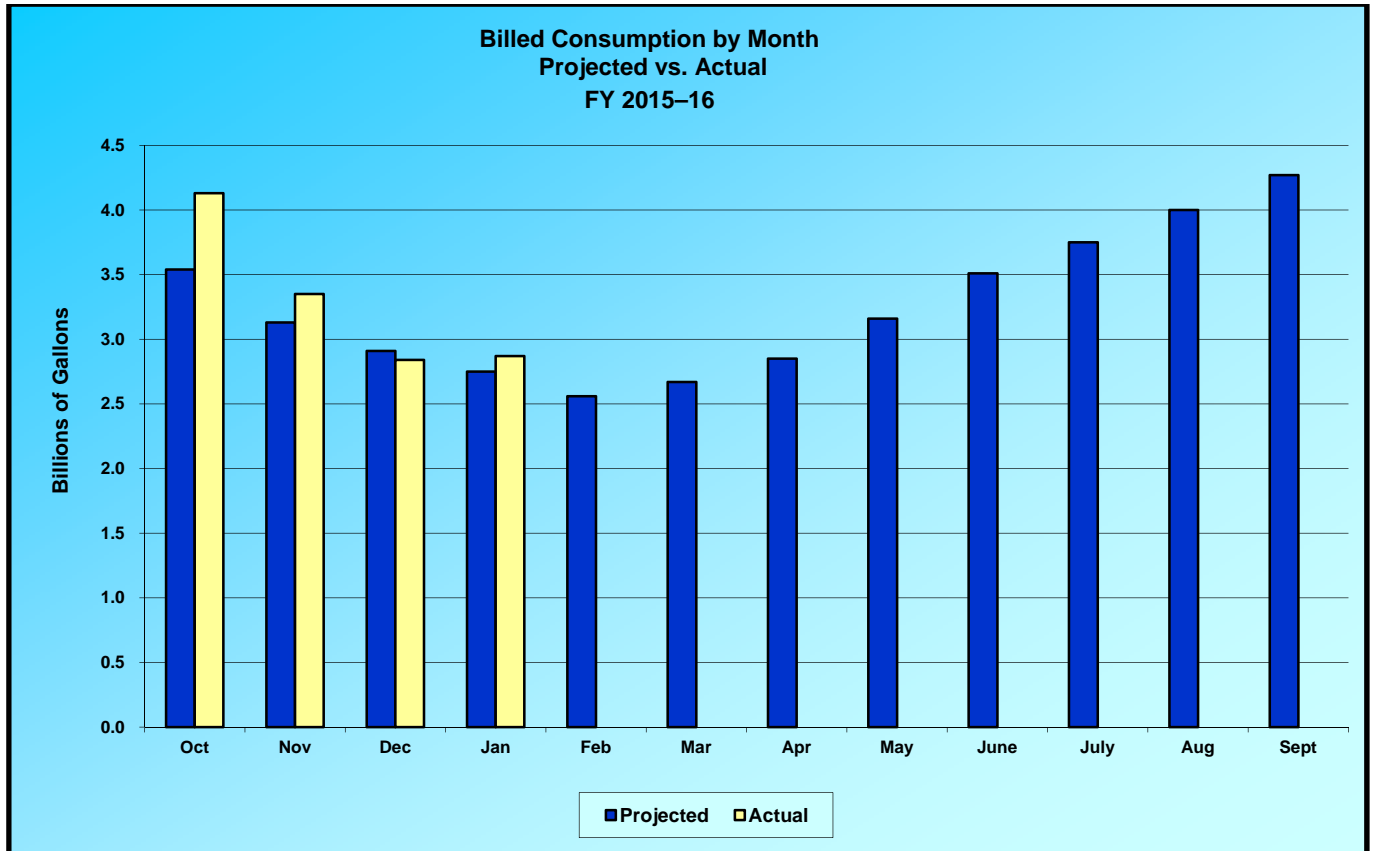


Pumpage during January 2016 averaged 102.75 MGD for a total of 3.19 BG for the month. This compares to a daily average of 113.86 MGD for this fiscal year through January, and a daily average of 110.53 MGD for fiscal year 2014–15 through January.



Influent during January 2016 averaged 106.54 MGD for a total of 3.30 BG for the month. This compares to a daily average of 114.33 MGD for this fiscal year through January, and an average of 101.84 MGD for fiscal year 2014–15 through January.

Billed Water Consumption

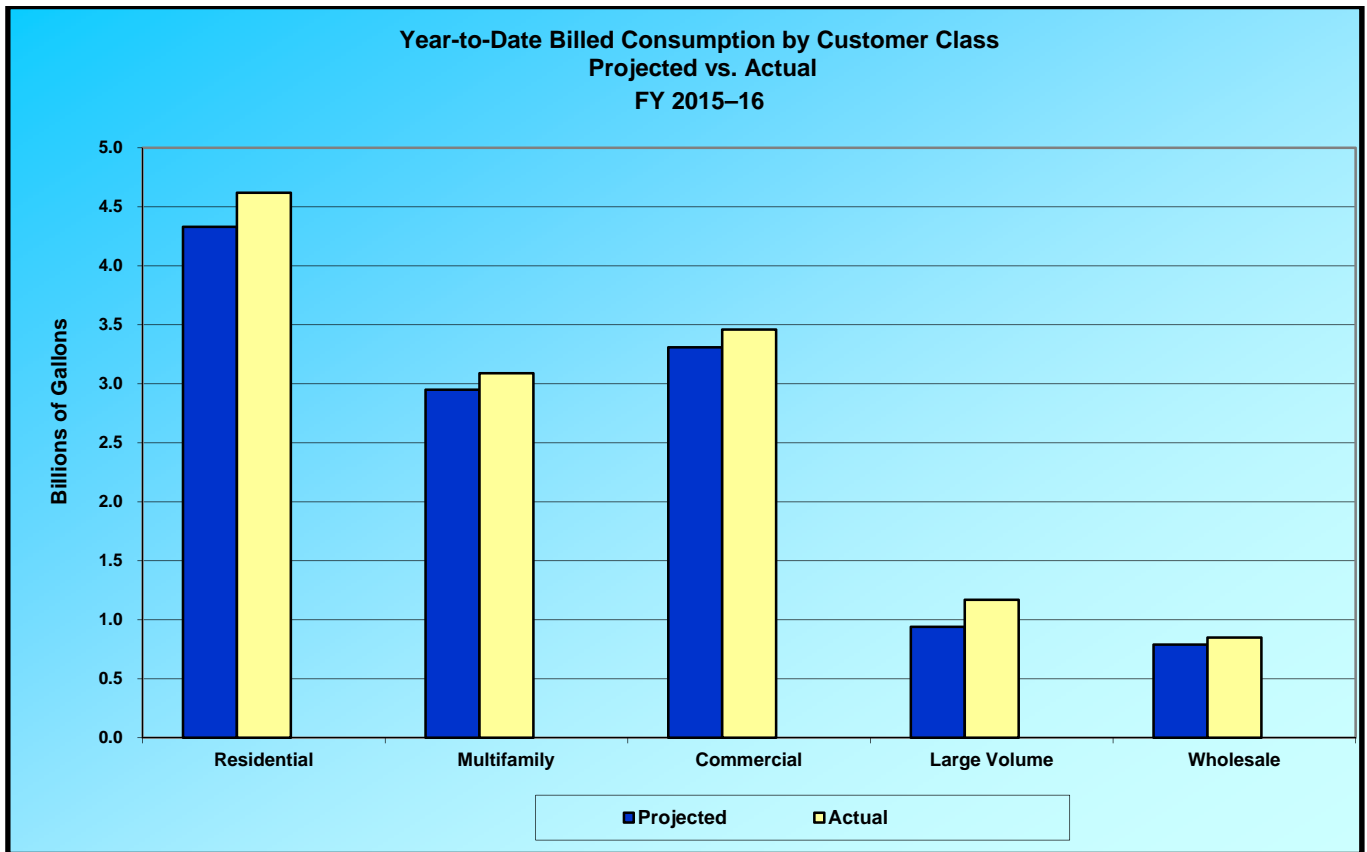


FY 2015–16 Billed Consumption by Month and Year-to-Date (Billions of Gallons)

<u>Month</u>	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
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	2.87								
Variance	0.59	0.22	(0.07)	0.12								
Variance %	16.7%	7.0%	-2.4%	4.4%								
<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	13.19								
Variance	0.59	0.81	0.74	0.87								
Variance %	16.7%	12.1%	7.7%	7.1%								

Actual billed water consumption for January 2016 was 2.87 BG. This was 0.12 BG, or 4.4%, more than projected for the month. For the fiscal year, actual billed water consumption was 13.19 BG. This was 0.87 BG, or 7.1%, more than projected for the period.

Billed Water Consumption (continued)

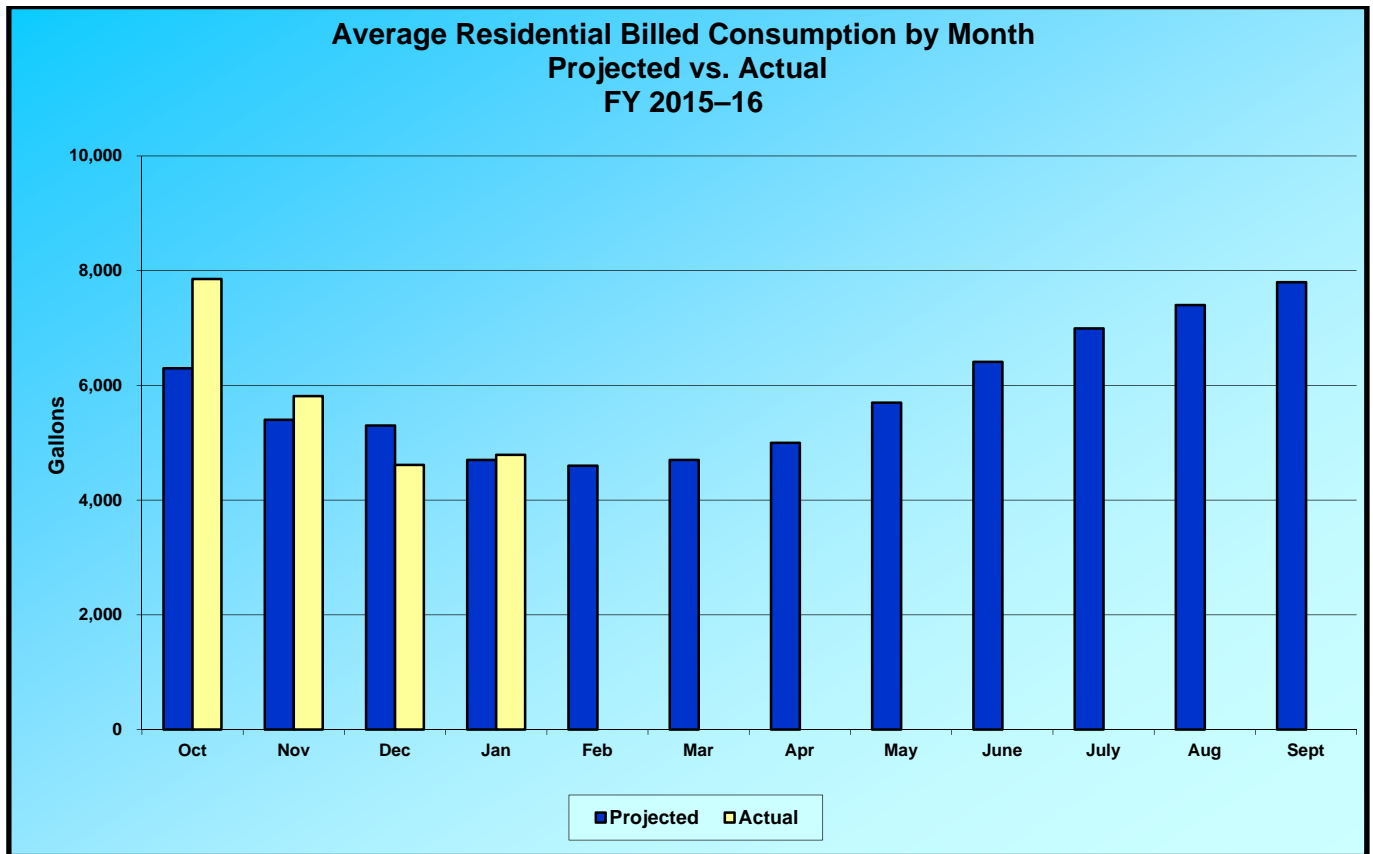


FY 2015–16 Year-to-Date Billed Consumption by Customer Class With Variances (Billions of Gallons)

	Residential	Multifamily	Commercial	Large Volume	Wholesale
<u>YTD</u>					
Projected	4.33	2.95	3.31	0.94	0.79
Actual	4.62	3.09	3.46	1.17	0.85
Variance	0.29	0.14	0.15	0.23	0.06
Variance %	6.7%	4.7%	4.5%	24.5%	7.6%

For the fiscal year through January 2016, billed water consumption was 13.19 BG. This was 0.87 BG, or 7.1%, more than projected for all customer classes combined. All customer classes were above projections for the month.

Billed Water Consumption (continued)

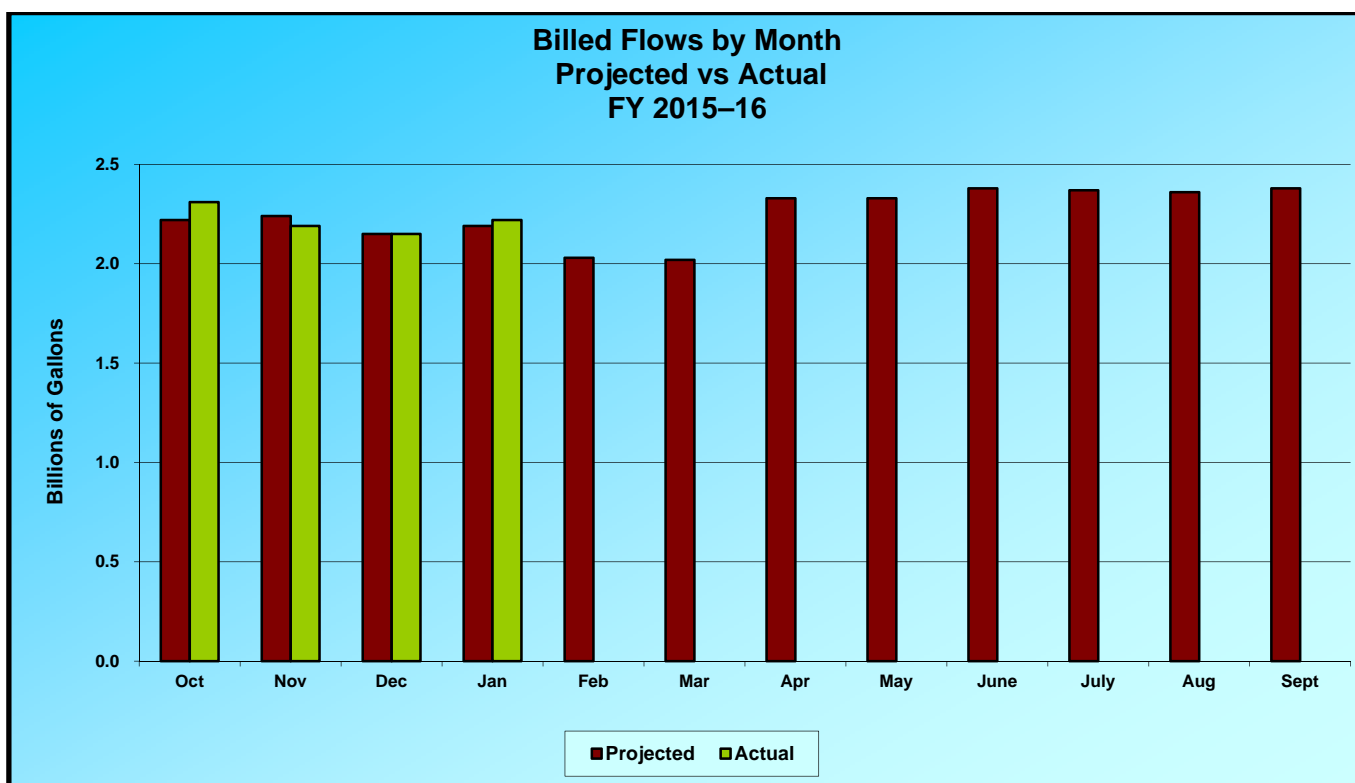


FY 2015–16 Average Residential Billed Consumption by Month

	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	4,790								
Variance	1,557	413	(687)	90								
Variance %	24.7%	7.6%	-13.0%	1.9%								

Average Residential billed consumption for January 2016 was 4,790 gallons. This was 90 gallons, or 1.9%, more than projected for the month.

Billed Wastewater Flows



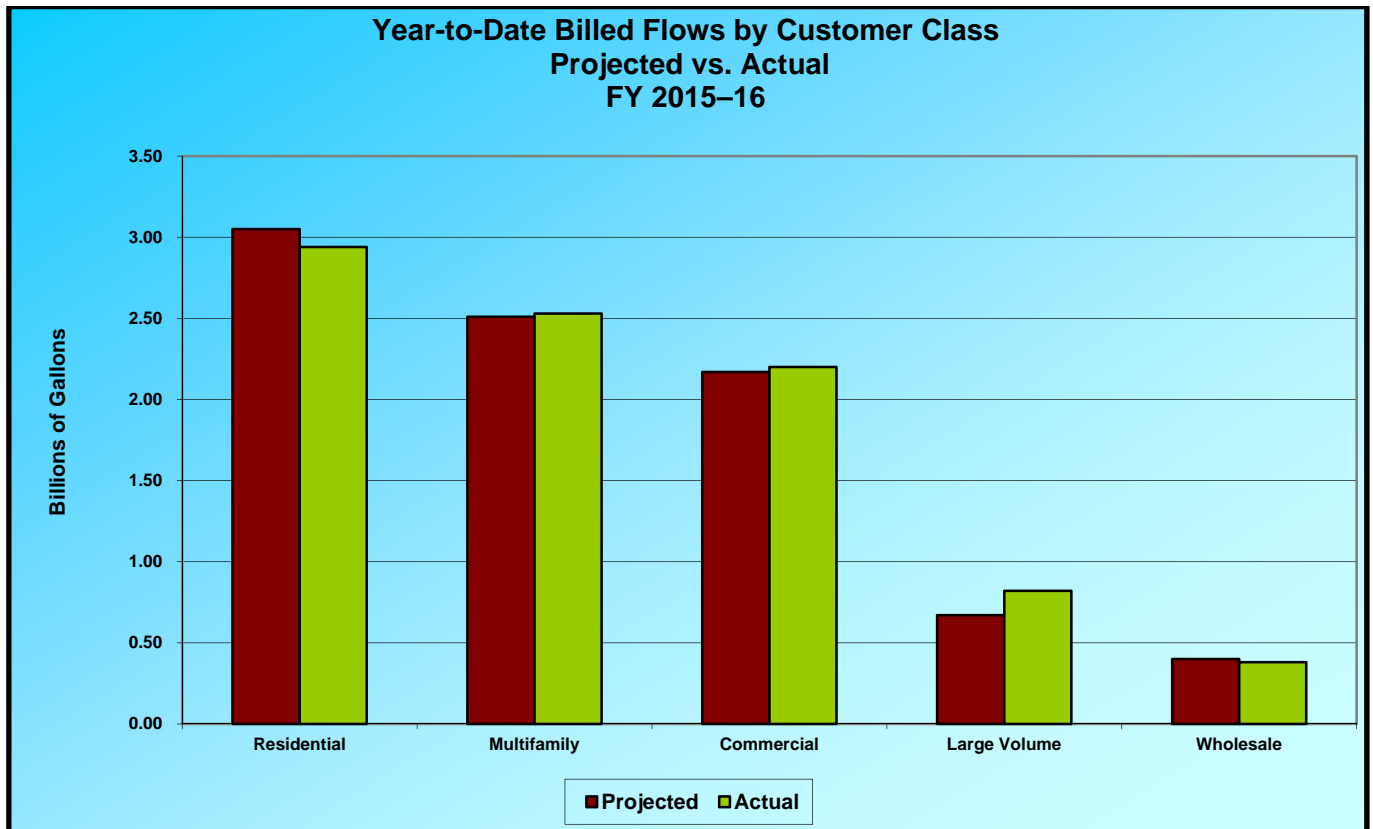
FY 2015–16 Billed Flows by Month and Year-to-Date (Billions of Gallons)

	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	2.22								
Variance	0.09	(0.05)	0.0	0.03								
Variance %	4.1%	-2.2%	0.0%	1.4%								
<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	8.87								
Variance	0.09	0.04	0.04	0.07								
Variance %	4.1%	0.9%	0.6%	0.8%								

Actual billed flows for January 2016 were 2.22 BG. This was 0.03 BG, or 1.4% above the projection for the month. For the fiscal year, actual billed flows were 8.87 BG. This was 0.07 BG, or 0.8%, 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)

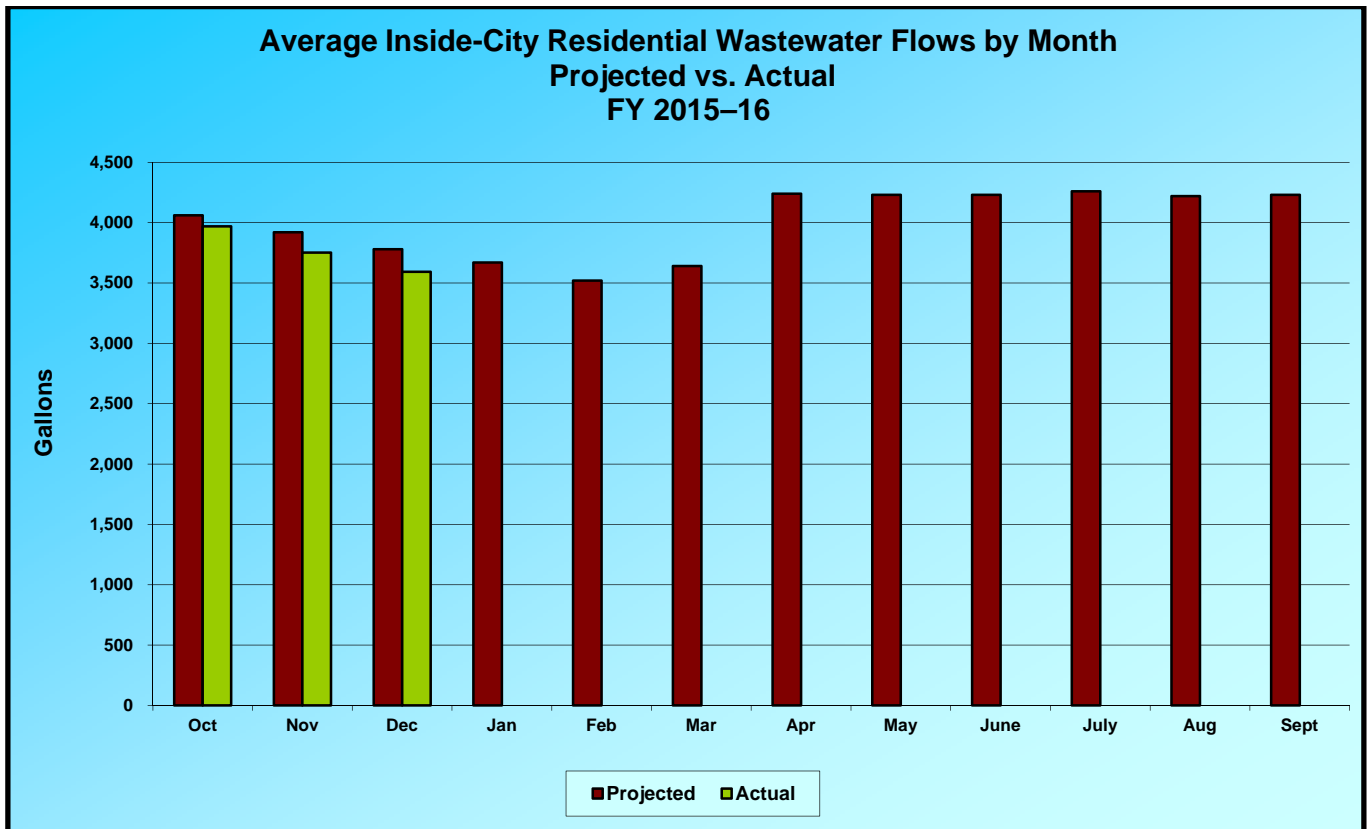


FY 2015–16 Year-to-Date Billed Flows by Customer Class With Variances (Billions of Gallons)

	Residential	Multifamily	Commercial	Large Volume	Wholesale
<u>YTD</u>					
Projected	3.05	2.51	2.17	0.67	0.40
Actual	2.94	2.53	2.20	0.82	0.38
Variance	(0.12)	0.02	0.03	0.15	(0.01)
Variance %	-3.9%	0.8%	1.4%	22.4%	-5.0%

Overall, billed wastewater flows were 8.87 BG for the fiscal year through January 2016. 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 22.4% and offset the lower billed flows in other classes.

Billed Wastewater Flows (continued)



FY 2015–16 Average Inside City Residential Flows by Month

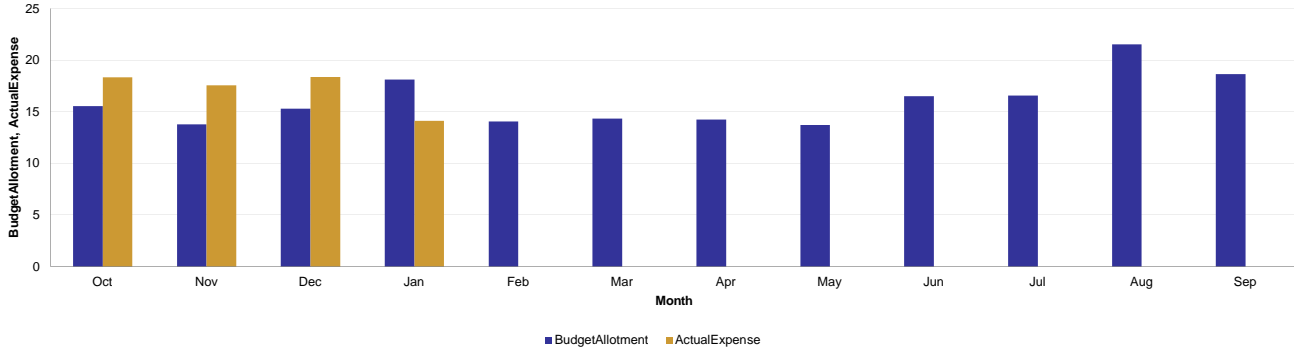
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Projected	4,060	3,920	3,780	3,670	3,520	3,640	4,240	4,230	4,230	4,260	4,220	4,230
Actual	3,970	3,752	3,593	3,684								
Variance	(90)	(168)	(187)	14								
Variance %	-2.2%	-4.3%	-4.9%	0.4%								

The average Residential billed flow for January 2016 was 3,684 gallons. This was 14 gallons, or 0.4%, more than projected for the month.

OPERATING REQUIREMENTS

Program Operating and Other Requirements by Month

Budget vs Actual FY 2015 - 2016

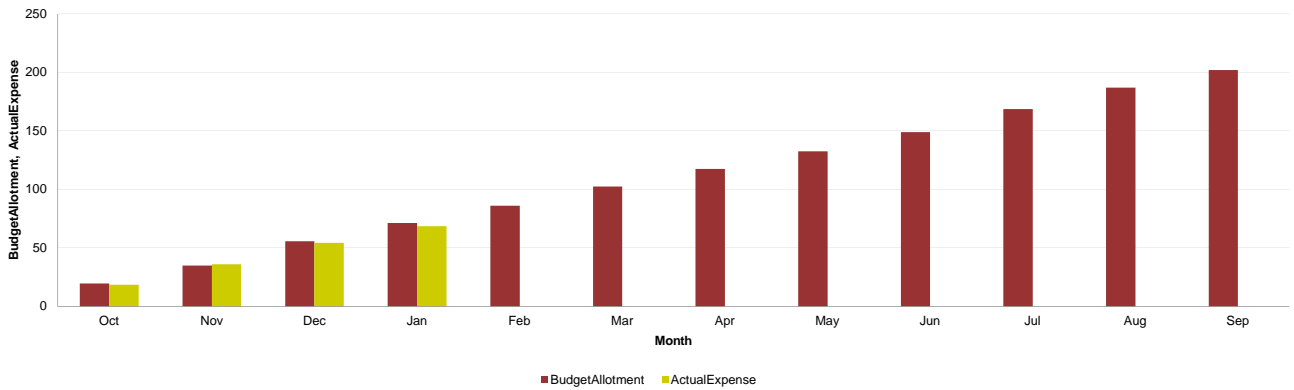


FY 2015 - 2016 Program Operating and Other Requirements by Month With Variances (Millions)

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	14.13								
Variance \$	1.06	(2.14)	2.34	1.52								
Variance %	5.5%	-13.9%	11.3%	9.7%								

Program Operating Requirements by Year-to-Date

Budget vs Actual FY 2015 - 2016



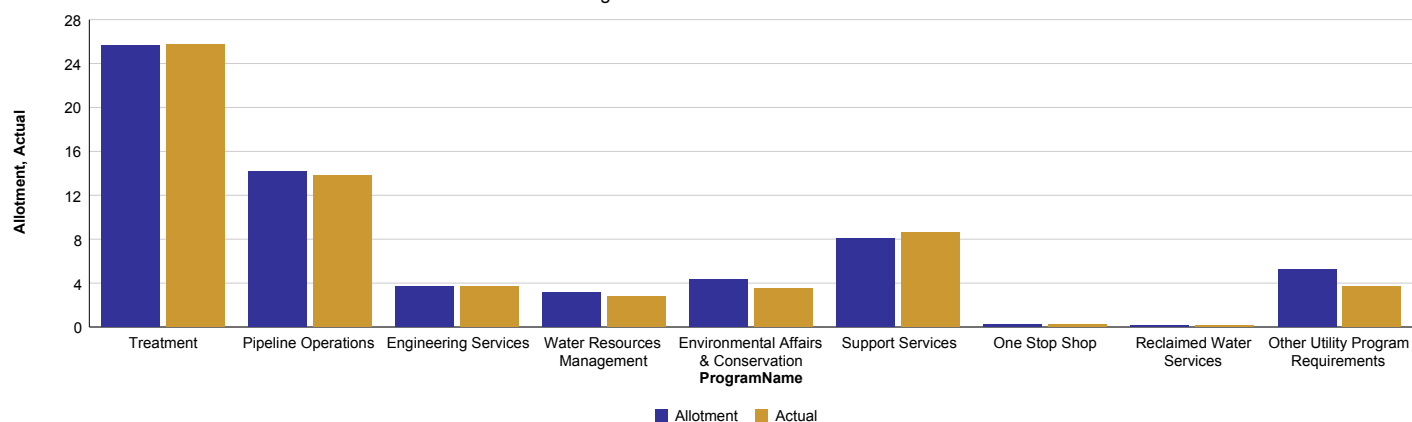
FY 2015 - 2016 Program Operating Requirements by Year-to-Date With Variances (Millions)

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	68.38								
Variance \$	1.06	(1.08)	1.26	2.78								
Variance %	5.5%	-3.1%	2.3%	3.9%								

Total Program Operating and Other Requirements for the fiscal year through January 2016 were \$36.22 million for water, \$32.03 million for wastewater, and \$0.13 million for reclaimed water. The combined Program Operating and Other Requirements of \$68.38 million were \$2.78 million, or 3.9%, below the budget allotment.

YTD Program Operating Requirements by Program

Budget vs. Actual FY 2015 - 2016



FY 2015 - 2016 YTD Program Operating Requirements by Program through January 2016 (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	25.66	14.15	3.72	3.11	4.29	8.04	0.23	0.13	5.21	64.54
Actual	25.73	13.76	3.72	2.80	3.55	8.58	0.21	0.13	3.67	62.15
Variance \$	(0.07)	0.39	(0.01)	0.32	0.73	(0.54)	0.02	0.00	1.54	2.39
Variance %	-0.3%	2.8%	-0.2%	10.1%	17.1%	-6.7%	9.8%	1.6%	29.6%	3.7%

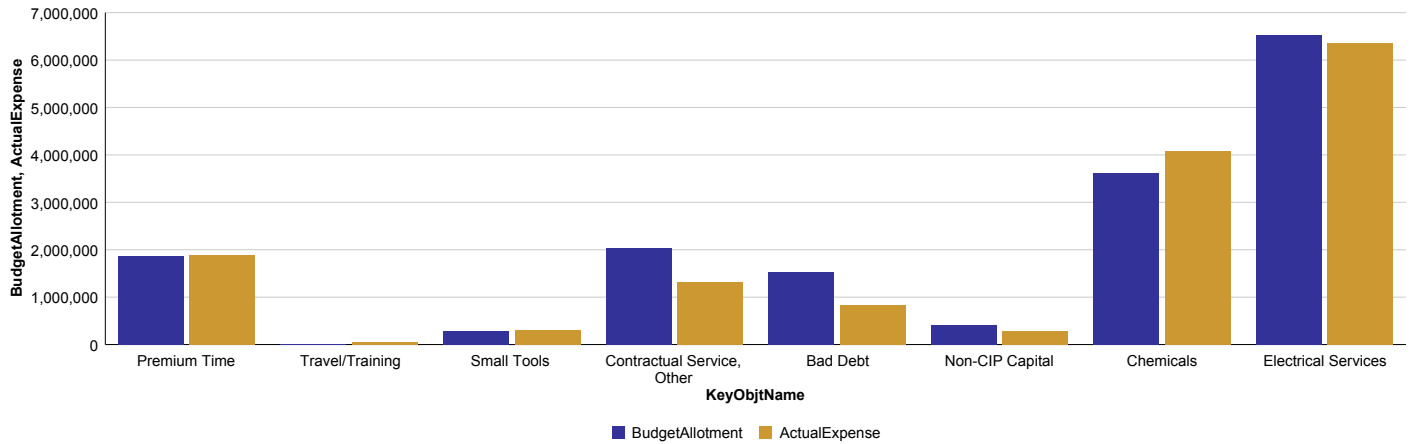
Total Operating Program Requirements as of January 31, 2016 were \$31.67 million for Water, \$30.35 million for Wastewater, and \$0.13 million for Reclaimed Water. The combined Program Operating Requirements of \$62.15 million were \$2.39 million or 3.7% below the allotment.

Water Resources Management was \$0.32 million or 10.1% below allotment due to lower than estimated expenses for temporary employees.

Environmental Affairs & Conservation was \$0.73 million or 17.1% below allotment due to lower than anticipated expenses in several areas such as Water Conservation service contracts, advertising and publication, as well as lower spending for the Water Conservation Rebate Program.

Other Utility Program Requirements was \$1.54 million or 29.6% below allotment due to lower than estimated spending for bad debt expense; commercial paper administration expense; rental copy machines; 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 January 2016

	Premium Time	Travel/Training	Small Tools	Contractual Service, Other	Bad Debt	Non-CIP Capital	Chemicals	Electrical Services	Total
BudgetAllotment	1,873,470	16,407	294,349	2,039,471	1,527,552	417,244	3,615,710	6,534,738	16,318,942
ActualExpense	1,891,261	63,215	315,047	1,314,037	838,181	278,586	4,076,169	6,361,061	15,137,557
Variance \$	(17,792)	(46,808)	(20,698)	725,434	689,371	138,659	(460,459)	173,676	1,181,385
Variance %	-0.9%	-285.3%	-7.0%	35.6%	45.1%	33.2%	-12.7%	2.7%	7.2%

Travel and Training was \$46,808 or 285.3% above allotment primarily due to a large training contract encumbrance for Collection System Engineering Division.

Contractual Service, Other was \$725,434 or 35.6% 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.

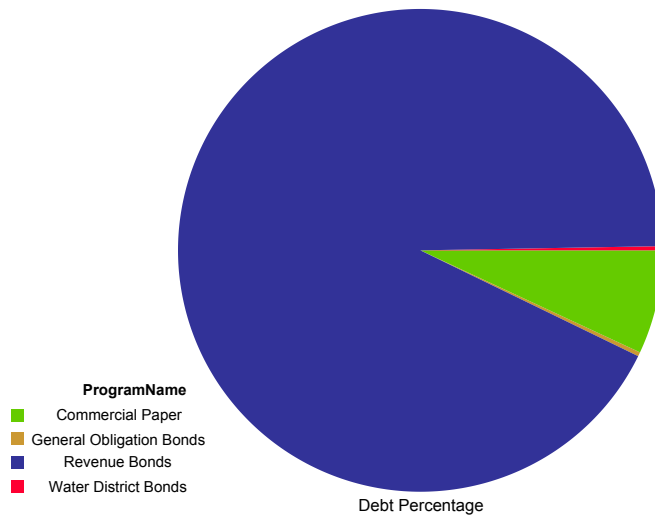
Non-CIP Capital was \$138,659 or 33.2% below allotment due to lower than estimated spending at Hornsby Bend Bio solid Plant in Wastewater Treatment Division.

Chemicals were \$460,459 or 12.7% above allotment due to large encumbrances of Quick Lime at Davis WTP, Ullrich WTP, and Water Treatment Plant 4.

DEBT OUTSTANDING & DEBT SERVICE

Total Debt outstanding By Type

Total Debt as of January 2016 \$2,412,459,293 (Principal Only)



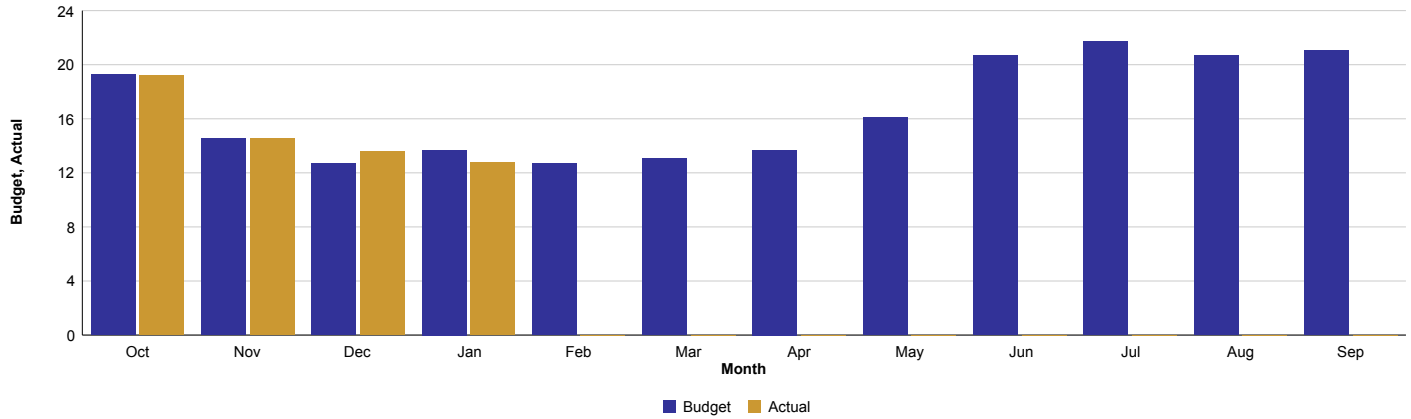
	Debt Outstanding \$	Debt Outstanding %
Commercial Paper	168,535,000	7.0%
General Obligation Bonds *	8,705,690	0.4%
Revenue Bonds *	2,229,808,917	92.4%
Water District Bonds	5,409,686	0.2%
Total	2,412,459,293	100%

*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	11,021.31
2016	10,733.06

Combined Debt Service by Month (in Millions)

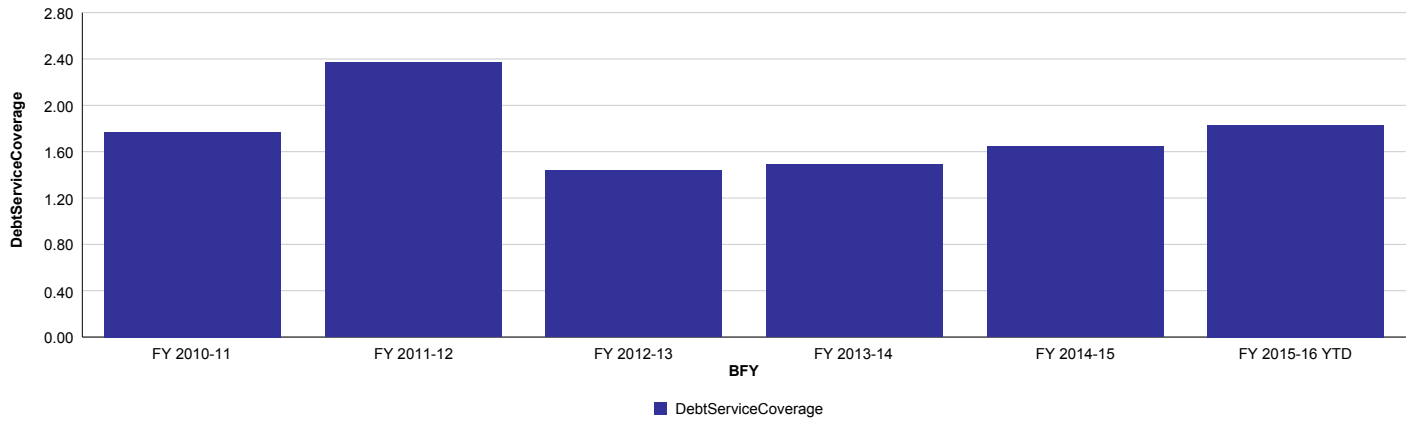
Budget vs. Actual - FY 2015 - 2016



	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	12.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60.09

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 January was \$12.78 million, \$0.91 million less than projected for the month. Combined debt service for the fiscal year was \$60.09 million or \$0.06 million less than projected.

Debt Service Coverage
FY 2010- 2011 thru 2015-2016

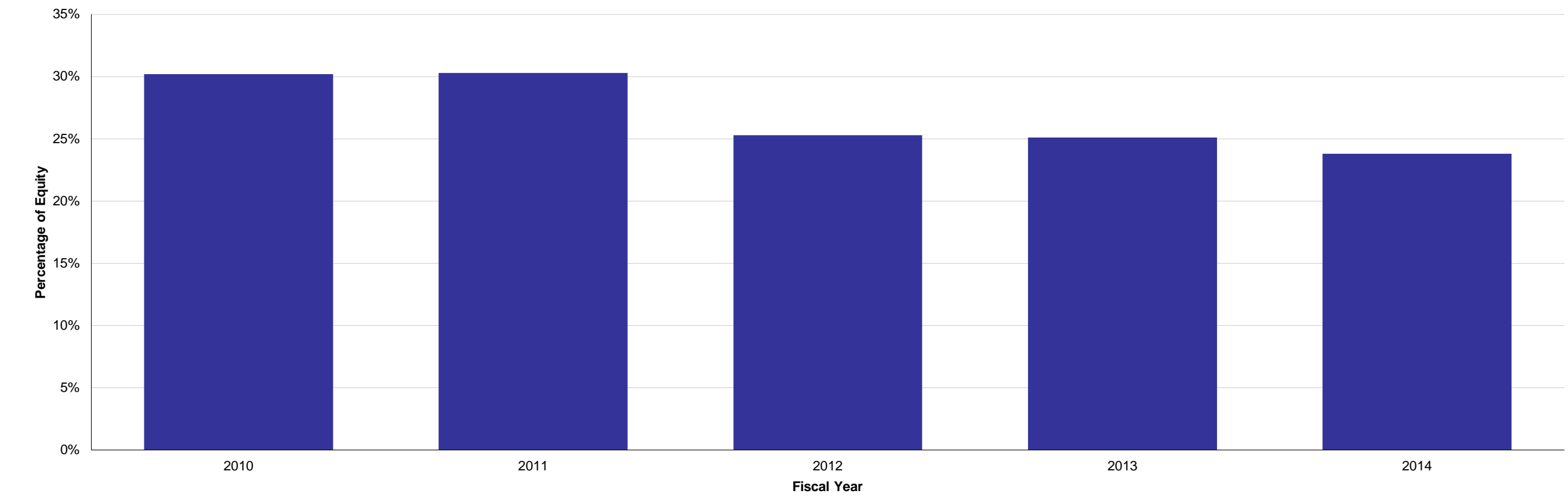


DebtServiceCoverage	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16 YTD
Debt Service Coverage	1.77	2.37	1.44	1.49	1.65	1.88

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



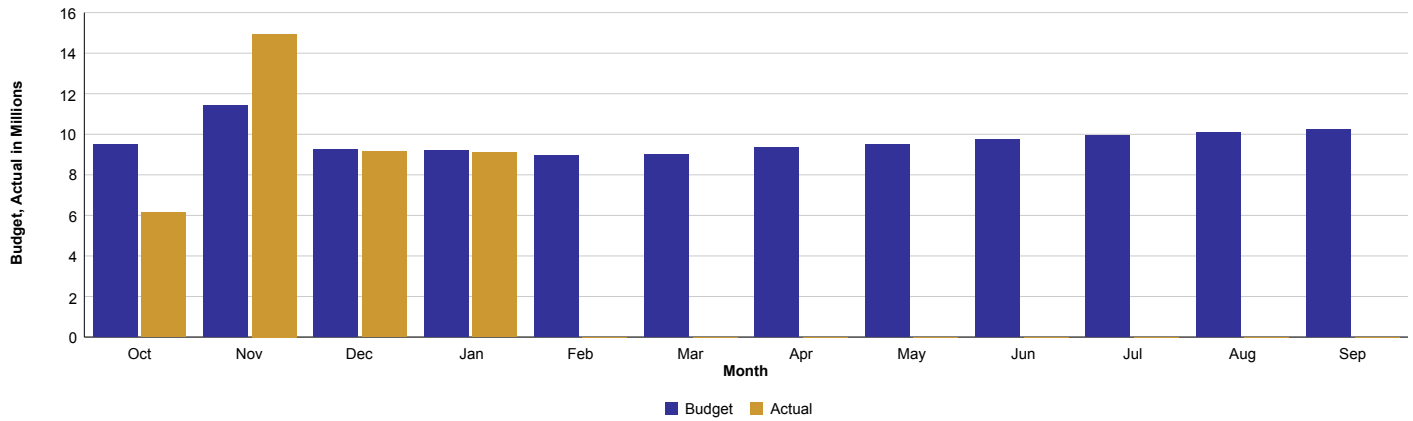
Percentage of Equity	2010	2011	2012	2013	2014
Percent of Equity	30.2%	30.3%	25.3%	25.1%	23.8%

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

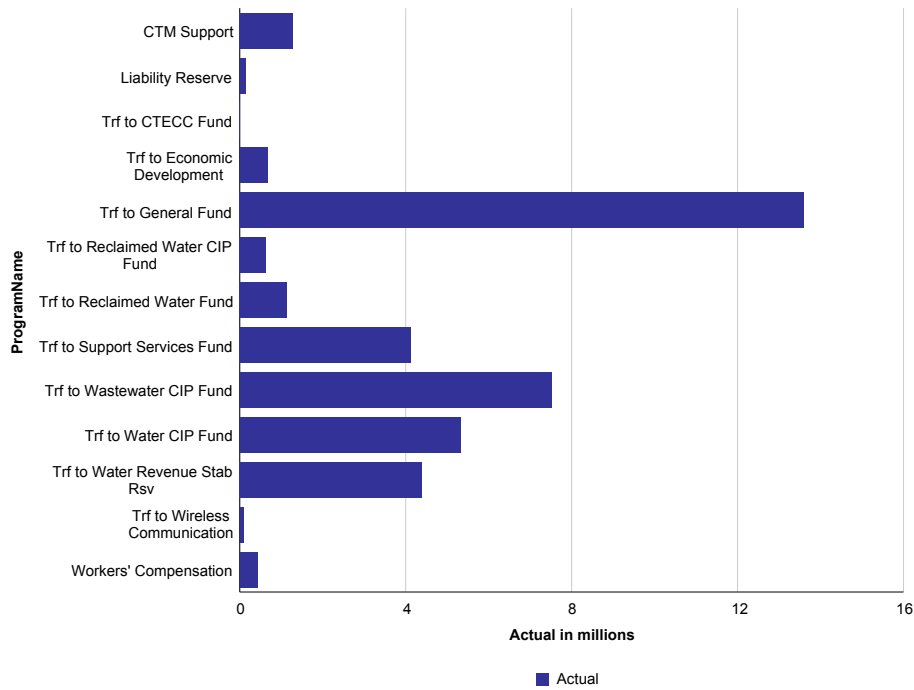


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total YTD
Budget	9.52	11.42	9.23	9.20	8.97	9.01	9.36	9.51	9.72	9.95	10.10	10.22	39.36
Actual	6.15	14.95	9.15	9.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39.35

Transfers Out for the fiscal year through January totaled \$39.35 million. This was \$0.01 million less than the budget for the year because the transfer to the Water Revenue Stability Reserve Fund was slightly less 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



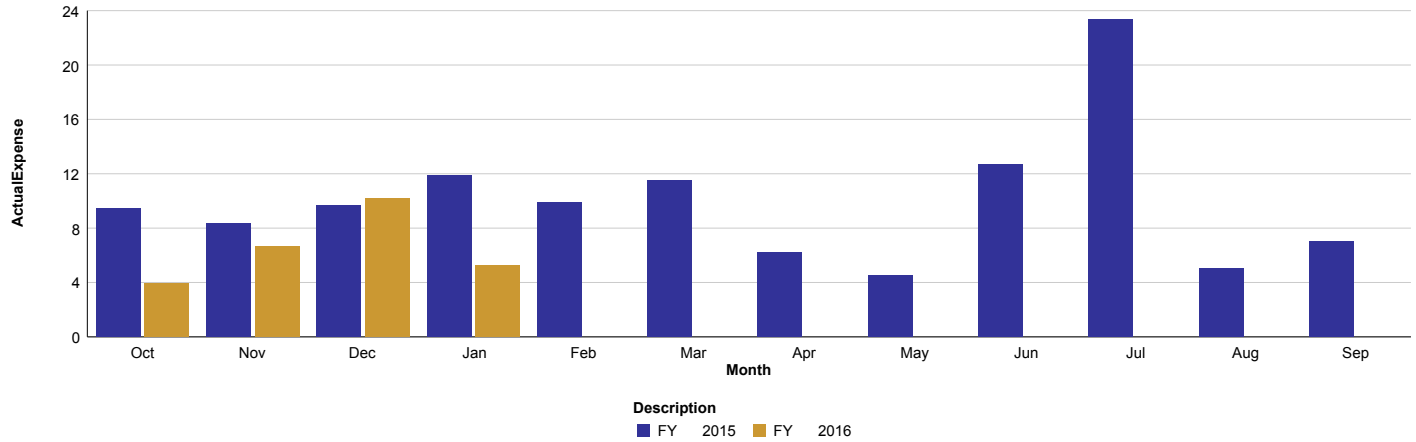
Please select Fiscal Period:

Transfer Out By Type (in millions)	Actual
Trf to General Fund	13.60
Trf to Economic Development	0.67
CTM Support	1.29
Liability Reserve	0.13
Trf to CTECC Fund	0.01
Trf to Reclaimed Water CIP Fund	0.64
Trf to Reclaimed Water Fund	1.13
Trf to Support Services Fund	4.13
Trf to Wastewater CIP Fund	7.52
Trf to Water CIP Fund	5.32
Trf to Water Revenue Stab Rsv	4.39
Trf to Wireless Communication	0.09
Workers' Compensation	0.43
Total	39.35

Transfers Out for the fiscal year through January totaled \$39.35 million. This was \$0.01 million less than the budget for the year because the transfer to the Water Revenue Stability Reserve Fund was slightly less 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)

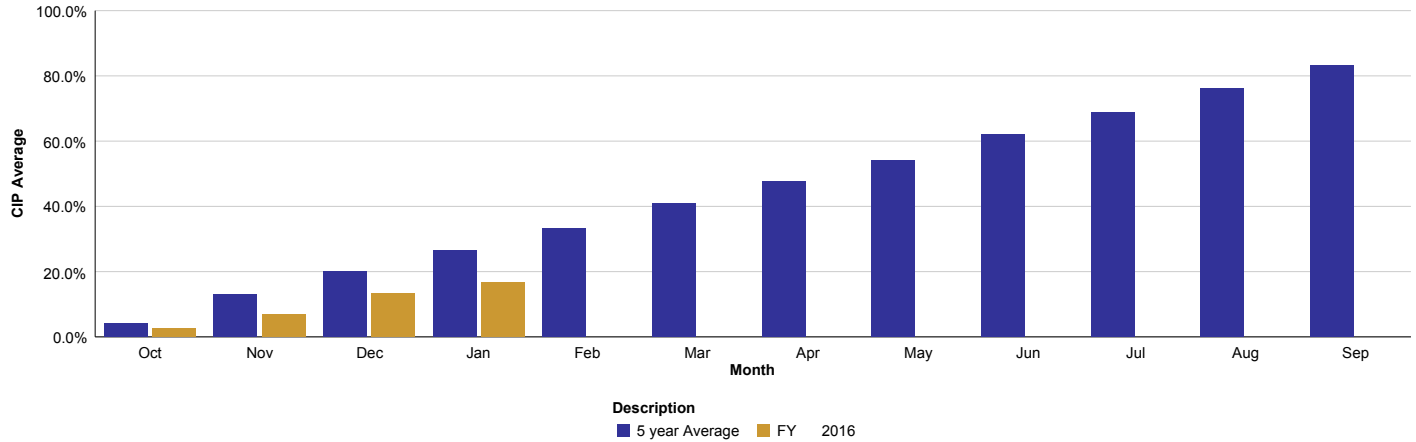


ActualExpense	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
FY 2015	9.43	8.32	9.70	11.86	9.92	11.53	6.21	4.54	12.66	23.35	5.08	7.03	119.63
FY 2016	3.93	6.63	10.16	5.23									25.94

CIP expenditures for the fiscal year through January 2016 totaled \$12.01 million for water, \$13.20 million for wastewater, and \$0.74 million for reclaimed, for a combined total of \$25.94, or 16.8% 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%	16.8%								
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%

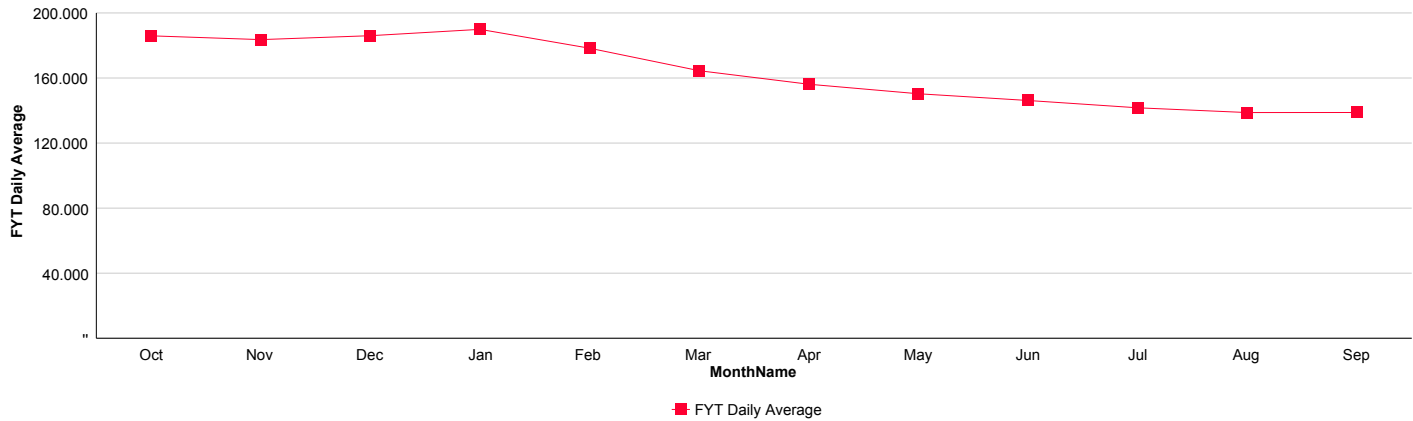
CIP expenditures for the fiscal year through January 2016 totaled \$12.01 million for water, \$13.20 million for wastewater, and \$0.74 million for reclaimed, for a combined total of \$25.94, or 16.8% of the FY 2015-16 CIP spending plan.

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	81.86	0	0	0	0	0	0	0	0
Wastewater	95.80	96.15	99.04	100.67	0	0	0	0	0	0	0	0
Reclaimed	2.71	2.52	2.35	2.44	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	74.98	0	0	0	0	0	0	0	0
Capital Recovery Fee	18.70	20.41	22.55	24.14	0	0	0	0	0	0	0	0
CIP	69.49	69.87	64.02	62.73	0	0	0	0	0	0	0	0
Revenue Stability Reserve Fund	19.46	22.06	22.58	23.11	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	189.92	178.31	164.49	156.18	150.32	146.18	141.69	138.76	138.80

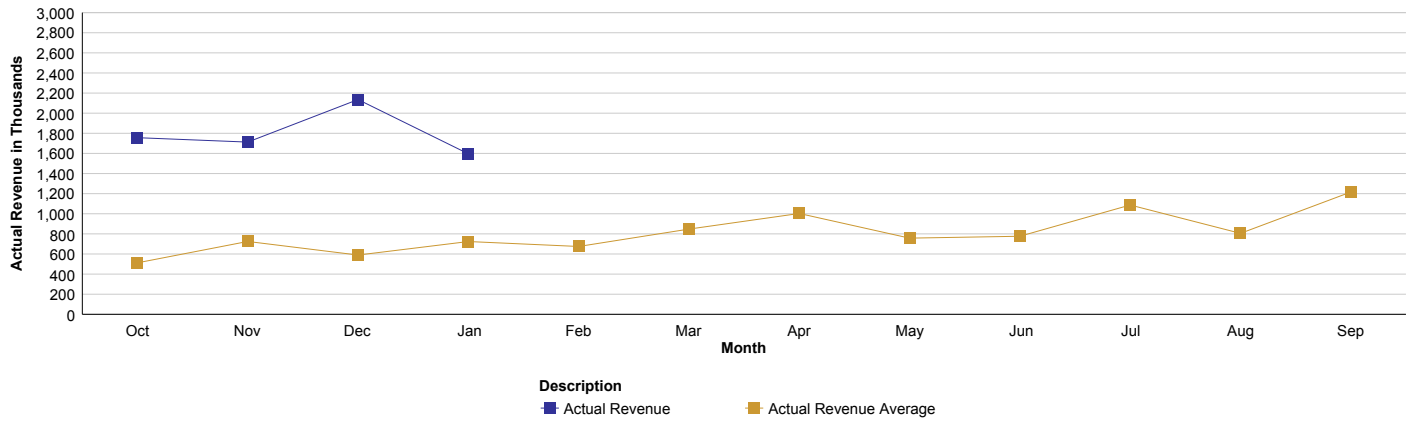
Combined cash balances for Water, Wastewater, and Reclaimed for the month of January 2016 totaled \$184.97 million. The combined cash balance is made up of Operating, CIP, Capital Recovery Fee, and Revenue Stability Reserve Fund cash balances. The average daily cash balance for the fiscal year was \$189.92 million at the end of January.

Combined Operating Cash Balances totaled \$74.98 million. Combined CIP Cash Balances totaled \$62.73 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 \$23.11 million.

Capital Recovery Fee Cash Balances totaled \$24.14 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

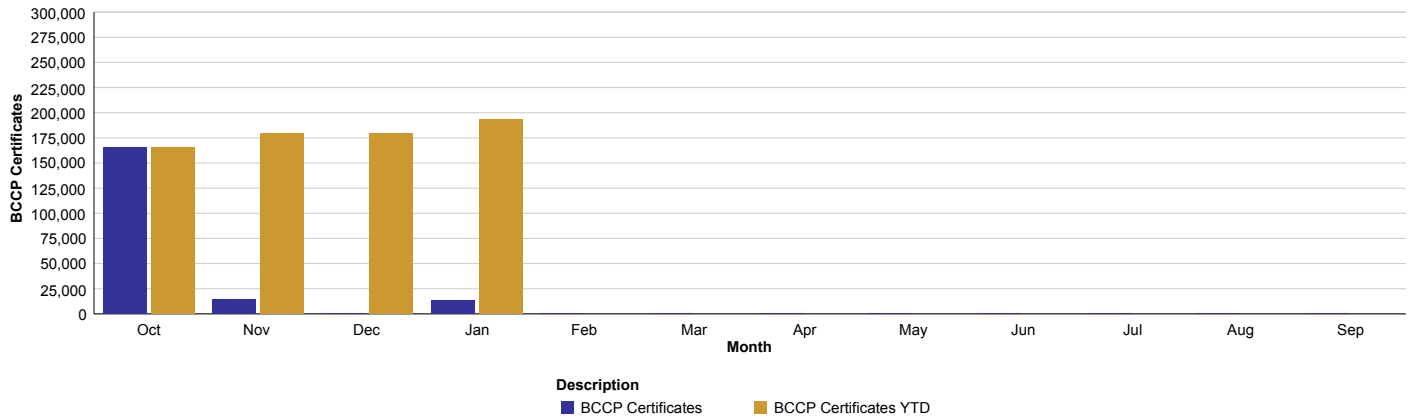


FY 2015 - 2016 CRF Collections by Month, Water, Wastewater, and Total (in Thousands)

ActualRevenue	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Water	1,206	1,304	1,476	1,148									5,134
Wastewater	551	409	660	448									2,067
Total	1,756	1,713	2,136	1,596									7,201

Capital Recovery Fee (CRF) collections and interest for the month of January 2016 were \$1.15 million from Water and \$0.45 million from Wastewater for a total of \$1.60 million. For the fiscal year, a total of \$7.20 million in CRFs and interest has been collected. CRF collections in January were \$0.87 million more than the five year average of \$0.72 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	180,670	0	0	0	0	0	0	0	0
Interest	214	265	303	323	0	0	0	0	0	0	0	0
BCCP Cert	165,138	14,750	0	13,200	0	0	0	0	0	0	0	0
Ending Balance	165,352	180,367	180,670	194,192	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 January 2016, \$13,200 in fees was collected and interest in the amount of \$323 accrued. The overall ending balance fiscal year-to-date is \$194,192.