



City of Austin, Texas  
Austin Water

Financial Status Report  
For the Period Ending April 30, 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:** May 31, 2016

**SUBJECT:** Unaudited Financial Status Report for the Period Ended April 30, 2016

Attached is Austin Water's Financial Status Report. The combined fund balance at the end of April was \$113.13 million, or \$23.74 million more than projected, as detailed in the Executive Summary. The beginning balances were \$4.07 million more than projected, year-to-date requirements were \$4.75 million below allotments, and revenues and transfers in were \$14.92 million above projections.

Significant rainfall in the fall of 2015 improved the lake levels in Travis and Buchanan, and these levels have been further improved by recent rains. The lake system was at 100 percent full at the end of April. With this improvement, the City has been moved into Conservation Stage watering restrictions from Stage II. Water service revenues are significantly above projections and wastewater service revenues are slightly above projections this fiscal year through April. The Executive Summary includes more discussion of revenue highlights.

Actual spending for operating requirements was below budget allotments by \$3.72 million, and spending for other requirements was below budget allotments by \$0.70 million. Payments for debt service requirements were below allotments by \$0.10 million, and transfers out were below allotments by \$0.23 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

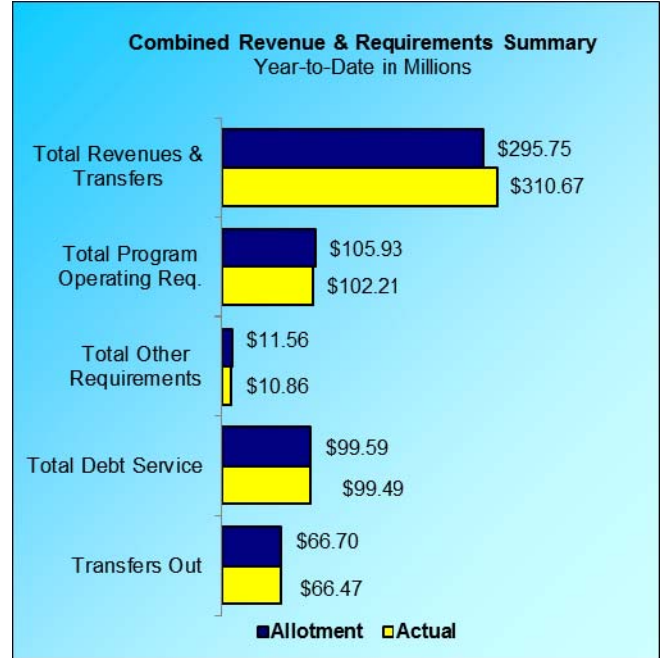


#### Financial Status Report

Period Ending April 30, 2016

The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of April 30, 2016, was \$113.13 million. The combined balance was \$23.74 million more than projected for this date, as shown below:

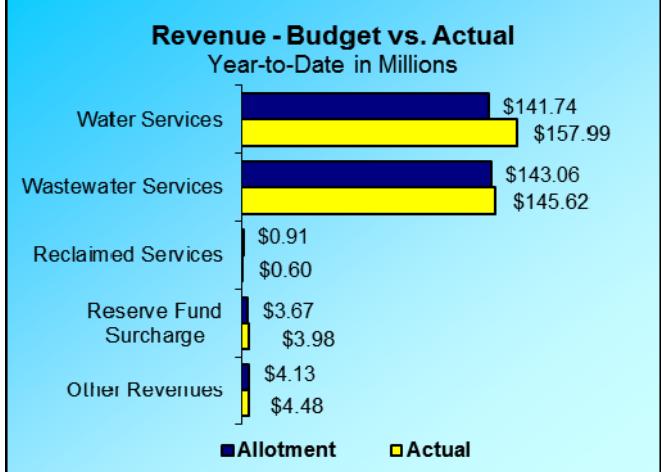
	Allotment	Actual	Difference
Beginning Balance	\$ 77.41	\$ 81.48	\$ 4.07
Water Services	\$ 141.74	\$ 157.99	\$ 16.25
Wastewater Services	143.06	145.62	2.55
Reclaimed Services	0.91	0.60	(0.32)
Reserve Fund Surcharge	3.67	3.98	0.31
Other Revenues	4.13	4.48	0.35
Transfers In	2.24	(1.98)	(4.22)
Total Revenues & Transfers	\$ 295.75	\$ 310.67	\$ 14.92
Total Program Operating Req.	\$ 105.93	\$ 102.21	\$ 3.72
Total Other Requirements	11.56	10.86	0.70
Total Debt Service	99.59	99.49	0.10
Transfers Out	66.70	66.47	0.23
Total Revenue Requirements	\$ 283.78	\$ 279.03	\$ 4.75
Ending balance	\$ 89.38	\$ 113.13	\$ 23.74
Debt Service Coverage	1.72	1.97	



#### Revenue Highlights

Total revenues for the fiscal year through April were \$310.67 million. This is \$14.92 million or 5.0% more than projected.

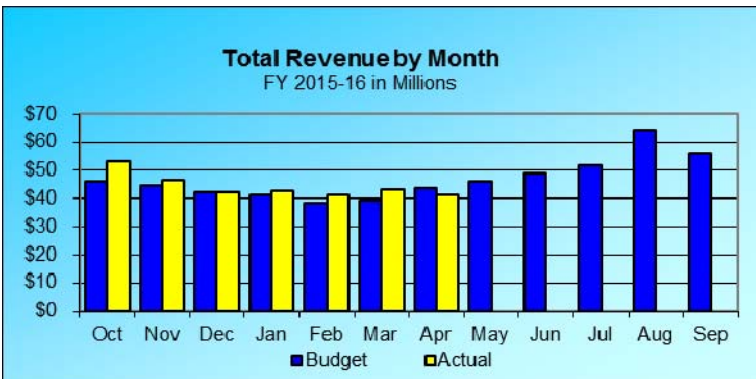
- Water services were \$157.99 million, or 11.5% above projections.
- Wastewater services were \$145.62 million, or 1.8% above projections.
- Reclaimed services were \$0.60 million, or 34.7% below projections.
- Reserve fund surcharge was \$3.98 million, or 8.3% above projections.
- Other revenues, including miscellaneous and interest income totaled \$4.48 million, or 8.4% more than projected.
- Transfers In through April were negative because of a posting error which has been corrected in May.



Year-to-date Water Services revenues were above projections in all five customer 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 April were \$41.45 million, \$2.08 million or 4.8% below the projection, because of lower than projected Reclaimed Services revenues and a posting error that understates Transfers In. The error is being corrected in May.

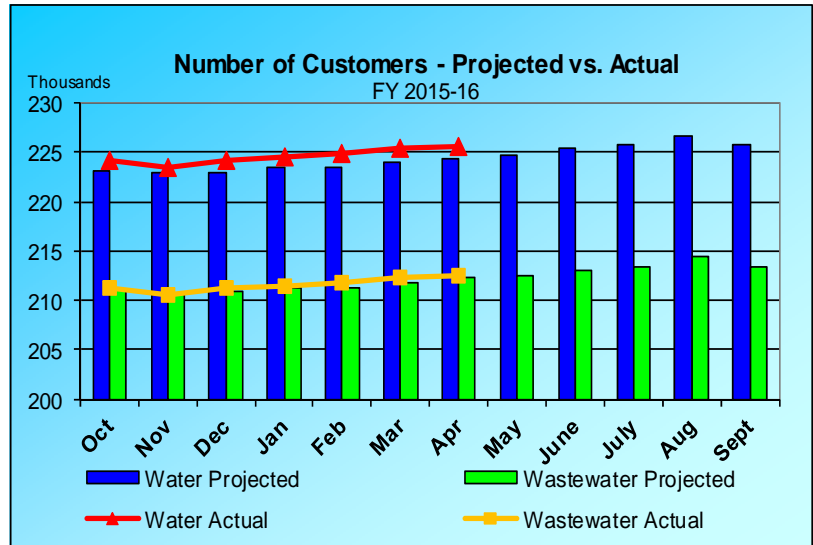


## User Characteristics

	Projected	Actual
Water Customers	224,419	225,594
Wastewater Customers	212,262	212,583
Monthly Pumpage	3.42	3.36
YTD Pumpage	26.33	23.99
Monthly Billed Use	2.85	3.10
YTD Billed Use	20.39	21.90
Monthly Influent Flow	3.01	3.59
YTD Influent Flow	21.27	24.03
Monthly Billed Flow	2.33	2.35
YTD Billed Flow	15.18	15.51

(Above in Billions of Gallons)

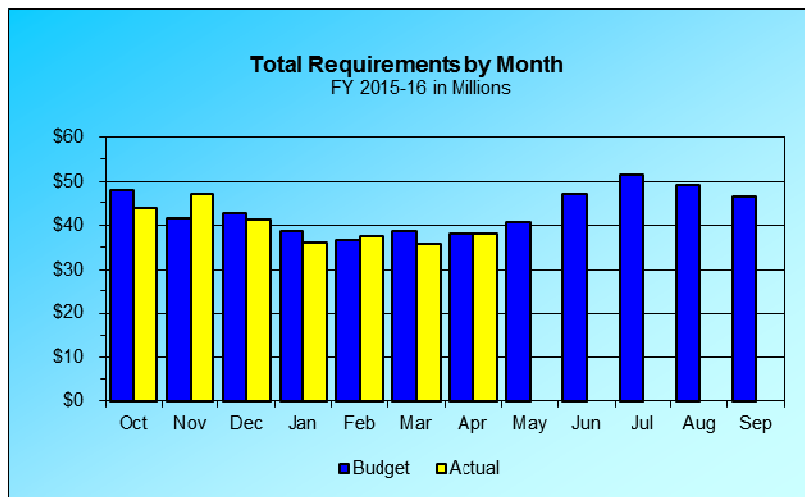
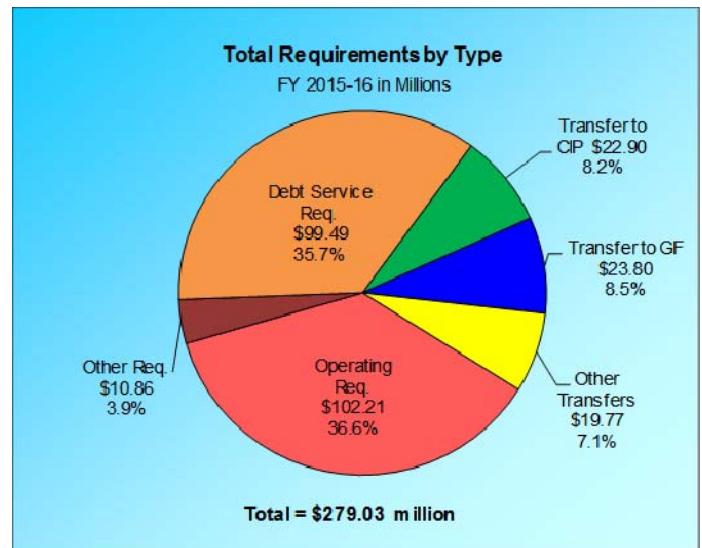
Avg. Residential Use (gal)	5,000	5,100
Avg. Residential Flow (gal)	4,240	4,026



## Requirement Highlights

Total requirements for the fiscal year through April were \$279.03 million. This is \$4.75 million, or 1.7%, less than the budget allotments. The graph at the right shows the proportions of these requirements to the whole.

- Total program operating requirements were \$102.21 million, or 3.5% less than budgeted.
- Total other requirements were \$10.86 million, or 6.1% less than budgeted.
- Debt service requirements were \$99.49 million, or 0.1% less than budgeted.
- Transfers out consist of transfers to Capital Improvement Projects, General Fund, and Other Transfers. These total \$66.47 million, or 0.3% less than budgeted.



Two of the nine program areas (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 \$37.91 million for the month, or \$0.16 million (0.4%) less than the budget allotment for the month.

# City of Austin, Texas

## Austin Water Utility FUND SUMMARY - COMBINED As of April 2016

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
BEGINNING BALANCE	77,405,715	77,405,715	77,405,715	81,483,019	4,077,304	5.3%
REVENUE						
Water Services	277,632,006	277,632,006	141,742,762	157,989,112	16,246,350	11.5%
Wastewater Services	255,115,283	255,115,283	143,063,175	145,616,140	2,552,965	1.8%
Reserve Fund Surcharge	7,204,421	7,204,421	3,670,594	3,976,203	305,609	8.3%
Other Revenue	5,746,424	5,746,424	3,352,084	2,969,527	(382,557)	-11.4%
Reclaimed Water Services	1,770,107	1,770,107	913,630	596,776	(316,854)	-34.7%
Public Health Licenses, Permits, Inspections	600,500	600,500	350,290	320,498	(29,792)	-16.2%
Miscellaneous Franchise Fees	232,000	232,000	135,335	16,521	(118,814)	-87.8%
Interest	181,874	181,874	106,085	503,169	397,084	374.3%
Building Rental/Lease	144,800	144,800	84,470	60,335	(24,135)	-28.6%
Land & Infrastructure Rental/Lease	75,800	75,800	44,215	27,500	(16,715)	-37.8%
Property Sales	55,200	55,200	32,200	0	(32,200)	-100.0%
Scrap Sales	48,800	48,800	28,465	17,765	(10,700)	-37.6%
Development Fees	0	0	0	2,016	2,016	100.0%
Other Fines	0	0	0	561,025	561,025	100.0%
Total Revenue	548,807,215	548,807,215	293,523,305	312,656,585	19,133,280	6.5%
TRANSFERS IN						
Transfer Fr Dept 2207	0	0	0	(4,173,430) (1)	(4,173,430)	-100.0%
CIP	10,300,000	10,300,000	0	0	0	0.0%
Austin Water Utility	3,400,000	3,400,000	1,983,338	1,983,350	12	0.0%
Support Services/Infrastructure Funds	300,582	300,582	175,336	206,582	31,246	17.8%
Other Funds	0	0	0	0	0	0.0%
Total Transfers In	14,131,013	14,131,013	2,234,757	(1,983,498)	(4,218,255)	-188.8%
TOTAL AVAILABLE FUNDS	562,938,228	562,938,228	295,758,062	310,673,087	14,915,025	5.0%
PROGRAM REQUIREMENTS						
Treatment	77,840,734	77,840,734	43,511,945	42,285,822	1,226,123	2.8%
Pipeline Operations	41,201,279	41,201,279	23,947,247	23,204,741	742,506	3.1%
Support Services	22,592,094	22,592,094	13,195,822	13,673,913	(478,091)	-3.6%
Environmental Affairs & Conservation	11,848,732	11,848,732	7,307,093	6,366,655	940,438	12.9%
Other Utility Program Requirements	11,494,210	11,494,210	7,307,600	5,289,156	2,018,444	27.6%
Engineering Services	8,504,005	8,504,005	5,120,114	6,250,372	(1,130,258)	-22.1%
Water Resources Management	8,275,601	8,275,601	4,942,335	4,576,839	365,496	7.4%
One Stop Shop	653,101	653,101	378,943	345,336	33,607	8.9%
Reclaimed Water Services	388,355	388,355	220,281	220,281	0	0.0%
Total Program Requirements	182,798,111	182,798,111	105,931,380	102,213,115	3,718,265	3.5%
OTHER REQUIREMENTS						
Utility Billing System Support	18,317,220	18,317,220	10,879,319	10,685,045	194,274	1.8%
Accrued Payroll	745,854	745,854	435,082	0	435,082	100.0%
Interdepartmental Charges	166,242	166,242	96,974	96,942	32	0.0%
Market Study Adjustment	133,117	133,117	77,652	0	77,652	100.0%
Services-PID contract expense	75,000	75,000	69,792	75,000	(5,208)	-7.5%
Total Other Requirements	19,437,433	19,437,433	11,558,819	10,856,987	701,832	6.1%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	180,655,096	180,655,096	85,371,459	85,463,797	(92,338)	-0.1%
Tfr to Utility D/S Sub Lien	11,345,846	11,345,846	9,906,846	9,906,420	426	0.0%
Trf to GO Debt Service	4,010,080	4,010,080	3,007,559	3,001,140	6,419	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	367,824	367,824	0	0.0%
Commercial paper interest	439,862	439,862	256,586	76,404	180,182	70.2%
Total Debt Service Requirements	199,878,795	199,878,795	99,586,180	99,490,881	95,299	0.1%

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
<b>TRANSFERS OUT</b>						
Trf to General Fund	40,793,280	40,793,280	23,795,955	23,795,955	0	0.0%
Trf to Wastewater CIP Fund	23,250,000	23,250,000	13,037,000	13,037,000	0	0.0%
Trf to Water CIP Fund	17,300,000	17,300,000	8,831,000	8,831,000	0	0.0%
Trf to Support Services Fund	12,384,793	12,384,793	7,224,463	7,224,463	0	0.0%
Trf to Water Revenue Stab Rsv	9,204,421	9,204,421	6,202,576	5,972,138	230,438	3.7%
CTM Support	3,871,271	3,871,271	2,258,271	2,258,271	0	0.0%
Trf to Reclaimed Water Fund	3,400,000	3,400,000	1,983,350	1,983,350	0	0.0%
Trf to Economic Development	2,011,254	2,011,254	1,175,029	1,175,029	0	0.0%
Trf to Reclaimed Water CIP Fund	2,000,000	2,000,000	1,033,000	1,033,000	0	0.0%
Workers' Compensation	1,286,209	1,286,209	750,299	750,299	0	0.0%
Liability Reserve	400,000	400,000	233,350	233,350	0	0.0%
Trf to Wireless Communication	283,472	283,472	165,372	165,372	0	0.0%
Trf to CTECC Fund	9,925	9,925	9,925	9,925	0	0.0%
<b>Total Transfers Out</b>	<b>116,194,625</b>	<b>116,194,625</b>	<b>66,699,590</b>	<b>66,469,152</b>	<b>230,438</b>	<b>0.3%</b>
<b>TOTAL REQUIREMENTS</b>	<b>518,308,964</b>	<b>518,308,964</b>	<b>283,775,969</b>	<b>279,030,135</b>	<b>4,745,834</b>	<b>1.7%</b>
<b>EXCESS (DEFICIENCY)</b>	44,629,264	44,629,264	11,982,093	31,642,952	19,660,859	164.1%
<b>ENDING BALANCE</b>	<b>122,034,979</b>	<b>122,034,979</b>	<b>89,387,808</b>	<b>113,125,971</b>	<b>23,738,163</b>	<b>26.6%</b>
<b>DEBT SERVICE COVERAGE RATIO</b>		1.69	1.72	1.97		

*Note: Numbers may not add due to rounding.*

(1) The negative transfer in this line is due to a posting error that will be corrected in May 2016.

# City of Austin, Texas

Austin Water Utility

## FUND SUMMARY - WATER

As of April 2016

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
<b>BEGINNING BALANCE</b>	29,748,765	29,748,765	29,748,765	30,432,529	683,764	2.3%
<b>REVENUE</b>						
Water Revenue	277,632,006	277,632,006	141,742,762	157,989,112	16,246,350	11.5%
Reserve Fund Surcharge	7,204,421	7,204,421	3,670,594	3,976,203	305,609	8.3%
Other Revenue	2,791,136	2,791,136	1,628,166	1,384,998	(243,168)	-14.9%
Miscellaneous Franchise Fees	160,600	160,600	93,685	16,521	(77,164)	-82.4%
Building Rental/Lease	84,400	84,400	49,235	30,168	(19,067)	-38.7%
Interest	76,400	76,400	44,562	208,798	164,236	368.6%
Land & Infrastructure Rental/Lease	75,800	75,800	44,215	27,500	(16,715)	-37.8%
Scrap Sales	27,300	27,300	15,925	8,882	(7,043)	-44.2%
Property Sales	26,900	26,900	15,690	0	(15,690)	-100.0%
Other Fines	0	0	0	561,025	561,025	100.0%
Public Health Licenses, Permits, Inspections	0	0	0	26,750	26,750	100.0%
<b>Total Revenue</b>	<b>288,078,963</b>	<b>288,078,963</b>	<b>147,304,834</b>	<b>164,229,956</b>	<b>16,925,122</b>	<b>11.5%</b>
<b>TRANSFERS IN</b>						
Transfer Fr Dept 2207	0	0	0	(4,173,430) (1)	(4,173,430)	-100.0%
CIP	7,100,000	7,100,000	0	0	0	0.0%
Support Services/Infrastructure Funds	150,291	150,291	87,668	103,291	15,623	17.8%
<b>Total Transfers In</b>	<b>7,250,291</b>	<b>7,250,291</b>	<b>87,668</b>	<b>(4,070,139)</b>	<b>(4,157,807)</b>	<b>-4742.7%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>295,329,254</b>	<b>295,329,254</b>	<b>147,392,502</b>	<b>160,159,817</b>	<b>12,767,315</b>	<b>8.7%</b>
<b>PROGRAM REQUIREMENTS</b>						
Treatment	38,251,428	38,251,428	21,702,738	21,010,329	692,409	3.2%
Pipeline Operations	23,792,976	23,792,976	13,802,128	13,594,938	207,190	1.5%
Support Services	11,374,646	11,374,646	6,617,975	6,829,564	(211,589)	-3.2%
Environmental Affairs & Conservation	8,967,318	8,967,318	5,647,776	4,724,603	923,173	16.3%
Other Utility Program Requirements	6,885,199	6,885,199	4,124,175	2,053,945	2,070,230	50.2%
Water Resources Management	3,935,790	3,935,790	2,350,911	2,203,690	147,221	6.3%
Engineering Services	3,082,919	3,082,919	1,409,669	2,639,121	(1,229,452)	-87.2%
One Stop Shop	242,953	242,953	141,113	138,961	2,152	1.5%
<b>Total Program Requirements</b>	<b>96,533,229</b>	<b>96,533,229</b>	<b>55,796,485</b>	<b>53,195,151</b>	<b>2,601,334</b>	<b>4.7%</b>
<b>OTHER REQUIREMENTS</b>						
Utility Billing System Support	13,466,330	13,466,330	7,998,184	7,855,359	142,825	1.8%
Accrued Payroll	377,669	377,669	220,307	0	220,307	100.0%
Interdepartmental Charges	83,121	83,121	48,487	48,471	16	0.0%
Market Study Adjustment	80,249	80,249	46,812	0	46,812	100.0%
Services-PID contract expense	37,500	37,500	32,292	37,500	(5,208)	-16.1%
<b>Total Other Requirements</b>	<b>14,044,869</b>	<b>14,044,869</b>	<b>8,346,082</b>	<b>7,941,330</b>	<b>404,752</b>	<b>4.8%</b>
<b>DEBT SERVICE REQUIREMENTS</b>						
Trf to Util D/S Separate Lien	94,142,706	94,142,706	45,251,944	45,082,590	169,354	0.4%
Trf to Utility D/S Sub Lien	6,154,137	6,154,137	5,402,137	5,402,229	(92)	0.0%
Trf to GO Debt Service	1,923,523	1,923,523	1,442,601	1,439,418	3,183	0.2%
Trf to Utility D/S Prior Lien	608,244	608,244	152,244	152,067	177	0.1%
Commercial paper interest	368,621	368,621	215,029	66,699	148,330	69.0%
Trf to Util D/S Tax/Rev Bonds	269,021	269,021	136,110	136,110	0	0.0%
<b>Total Debt Service Requirements</b>	<b>103,466,252</b>	<b>103,466,252</b>	<b>52,600,065</b>	<b>52,279,113</b>	<b>320,952</b>	<b>0.6%</b>

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
<b>TRANSFERS OUT</b>						
Trf to General Fund	21,157,159	21,157,159	12,341,659	12,341,659	0	0.0%
Trf to Water CIP Fund	17,300,000	17,300,000	8,831,000	8,831,000	0	0.0%
Trf to Water Revenue Stab Rsv	9,204,421	9,204,421	6,202,576	5,972,138	230,438	3.7%
Trf to Administrative Support Fund	7,369,386	7,369,386	4,298,806	4,298,806	0	0.0%
CTM Support	1,935,635	1,935,635	1,129,135	1,129,135	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	991,675	991,675	0	0.0%
Trf to Economic Development	1,087,301	1,087,301	634,301	634,301	0	0.0%
Workers' Compensation	643,105	643,105	375,145	375,145	0	0.0%
Trf to Wireless Communication	283,472	283,472	165,372	165,372	0	0.0%
Liability Reserve	200,000	200,000	116,675	116,675	0	0.0%
Trf to CTECC Fund	4,962	4,962	4,962	4,962	0	0.0%
<b>Total Transfers Out</b>	<b>60,885,441</b>	<b>60,885,441</b>	<b>35,091,306</b>	<b>34,860,868</b>	<b>230,438</b>	<b>0.7%</b>
<b>TOTAL REQUIREMENTS</b>	<b>274,929,791</b>	<b>274,929,791</b>	<b>151,833,938</b>	<b>148,276,462</b>	<b>3,557,476</b>	<b>2.3%</b>
<b>EXCESS (DEFICIENCY)</b>	20,399,463	20,399,463	(4,441,436)	11,883,355	16,324,791	-367.6%
<b>ENDING BALANCE</b>	<b>50,148,228</b>	<b>50,148,228</b>	<b>25,307,329</b>	<b>42,315,884</b>	<b>17,008,555</b>	<b>67.2%</b>
<b>DEBT SERVICE COVERAGE RATIO</b>		1.66	1.52	1.92		

*Note: Numbers may not add due to rounding.*

(1) The negative transfer in this line is due to a posting error that will be corrected in May 2016.

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

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
<b>BEGINNING BALANCE</b>	561,984	561,984	561,984	534,298	(27,686)	-4.9%
<b>REVENUE</b>						
Other Revenue	0	0	0	0	0	0.0%
Reclaimed Water Services	1,770,107	1,770,107	913,630	596,776	(316,854)	-34.7%
Interest	1,374	1,374	798	3,813	3,015	377.9%
<b>Total Revenue</b>	<b>1,771,481</b>	<b>1,771,481</b>	<b>914,428</b>	<b>600,589</b>	<b>(313,839)</b>	<b>-34.3%</b>
<b>TRANSFERS IN</b>						
Austin Water Utility	3,400,000	3,400,000	1,983,338	1,983,350	12	0.0%
<b>Total Transfers In</b>	<b>3,400,000</b>	<b>3,400,000</b>	<b>1,983,338</b>	<b>1,983,350</b>	<b>12</b>	<b>0.0%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>5,171,481</b>	<b>5,171,481</b>	<b>2,897,766</b>	<b>2,583,939</b>	<b>(313,827)</b>	<b>-10.8%</b>
<b>PROGRAM REQUIREMENTS</b>						
Reclaimed Water Services	388,355	388,355	220,281	220,281	0	0.0%
Other Utility Program Requirements	21,567	21,567	12,712	10,409	2,303	18.1%
<b>Total Program Requirements</b>	<b>409,922</b>	<b>409,922</b>	<b>232,993</b>	<b>230,690</b>	<b>2,303</b>	<b>1.0%</b>
<b>OTHER REQUIREMENTS</b>						
Accrued Payroll	2,729	2,729	1,592	0	1,592	100.0%
Market Study Adjustment	1,584	1,584	924	0	924	100.0%
<b>Total Other Requirements</b>	<b>4,313</b>	<b>4,313</b>	<b>2,516</b>	<b>0</b>	<b>2,516</b>	<b>100.0%</b>
<b>DEBT SERVICE REQUIREMENTS</b>						
Trf to Util D/S Separate Lien	2,757,871	2,757,871	1,111,585	1,107,712	3,873	0.3%
Commercial paper interest	4,224	4,224	2,464	1,623	841	34.1%
<b>Total Debt Service Requirements</b>	<b>2,762,095</b>	<b>2,762,095</b>	<b>1,114,049</b>	<b>1,109,335</b>	<b>4,714</b>	<b>0.4%</b>
<b>TRANSFERS OUT</b>						
Trf to Reclaimed Water CIP Fnd	2,000,000	2,000,000	1,033,000	1,033,000	0	0.0%
Trf to General Fund	75,184	75,184	43,859	43,859	0	0.0%
Trf to Economic Development	4,204	4,204	4,204	4,204	0	0.0%
<b>Total Transfers Out</b>	<b>2,079,388</b>	<b>2,079,388</b>	<b>1,081,063</b>	<b>1,081,063</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>5,255,718</b>	<b>5,255,718</b>	<b>2,430,621</b>	<b>2,421,088</b>	<b>9,533</b>	<b>0.4%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	<b>(84,237)</b>	<b>(84,237)</b>	<b>467,145</b>	<b>162,851</b>	<b>(323,360)</b>	<b>-69.2%</b>
<b>ENDING BALANCE</b>	<b>477,747</b>	<b>477,747</b>	<b>1,029,129</b>	<b>697,149</b>	<b>(351,046)</b>	<b>-34.1%</b>
<b>DEBT SERVICE COVERAGE RATIO</b>		0.64	0.82	0.54		

Note: Numbers may not add due to rounding.

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

	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
<b>BEGINNING BALANCE</b>	47,094,966	47,094,966	47,094,966	50,516,192	3,421,226	7.3%
<b>REVENUE</b>						
Wastewater Revenue	255,115,283	255,115,283	143,063,175	145,616,140	2,552,965	1.8%
Other Revenue	2,955,288	2,955,288	1,723,918	1,584,529	(139,389)	-8.1%
Public Health Licenses, Permits, Inspections	600,500	600,500	350,290	293,748	(56,775)	-16.2%
Interest	104,100	104,100	60,725	290,558	229,833	378.5%
Miscellaneous Franchise Fees	71,400	71,400	41,650	0	(41,650)	-100.0%
Building Rental/Lease	60,400	60,400	35,235	30,168	(5,067)	-14.4%
Property Sales	28,300	28,300	16,510	0	(16,510)	-100.0%
Scrap Sales	21,500	21,500	12,540	8,882	(3,658)	-29.2%
Development Fees	0	0	0	2,016	2,016	100.0%
<b>Total Revenue</b>	<b>258,956,771</b>	<b>258,956,771</b>	<b>145,304,043</b>	<b>147,826,040</b>	<b>2,521,765</b>	<b>1.7%</b>
<b>TRANSFERS IN</b>						
CIP	3,200,000	3,200,000	0	0	0	/0
Support Services/Infrastructure Funds	150,291	150,291	87,668	103,291	15,623	17.8%
Austin Resource Recovery Fund	130,431	130,431	76,083	0	(76,083)	-100.0%
<b>Total Transfers In</b>	<b>3,480,722</b>	<b>3,480,722</b>	<b>163,751</b>	<b>103,291</b>	<b>(60,460)</b>	<b>-36.9%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>262,437,493</b>	<b>262,437,493</b>	<b>145,467,794</b>	<b>147,929,331</b>	<b>2,461,305</b>	<b>1.7%</b>
<b>PROGRAM REQUIREMENTS</b>						
Treatment	39,589,306	39,589,306	21,809,207	21,275,493	533,714	2.4%
Pipeline Operations	17,408,303	17,408,303	10,145,119	9,609,803	535,316	5.3%
Support Services	11,217,448	11,217,448	6,577,847	6,844,349	(266,502)	-4.1%
Engineering Services	5,421,086	5,421,086	3,710,445	3,611,251	99,194	2.7%
Other Utility Program Requirements	4,587,444	4,587,444	3,170,713	3,224,802	(54,089)	-1.7%
Water Resources Management	4,339,811	4,339,811	2,591,424	2,373,149	218,275	8.4%
Environmental Affairs & Conservation	2,881,414	2,881,414	1,659,317	1,642,052	17,265	1.0%
One Stop Shop	410,148	410,148	237,830	206,375	31,455	13.2%
<b>Total Program Requirements</b>	<b>85,854,960</b>	<b>85,854,960</b>	<b>49,901,902</b>	<b>48,787,274</b>	<b>1,114,628</b>	<b>2.2%</b>
<b>OTHER REQUIREMENTS</b>						
Utility Billing System Support	4,850,890	4,850,890	2,881,135	2,829,686	51,449	1.8%
Accrued Payroll	365,456	365,456	213,183	0	213,183	100.0%
Interdepartmental Charges	83,121	83,121	48,487	48,471	16	0.0%
Market Study Adjustment	51,284	51,284	29,916	0	29,916	100.0%
Services-PID contract expense	37,500	37,500	37,500	37,500	0	0.0%
<b>Total Other Requirements</b>	<b>5,388,251</b>	<b>5,388,251</b>	<b>3,210,221</b>	<b>2,915,657</b>	<b>(294,564)</b>	<b>-9.2%</b>
<b>DEBT SERVICE REQUIREMENTS</b>						
Trf to Util D/S Separate Lien	83,754,519	83,754,519	39,007,930	39,273,495	(265,565)	-0.7%
Tfr to Utility D/S Sub Lien	5,191,709	5,191,709	4,504,709	4,504,191	518	0.0%
Trf to GO Debt Service	2,086,557	2,086,557	1,564,958	1,561,722	3,236	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	39,093	8,082	31,011	79.3%
Tfr to Util D/S Tax/Rev Bonds	457,984	457,984	231,714	231,714	0	0.0%
<b>Total Debt Service Requirements</b>	<b>93,650,448</b>	<b>93,650,448</b>	<b>45,872,066</b>	<b>46,102,433</b>	<b>(230,367)</b>	<b>-0.5%</b>

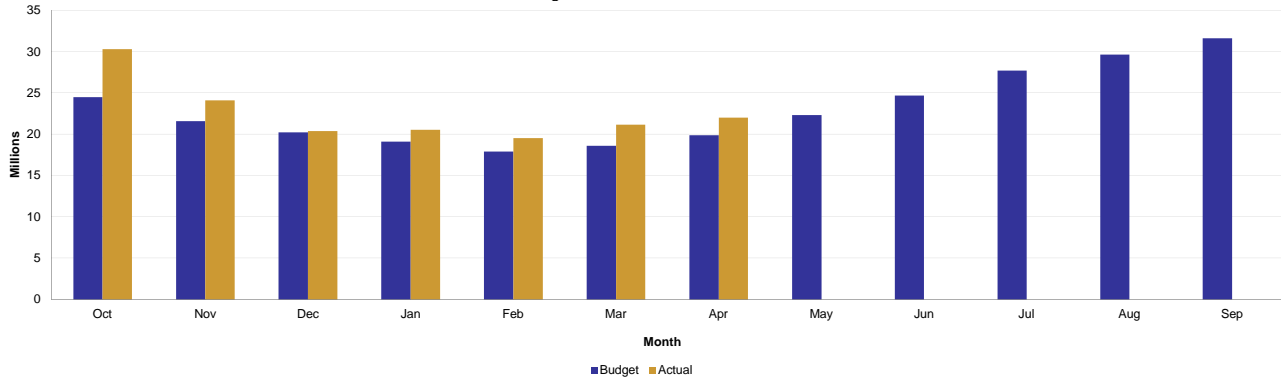
	2015-16 Approved	2015-16 Amended	Budget Allotment	Actual	Variance	% Variance
<b>TRANSFERS OUT</b>						
Trf to Wastewater CIP Fund	23,250,000	23,250,000	13,037,000	13,037,000	0	0.0%
Trf to General Fund	19,560,937	19,560,937	11,410,437	11,410,437	0	0.0%
Trf to Support Services Fund	5,015,407	5,015,407	2,925,657	2,925,657	0	0.0%
CTM Support	1,935,636	1,935,636	1,129,136	1,129,136	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	991,675	991,675	0	0.0%
Trf to Economic Development	919,749	919,749	536,524	536,524	0	0.0%
Workers' Compensation	643,104	643,104	375,154	375,154	0	0.0%
Liability Reserve	200,000	200,000	116,675	116,675	0	0.0%
Trf to CTECC Fund	4,963	4,963	4,963	4,963	0	0.0%
<b>Total Transfers Out</b>	<b>53,229,796</b>	<b>53,229,796</b>	<b>30,527,221</b>	<b>30,527,221</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>238,123,455</b>	<b>238,123,455</b>	<b>129,511,410</b>	<b>128,332,585</b>	<b>589,697</b>	<b>0.5%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	<b>24,314,038</b>	<b>24,314,038</b>	<b>15,956,384</b>	<b>19,596,746</b>	<b>1,871,608</b>	<b>1.2%</b>
<b>ENDING BALANCE</b>	<b>71,409,004</b>	<b>71,409,004</b>	<b>63,051,350</b>	<b>70,112,938</b>	<b>5,292,834</b>	<b>8.5%</b>
<b>DEBT SERVICE COVERAGE RATIO</b>		1.76	1.99	2.07		

*Note: Numbers may not add due to rounding.*

## **REVENUES**

### Water Services Revenues by Month

Budget vs. Actual FY 2015 -2016

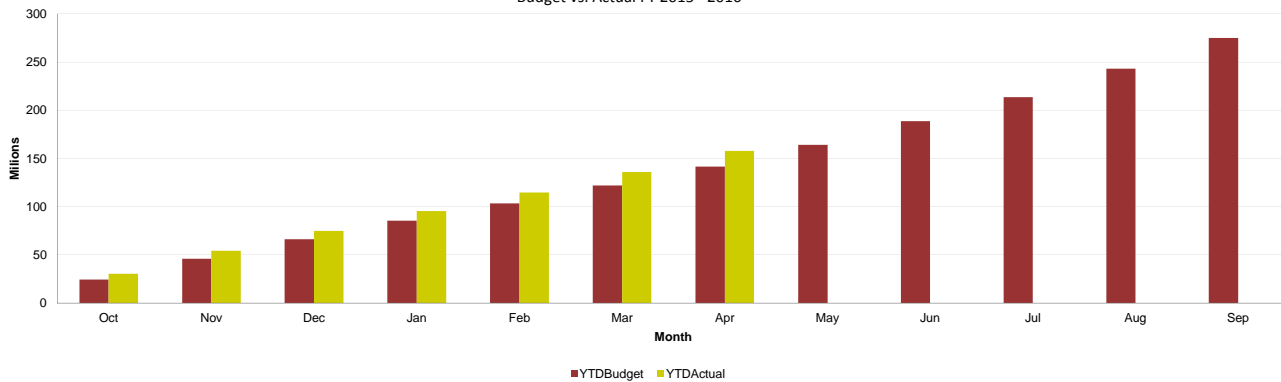


### FY 2015 - 2016 Water Service Revenues by Month With Variances (Millions)

	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	19.53	21.15	22.00					
Variance \$	5.83	2.53	0.13	1.45	1.62	2.56	2.13					
Variance %	23.8%	11.7%	0.6%	7.6%	9.1%	13.8%	10.7%					

### Water Services Revenues by Year-to-Date

Budget vs. Actual FY 2015 - 2016

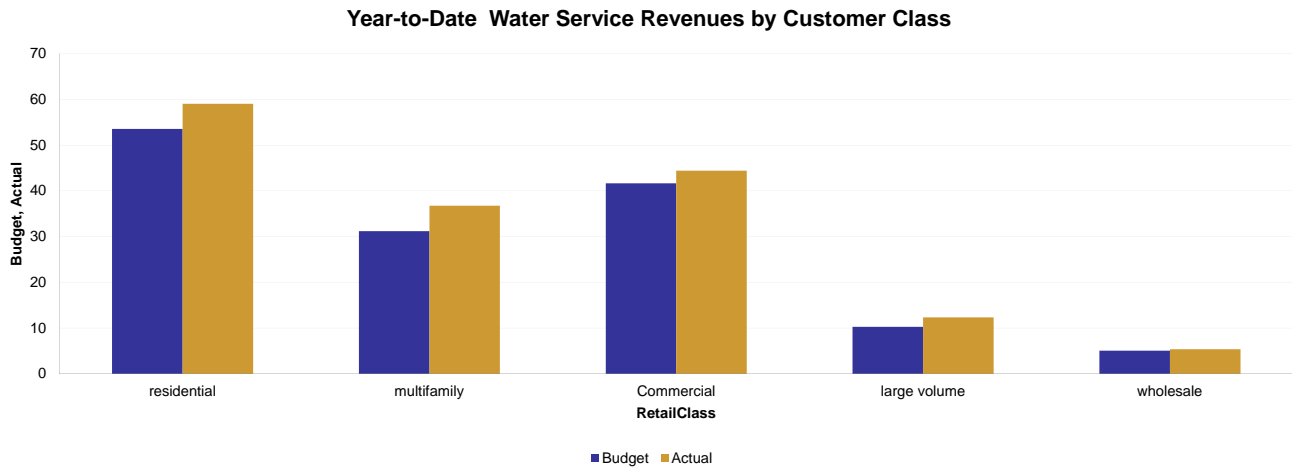


### FY 2015 - 2016 Water Service Revenues by Year-to-Date With Variances (Millions)

	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	114.84	135.99	157.99					
Variance \$	5.83	8.36	8.48	9.93	11.55	14.12	16.25					
Variance %	23.8%	18.2%	12.8%	11.6%	11.2%	11.6%	11.5%					

Water service revenues for April 2016 totaled \$22.00 million. This is \$2.13 million, or 10.7%, more than the budget allotment for the month. For the fiscal year, water service revenues totaled \$157.99 million, which is \$16.25 million, or 11.5%, more than the budget allotment.

Billed water consumption for April 2016 totaled 3.10 billion gallons (BG). This was 0.25 BG, or 8.8%, more than projected for the month. For the fiscal year, billed water consumption totaled 21.90 BG. This was 1.51 BG, or 7.4%, more than projected.



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

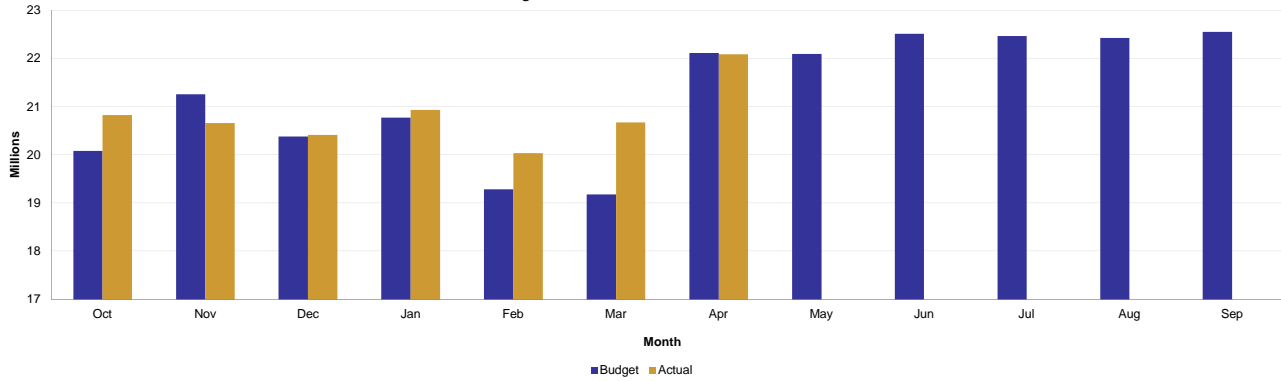
	residential	multifamily	Commercial	large volume	wholesale	Total
<b>Budget</b>	53.56	31.19	41.67	10.29	5.04	141.74
<b>Actual</b>	59.07	36.77	44.45	12.35	5.36	157.99
<b>Variance \$</b>	5.51	5.58	2.78	2.06	0.32	16.25
<b>Variance %</b>	10.3%	17.9%	6.7%	20.0%	6.3%	11.5%

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 April, before any accounts receivable adjustments.

All five customer classes are above projections. Overall, water revenues are 11.5% higher than projected.

### WasteWater Services Revenues by Month

Budget vs. Actual FY 2015 - 2016

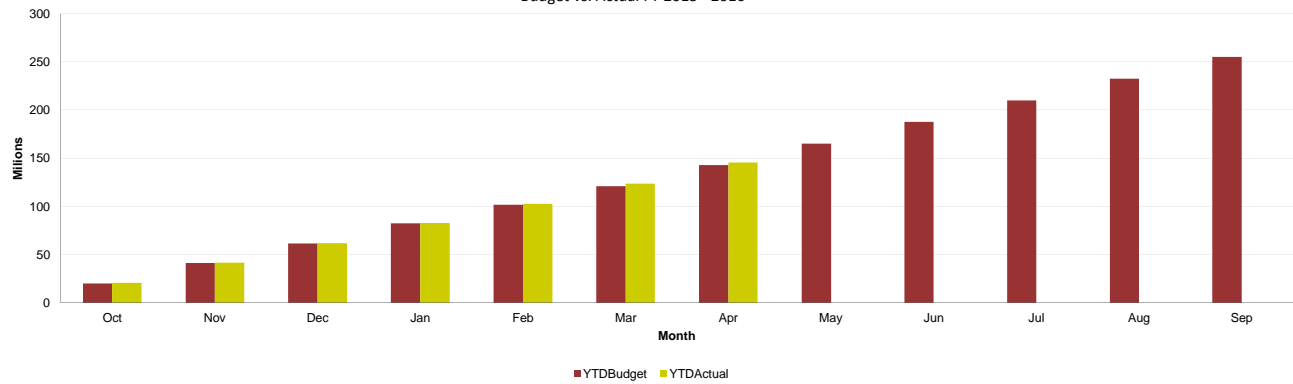


#### FY 2015 - 2016 Wastewater Service Revenues by Month With Variances (Millions)

	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	20.04	20.67	22.09					
Variance \$	0.74	(0.60)	0.04	0.16	0.75	1.49	(0.03)					
Variance %	3.7%	-2.8%	0.2%	0.8%	3.9%	7.8%	-0.1%					

### 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)

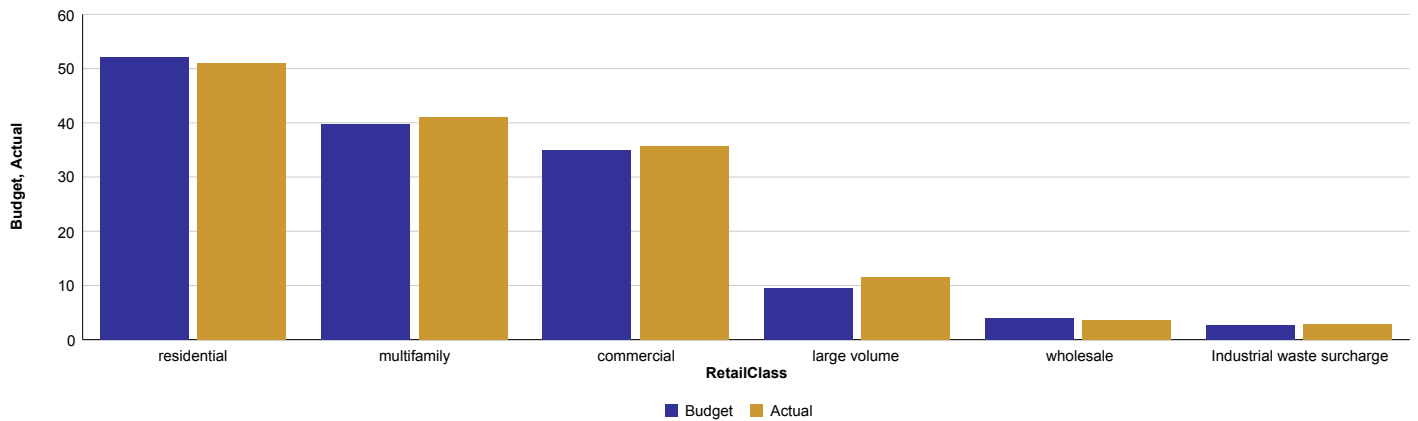
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	20.08	41.34	61.72	82.49	101.77	120.95	143.06	165.16	187.67	210.14	232.56	255.12
YTD Actual	20.83	41.49	61.90	82.83	102.87	123.53	145.62					
Variance \$	0.74	0.15	0.18	0.34	1.09	2.58	2.55					
Variance %	3.7%	0.4%	0.3%	0.4%	1.1%	2.1%	1.8%					

Wastewater service revenues for April 2016 totaled \$22.09 million. This is \$0.03 million or 0.1% less than the budget allotment for the month. For the fiscal year, wastewater service revenues totaled \$145.62 million. This is \$2.55 million, or 1.8%, 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



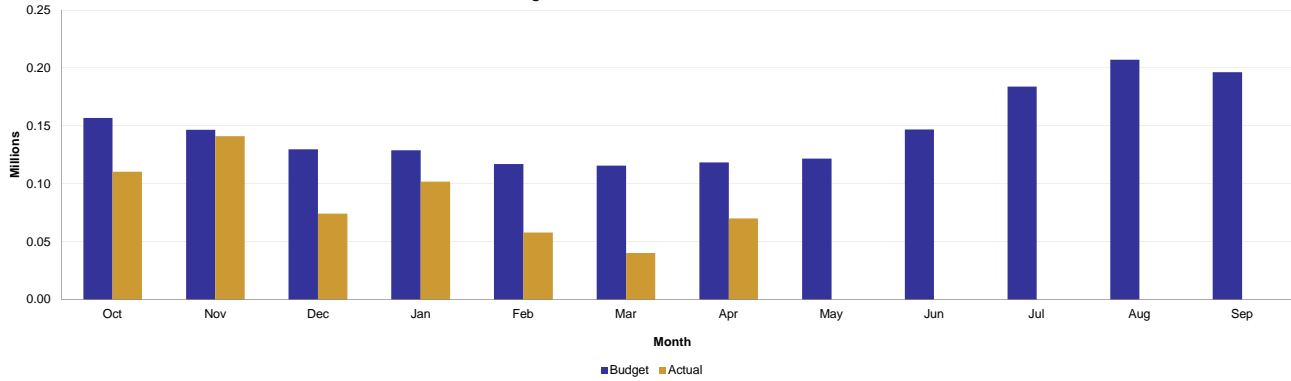
FY 2015 - 2016 Year-to-Date WasteWater Service Revenues by Customer Class With Variances (Millions)

	residential	multifamily	commercial	large volume	wholesale	Industrial waste surcharge	Total
Budget	52.17	39.75	34.88	9.59	4.00	2.68	143.06
Actual	51.04	40.98	35.69	11.49	3.60	2.82	145.62
Variance \$	(1.14)	1.23	0.80	1.90	(0.40)	0.15	2.55
Variance %	-2.2%	3.1%	2.3%	19.9%	-9.9%	5.4%	1.8%

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 classes are below projections by 2.2% and 9.9%, respectively. These negative variances are more than offset by the positive variances in the other classes, with Large Volume revenues' positive variance the greatest at 19.9%. Overall, wastewater revenues are 1.8% above projections.

### Reclaimed Services Revenues by Month

Budget vs. Actual FY 2015 - 2016

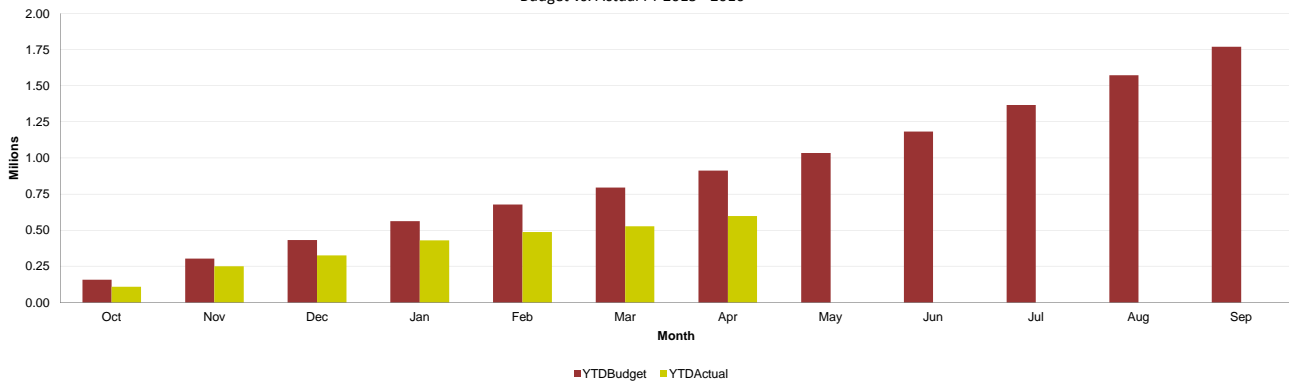


### FY 2015 - 2016 Reclaimed Service Revenues by Month With Variances (Millions)

	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	0.06	0.04	0.07					
Variance \$	(0.05)	(0.01)	(0.06)	(0.03)	(0.06)	(0.07)	(0.05)					
Variance %	-29.6%	-3.9%	-42.9%	-20.9%	-50.6%	-62.6%	-42.4%					

### Reclaimed Services Revenues by Year-to-Date

Budget vs. Actual FY 2015 - 2016



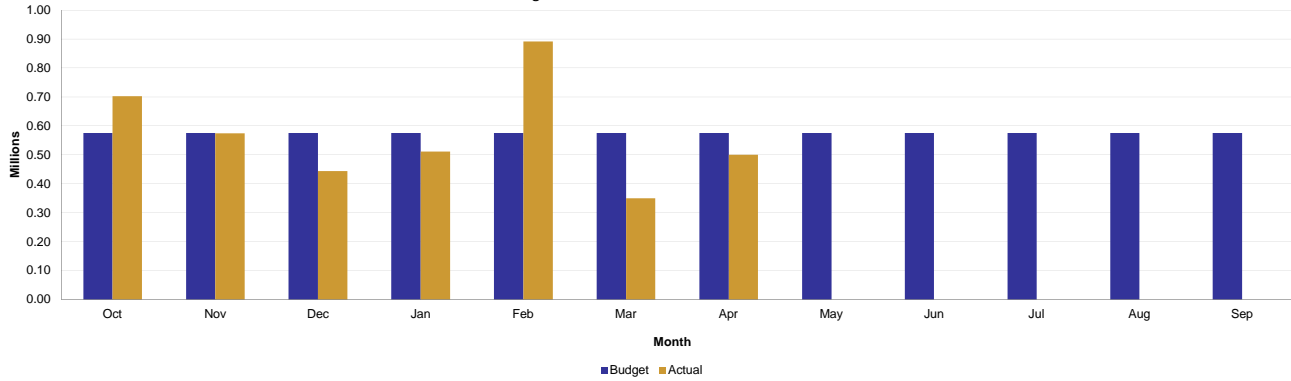
### FY 2015 - 2016 Reclaimed Service Revenues by Year-to-Date With Variances (Millions)

	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	0.49	0.53	0.60					
Variance \$	(0.05)	(0.05)	(0.10)	(0.13)	(0.19)	(0.27)	(0.32)					
Variance %	-29.6%	-17.2%	-24.9%	-24.0%	-28.3%	-33.5%	-34.7%					

Reclaimed Water service revenues for April 2016 totaled \$0.07 million. This is \$0.05 million or 42.4% less than the budget allotment for the month. For the fiscal year, reclaimed water service revenues totaled \$0.60 million. This is \$0.32 million or 34.7% less than the budget allotment.

### Miscellaneous Revenues by Month

Budget vs. Actual FY 2015 - 2016

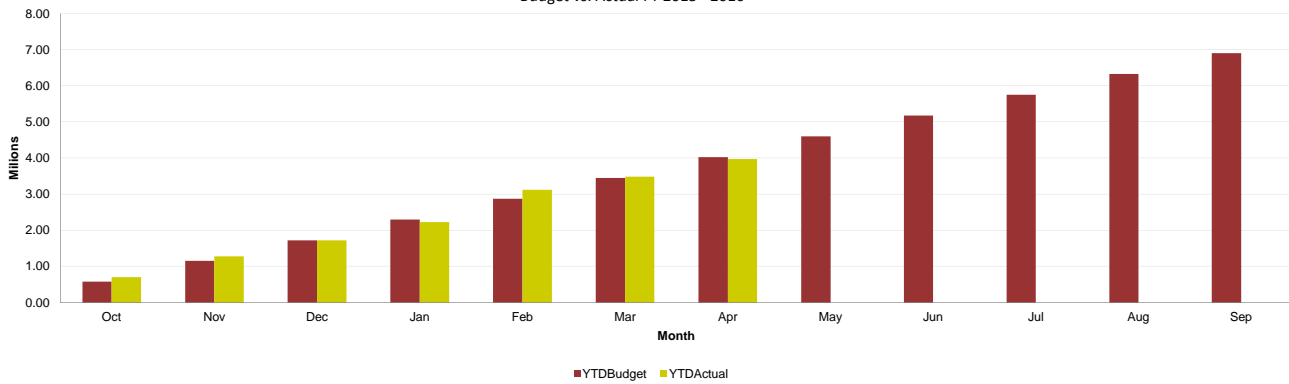


### FY 2015 - 2016 Miscellaneous Revenues by Month With Variances (Millions)

	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	0.89	0.35	0.50					
Variance \$	0.13	(0.00)	(0.13)	(0.06)	0.32	(0.22)	(0.08)					
Variance %	22.2%	-0.1%	-22.8%	-11.1%	55.0%	-38.4%	-13.7%					

### Miscellaneous Revenues by Year-to-Date

Budget vs. Actual FY 2015 - 2016

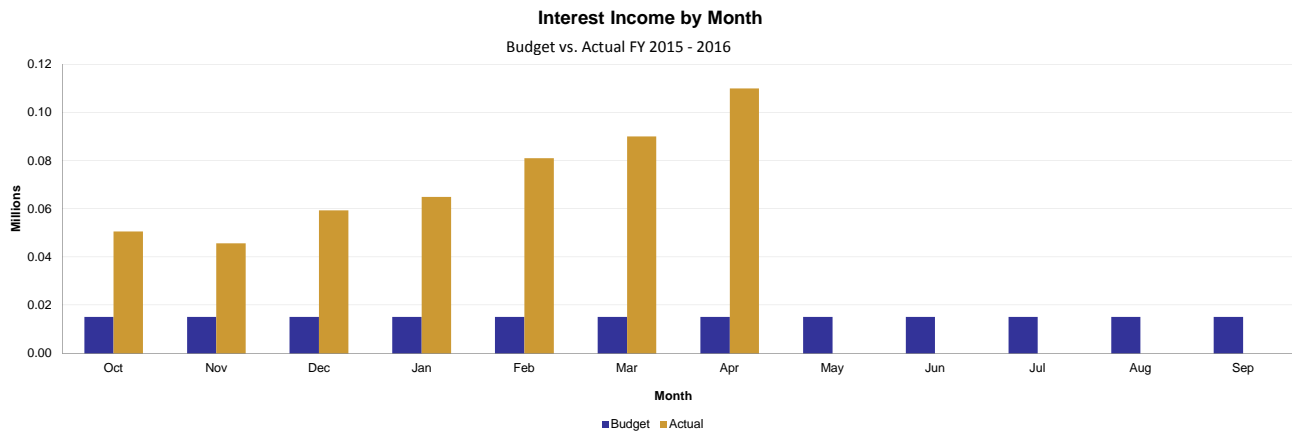


### FY 2015 - 2016 Miscellaneous Revenues by Year-to-Date With Variances (Millions)

	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	3.12	3.48	3.97					
Variance \$	0.13	0.13	(0.01)	(0.07)	0.24	0.03	(0.06)					
Variance %	22.2%	11.0%	-0.3%	-3.0%	8.2%	0.8%	-1.3%					

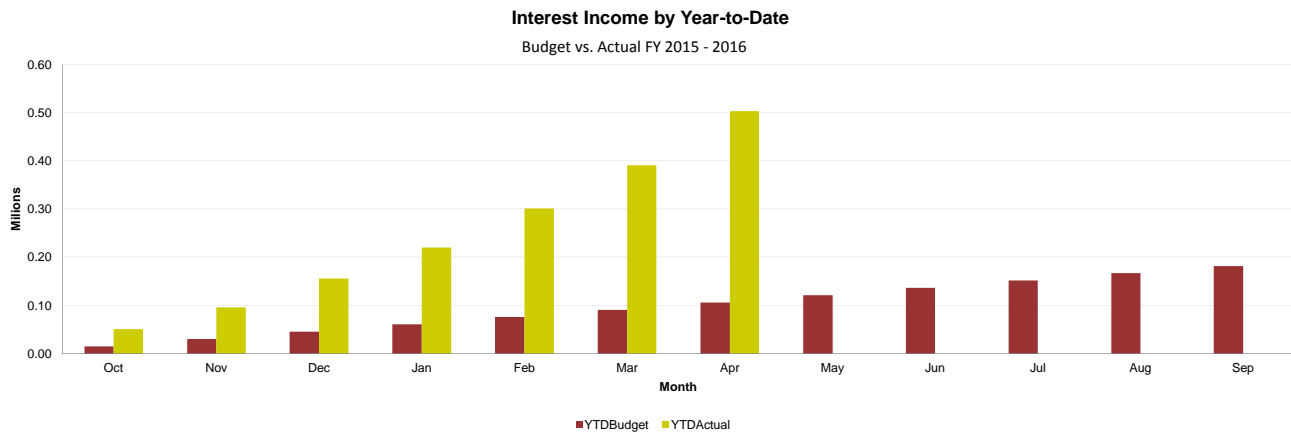
Miscellaneous revenues include revenue from sources other than water and wastewater services, such as late fees, fines and special billings. Miscellaneous revenues for April 2016 totaled \$0.50 million. This is \$0.08 million, or 13.7%, less than the budget allotment for the month.

The combined miscellaneous revenues for the fiscal year totaled \$3.97 million. This is \$0.06 million, or 1.3%, less than the budget allotment.



**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	0.08	0.09	0.11					
Variance \$	0.04	0.03	0.04	0.05	0.07	0.08	0.09					
Variance %	234.0%	201.0%	292.1%	328.4%	434.5%	508.5%	621.7%					



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

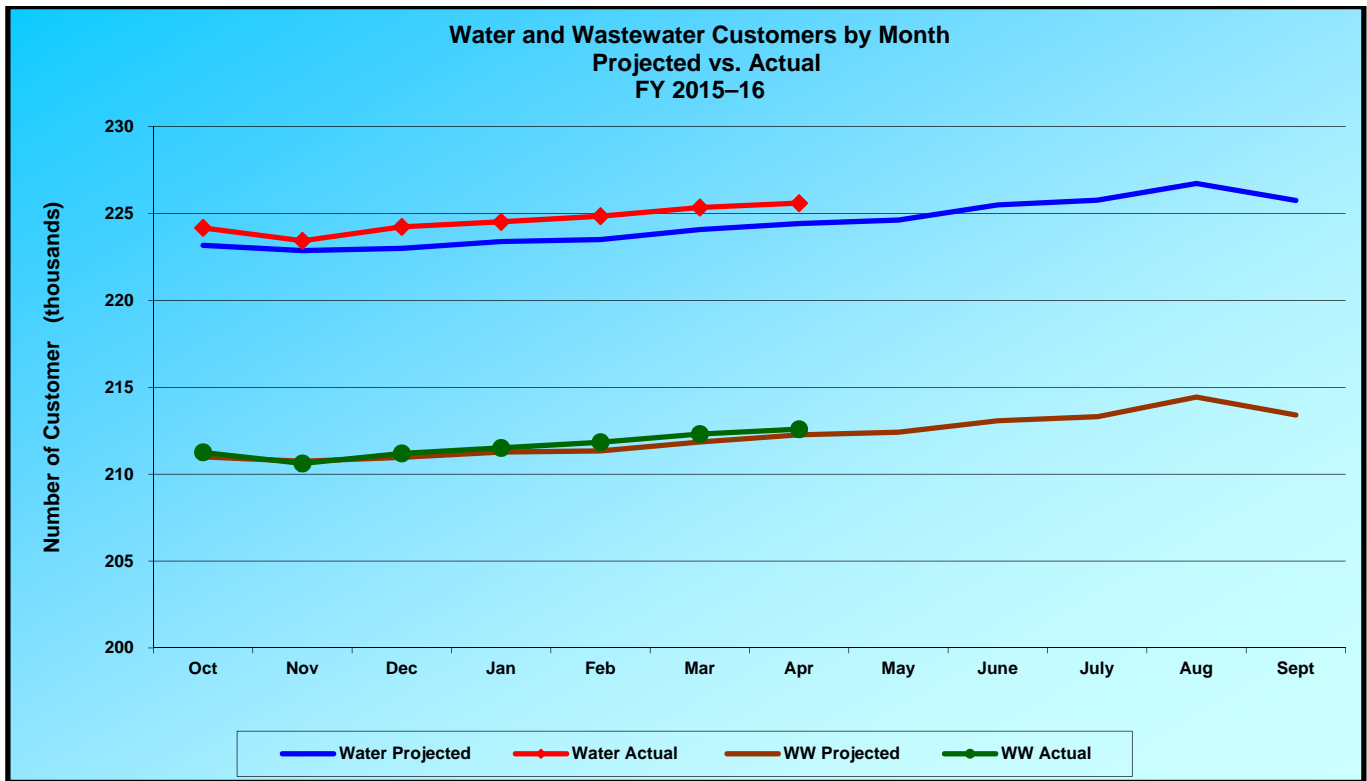
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	0.02	0.03	0.05	0.06	0.08	0.09	0.11	0.12	0.14	0.15	0.17	0.18
YTD Actual	0.05	0.10	0.16	0.22	0.30	0.39	0.50					
Variance \$	0.04	0.07	0.11	0.16	0.22	0.30	0.40					
Variance %	234.0%	217.5%	242.4%	263.9%	284.0%	330.1%	374.3%					

Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income for April 2016 totaled \$109,366. This is \$0.09 million more than the budget allotment for the month.

Interest income for the fiscal year totaled \$503,169. This total is significantly more than the budget allotment because of 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

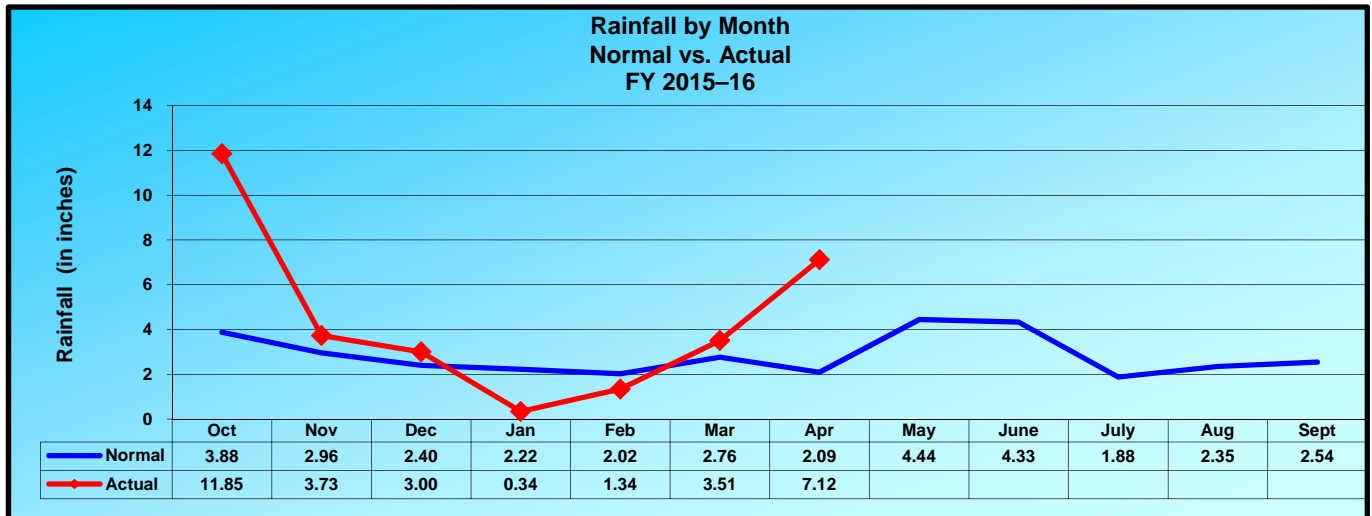
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
<b>Water</b>												
<b>Projected</b>	223,166	222,857	222,987	223,383	223,495	224,079	224,419	224,622	225,490	225,757	226,723	225,747
<b>Actual</b>	224,171	223,430	224,231	224,513	224,841	225,345	225,594					
<b>Variance</b>	1,005	573	1,244	1,130	1,346	1,266	1,175					
<b>Monthly Change</b>	7,137	(741)	801	282	328	504	249					
<b>Wastewater</b>												
<b>Projected</b>	210,997	210,741	210,969	211,269	211,333	211,849	212,262	212,416	213,072	213,308	214,441	213,411
<b>Actual</b>	211,253	210,615	211,194	211,507	211,835	212,310	212,583					
<b>Variance</b>	256	(126)	225	238	502	461	321					
<b>Monthly Change</b>	6771	(638)	579	313	328	475	273					

The actual number of water customers as of April 30, 2016, was 225,594. This was 249 more customers than last month, and 1,175 more customers than projected for this date. There were 223,162 water customers as of September 30, 2015.

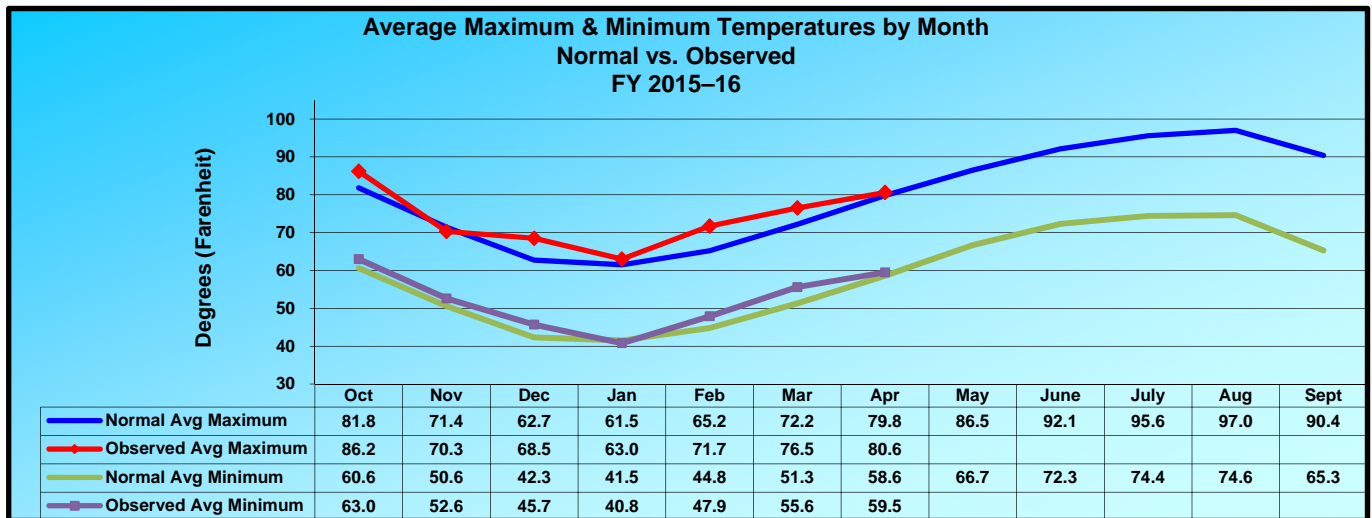
The actual number of wastewater customers as of April 30, 2016, was 212,583. This was 273 more customers than last month, and 321 more customers than projected for this date. There were 212,260 wastewater customers as of September 30, 2015.

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



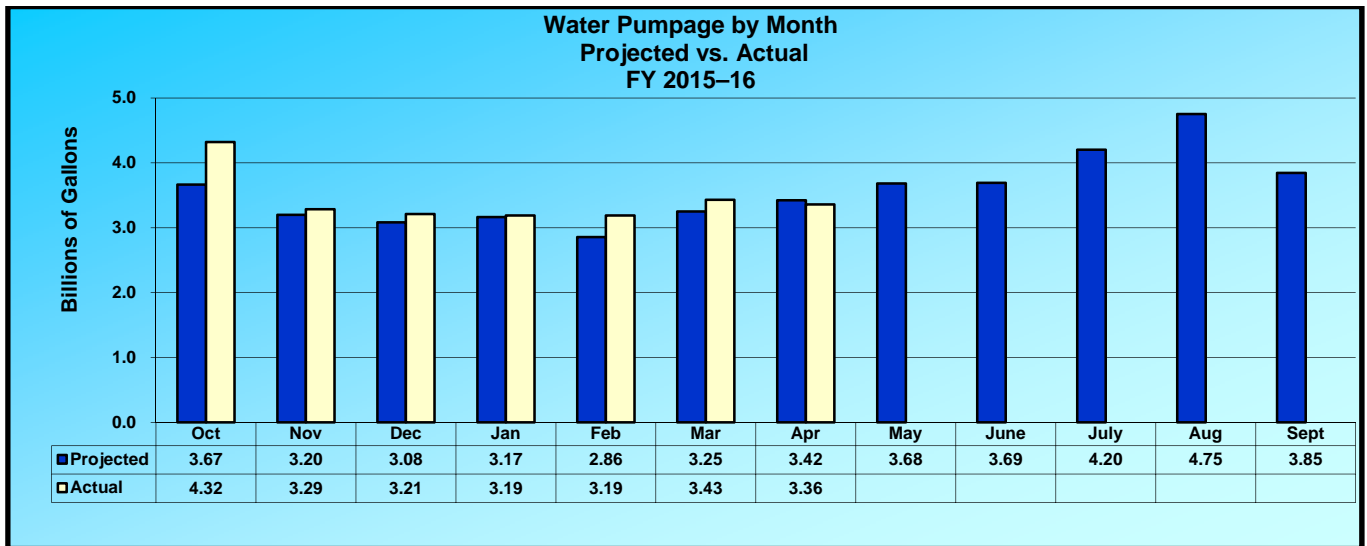
Monthly normal rainfall is based on a 30-year history as reported by the National Weather Service for Austin-Camp Mabry. Last fiscal year the total rainfall was 51.83 inches, 53% more than the normal amount of 33.88 inches. In April, there was 7.12 inches of rain, 5.03 inches above normal for the month. For the fiscal year to date, rainfall has totaled 30.89 inches, 68.5% more than the normal amount of 18.33 inches. This overage largely results from the Halloween 2015 flooding in Central Texas and from the heavy rains in April. 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.



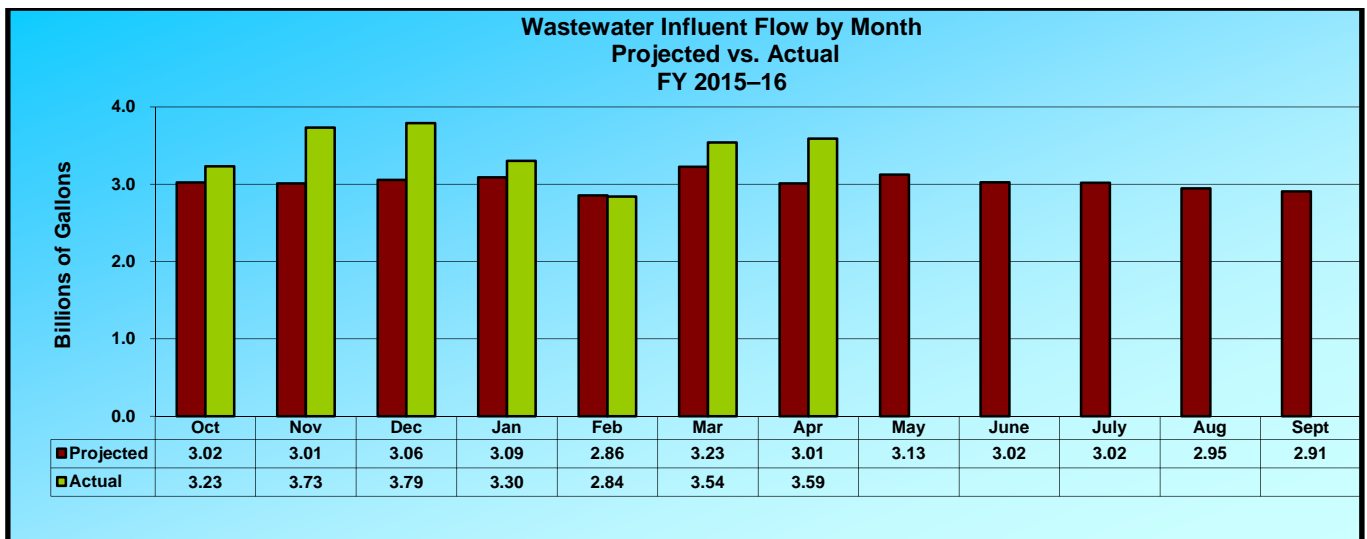
Monthly average maximum and minimum temperatures are reported by the National Weather Service for Austin-Camp Mabry. On average, last fiscal year's temperatures were consistent with historical norms. This fiscal year temperatures are warmer than historic norms, on average.

The combined storage capacity in the Highland Lakes' two water storage reservoirs, Travis and Buchanan, is at 100% as of April 2016.

## Water Pumpage and Wastewater Influent Flow by Month

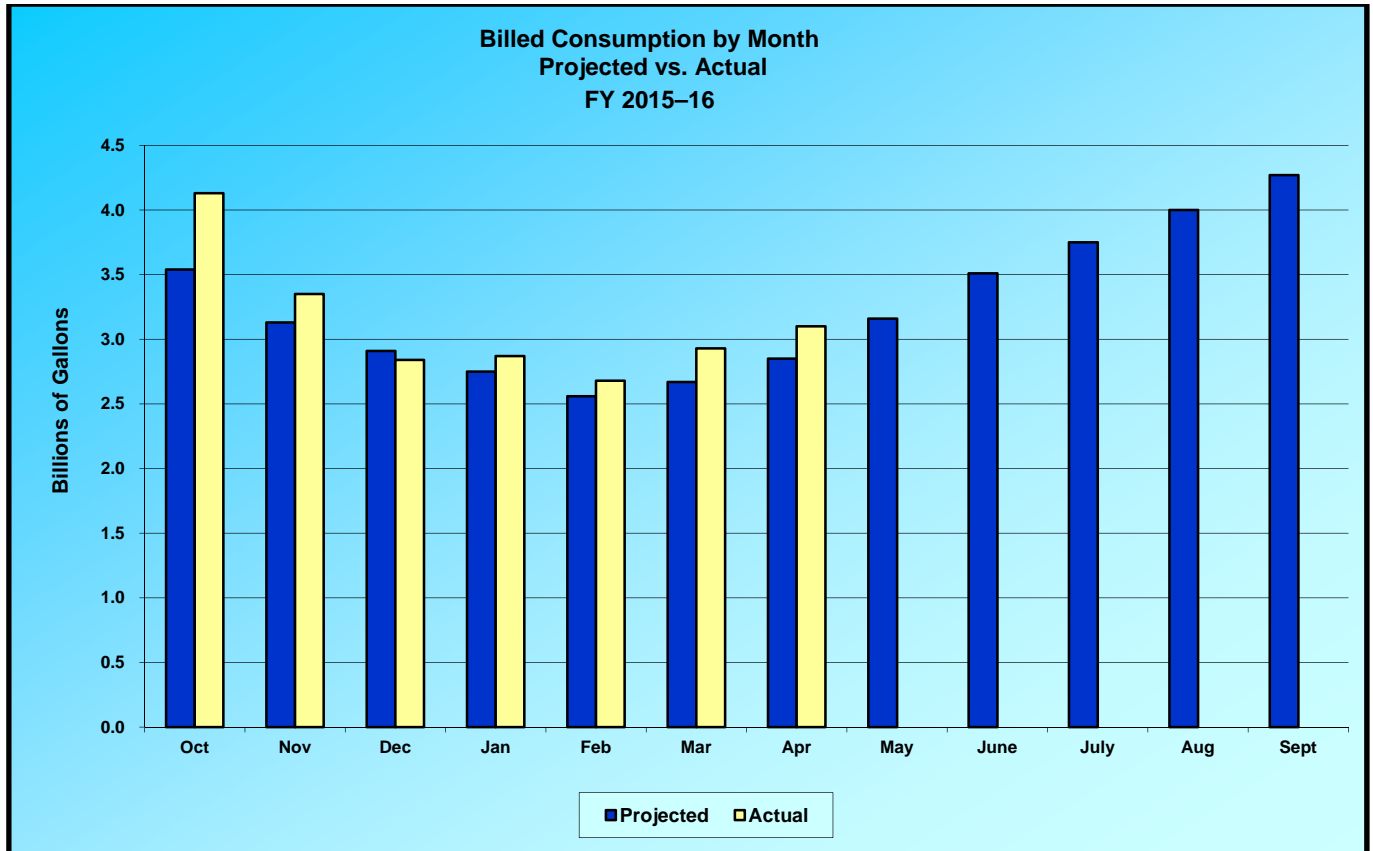


Pumpage during April 2016 averaged 111.89 MGD for a total of 3.36 BG for the month. This compares to a daily average of 112.60 MGD for this fiscal year through April, and a daily average of 107.34 MGD for fiscal year 2014–15 through April.



Influent during April 2016 averaged 119.64 MGD for a total of 3.59 BG for the month. This compares to a daily average of 112.88 MGD for this fiscal year through April, and an average of 105.22 MGD for fiscal year 2014–15 through April.

## Billed Water Consumption

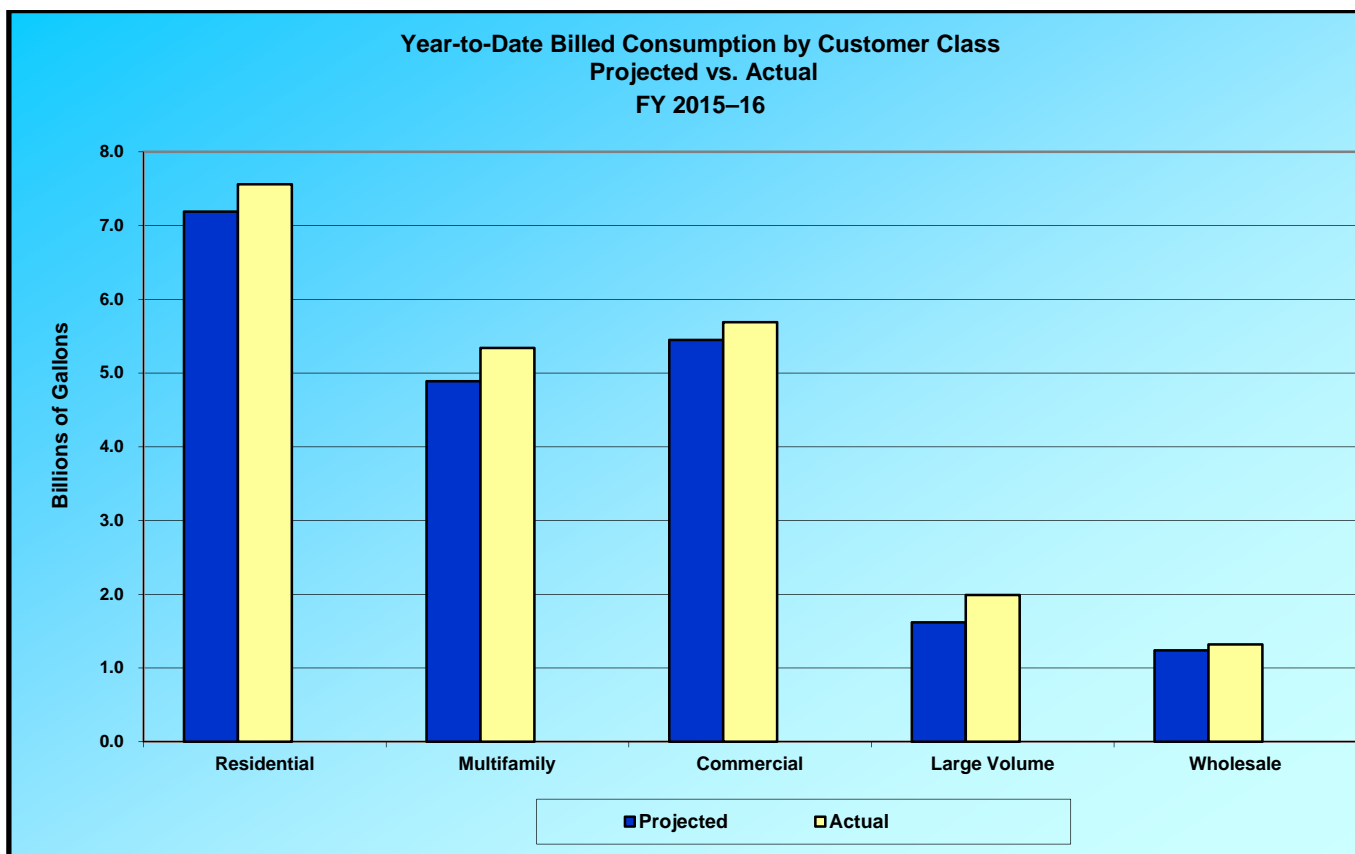


**FY 2015–16 Billed Consumption by Month and Year-to-Date (Billions of Gallons)**

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
<u>Month</u>												
<b>Projected</b>	3.54	3.13	2.91	2.75	2.56	2.67	2.85	3.16	3.51	3.75	4.00	4.27
<b>Actual</b>	4.13	3.35	2.84	2.87	2.68	2.93	3.10					
<b>Variance</b>	0.59	0.22	(0.07)	0.12	0.12	0.26	0.25					
<b>Variance %</b>	16.7%	7.0%	-2.4%	4.4%	4.7%	9.7%	8.8%					
<u>YTD</u>												
<b>Projected</b>	3.54	6.67	9.58	12.32	14.88	17.54	20.39	23.55	27.07	30.81	34.82	39.09
<b>Actual</b>	4.13	7.48	10.32	13.19	15.87	18.80	21.90					
<b>Variance</b>	0.59	0.81	0.74	0.87	0.99	1.26	1.51					
<b>Variance %</b>	16.7%	12.1%	7.7%	7.1%	6.7%	7.2%	7.4%					

Actual billed water consumption for April 2016 was 3.10 BG. This was 0.25 BG, or 8.8%, more than projected for the month. For the fiscal year, actual billed water consumption was 21.90 BG. This was 1.51 BG, or 7.4%, more than projected for the period.

## Billed Water Consumption (continued)

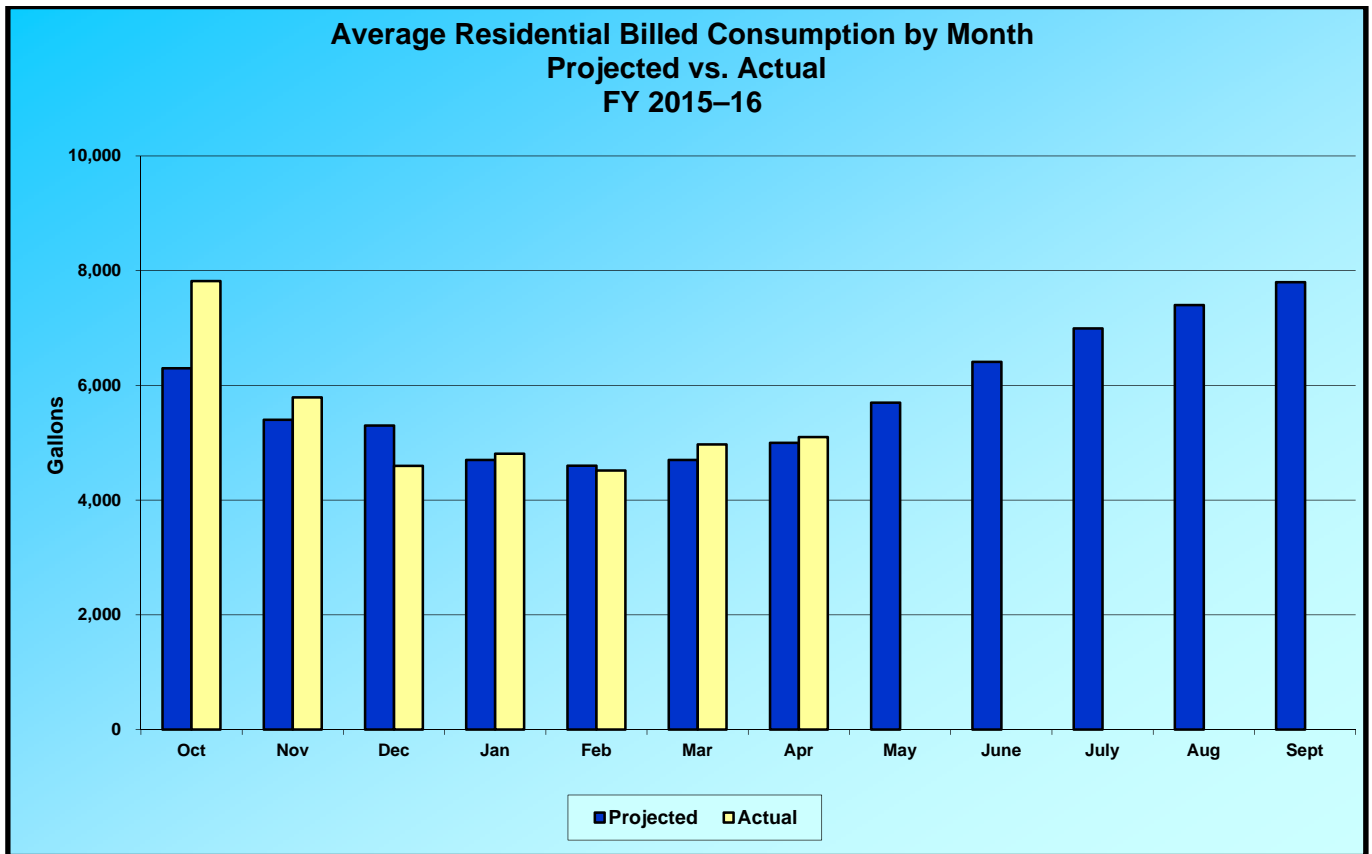


### FY 2015–16 Year-to-Date Billed Consumption by Customer Class With Variances (Billions of Gallons)

	Residential	Multifamily	Commercial	Large Volume	Wholesale
<b>YTD</b>					
Projected	7.19	4.89	5.45	1.62	1.24
Actual	7.56	5.34	5.69	1.99	1.32
Variance	0.37	0.45	0.24	0.37	0.08
Variance %	5.1%	9.2%	4.4%	22.8%	6.5%

For the fiscal year through April 2016, billed water consumption was 21.90 BG. This was 1.51 BG, or 7.4%, more than projected for all customer classes combined. All customer classes were above projections for the month, with Large Volume over by the highest percentage and Multifamily over by the highest amount.

## Billed Water Consumption (continued)

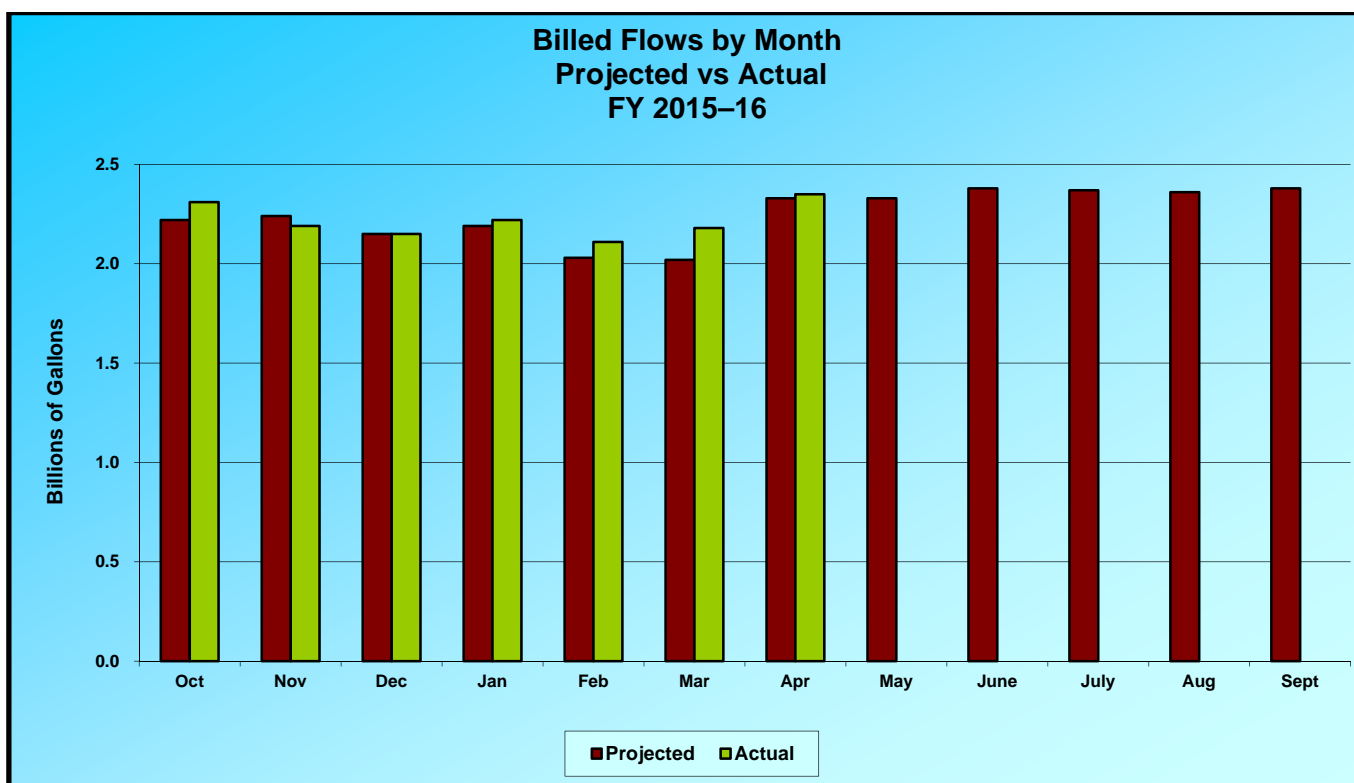


### FY 2015–16 Average Residential Billed Consumption by Month

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
<b>Projected</b>	6,300	5,400	5,300	4,700	4,600	4,700	5,000	5,700	6,410	6,995	7,400	7,800
<b>Actual</b>	7,819	5,792	4,597	4,808	4,515	4,970	5,100					
<b>Variance</b>	1,519	392	(703)	108	(85)	270	100					
<b>Variance %</b>	24.1%	7.3%	-13.3%	2.3%	-1.8%	5.7%	2.0%					

Average Residential billed consumption for April 2016 was 5,100 gallons. This was 100 gallons, or 2.0%, more than projected for the month.

## Billed Wastewater Flows



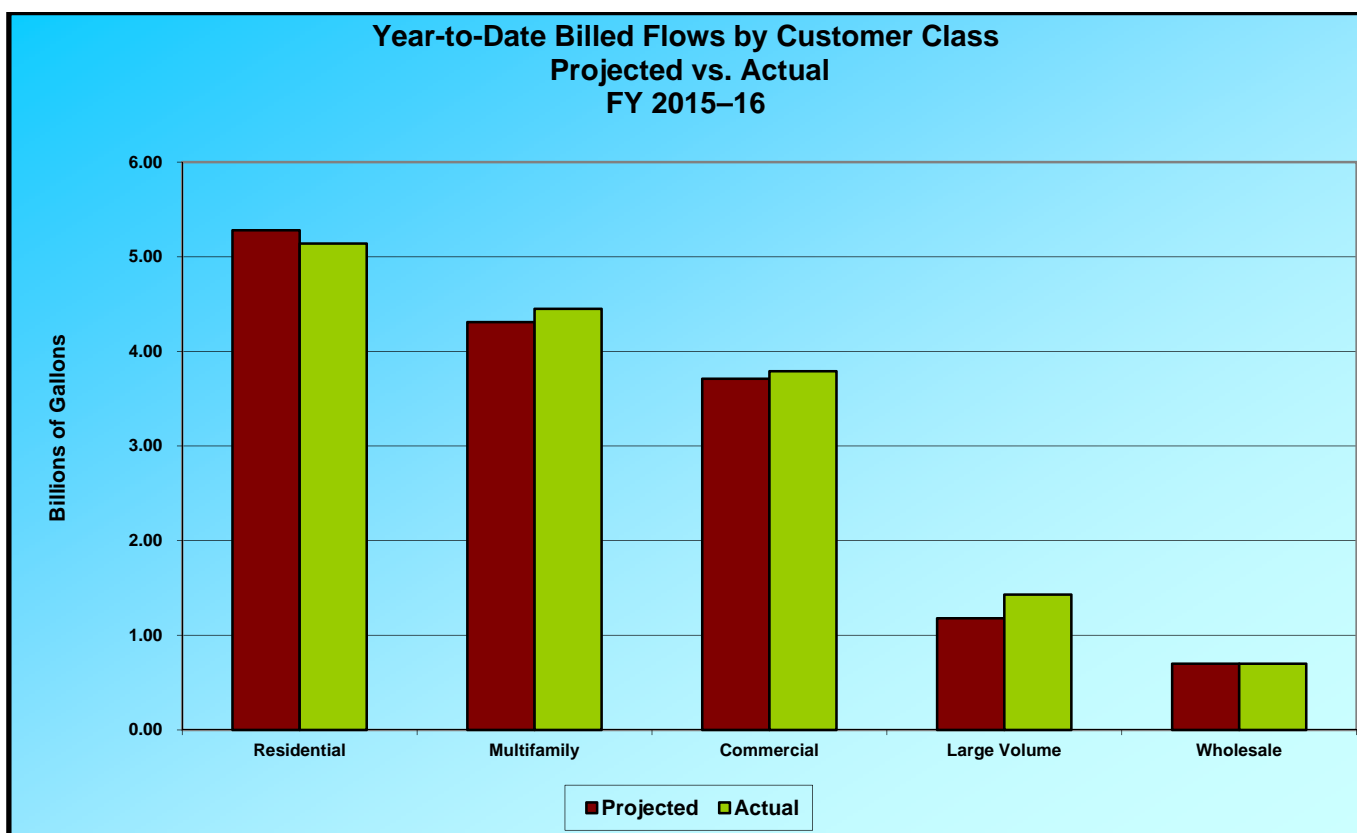
### FY 2015–16 Billed Flows by Month and Year-to-Date (Billions of Gallons)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
<b>Month</b>												
<b>Projected</b>	2.22	2.24	2.15	2.19	2.03	2.02	2.33	2.33	2.38	2.37	2.36	2.38
<b>Actual</b>	2.31	2.19	2.15	2.22	2.11	2.18	2.35					
<b>Variance</b>	0.09	(0.05)	0.0	0.03	0.08	0.16	0.02					
<b>Variance %</b>	4.1%	-2.2%	0.0%	1.4%	3.9%	7.9%	0.9%					
<b>YTD</b>												
<b>Projected</b>	2.22	4.46	6.61	8.80	10.83	12.85	15.18	17.51	19.88	22.25	24.61	26.99
<b>Actual</b>	2.31	4.50	6.65	8.87	10.98	13.16	15.51					
<b>Variance</b>	0.09	0.04	0.04	0.07	0.15	0.31	0.33					
<b>Variance %</b>	4.1%	0.9%	0.6%	0.8%	1.4%	2.4%	2.2%					

Actual billed flows for April 2016 were 2.35 BG. This was 0.02 BG, or 0.9% above the projection for the month. For the fiscal year, actual billed flows were 15.51 BG. This was 0.33 BG, or 2.2%, more than projected for the year through April.

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)

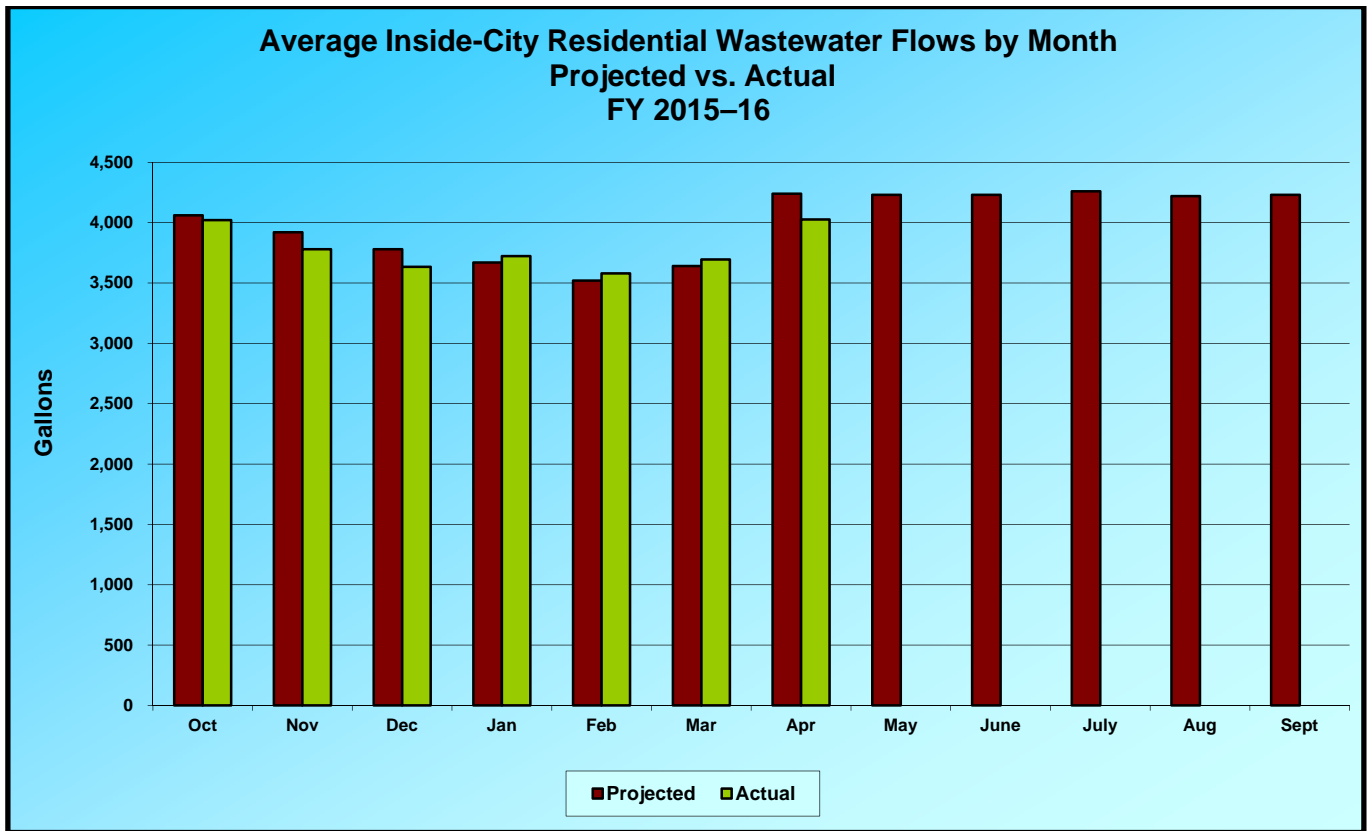


**FY 2015-16 Year-to-Date Billed Flows by Customer Class With Variances (Billions of Gallons)**

	Residential	Multifamily	Commercial	Large Volume	Wholesale
<u>YTD</u>					
Projected	5.28	4.31	3.71	1.18	0.70
Actual	5.14	4.45	3.79	1.43	0.70
Variance	(0.14)	0.14	0.08	0.25	0.00
Variance %	-2.7%	3.2%	2.2%	21.2%	0.0%

Overall, billed wastewater flows were 15.51 BG for the fiscal year through April 2016. This was 0.33 BG, or 2.2%, more than projected for all customer classes combined. As shown in the table above, billed wastewater flows were below projections only in the Residential class. However, the billed flows in other classes exceeded projected billed volume more than enough to offset the lower billed flows in Residential.

## Billed Wastewater Flows (continued)



**FY 2015–16 Average Inside City Residential Flows by Month**

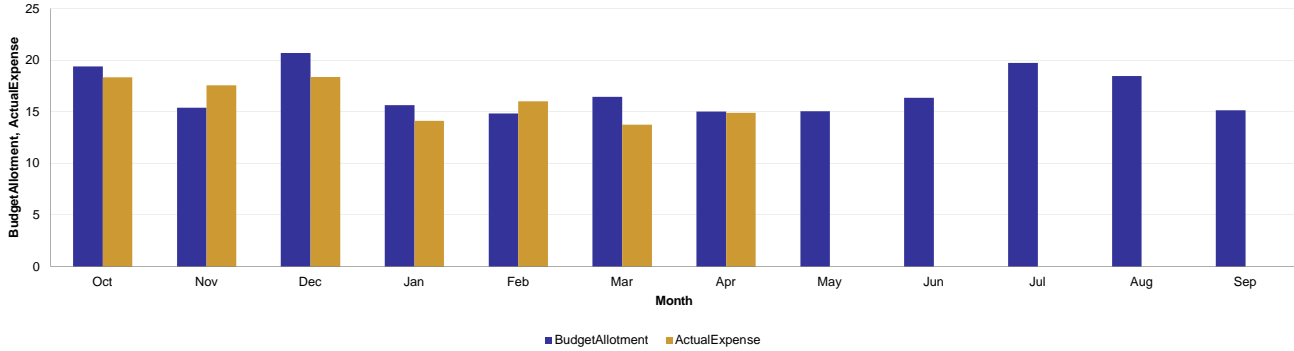
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
<b>Projected</b>	4,060	3,920	3,780	3,670	3,520	3,640	4,240	4,230	4,230	4,260	4,220	4,230
<b>Actual</b>	4,021	3,779	3,634	3,722	3,579	3,695	4,026					
<b>Variance</b>	(39)	(141)	(146)	52	59	55	(214)					
<b>Variance %</b>	-1.0%	-3.6%	-3.9%	1.4%	1.7%	1.5%	-5.0%					

The average Residential billed flow for April 2016 was 4,026 gallons. This was 214 gallons, or 5.0%, less than projected for the month.

## **OPERATING REQUIREMENTS**

### Program Operating and Other Requirements by Month

Budget vs Actual FY 2015 - 2016

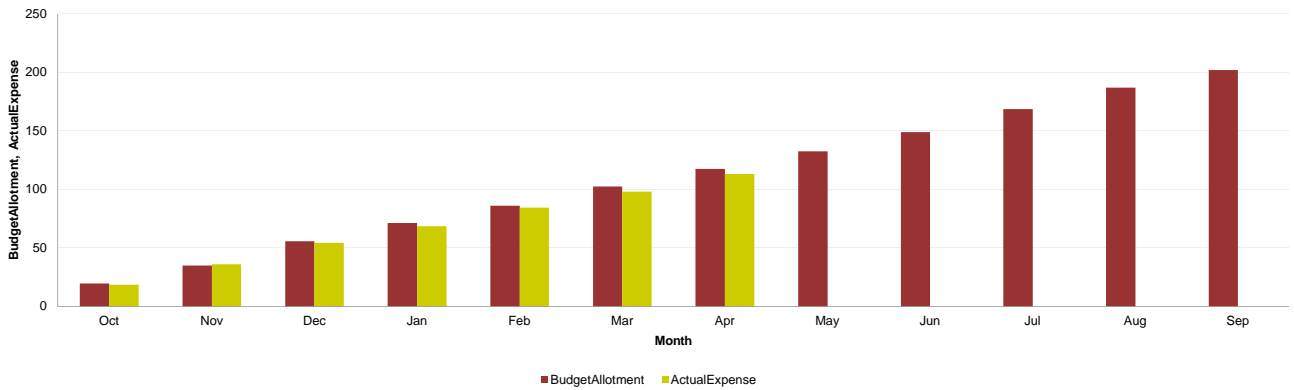


### FY 2015 - 2016 Program Operating and Other Requirements by Month With Variances (Millions)

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	16.02	13.76	14.90					
Variance \$	1.06	(2.14)	2.34	1.52	(1.18)	2.69	0.12					
Variance %	5.5%	-13.9%	11.3%	9.7%	-7.9%	16.4%	0.8%					

### Program Operating Requirements by Year-to-Date

Budget vs Actual FY 2015 - 2016



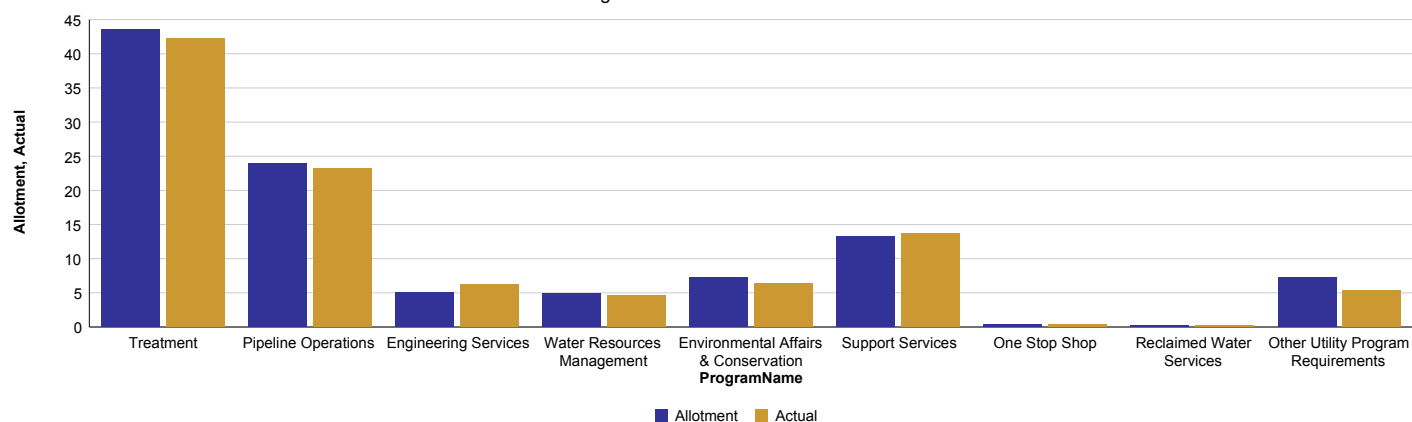
### FY 2015 - 2016 Program Operating Requirements by Year-to-Date With Variances (Millions)

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	84.40	98.17	113.07					
Variance \$	1.06	(1.08)	1.26	2.78	1.61	4.30	4.42					
Variance %	5.5%	-3.1%	2.3%	3.9%	1.9%	4.2%	3.8%					

Total Program Operating and Other Requirements for the fiscal year through April 2016 were \$61.14 million for water, \$51.70 million for wastewater, and \$0.23 million for reclaimed water. The combined Program Operating and Other Requirements of \$113.07 million were \$4.42 million, or 3.8%, 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 April 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	43.51	23.95	5.12	4.94	7.31	13.20	0.38	0.22	7.31	105.93
Actual	42.29	23.20	6.25	4.58	6.37	13.67	0.35	0.22	5.29	102.21
Variance \$	1.23	0.74	(1.13)	0.37	0.94	(0.48)	0.03	0.00	2.02	3.72
Variance %	2.8%	3.1%	-22.1%	7.4%	12.9%	-3.6%	8.9%	0.0%	27.6%	3.5%

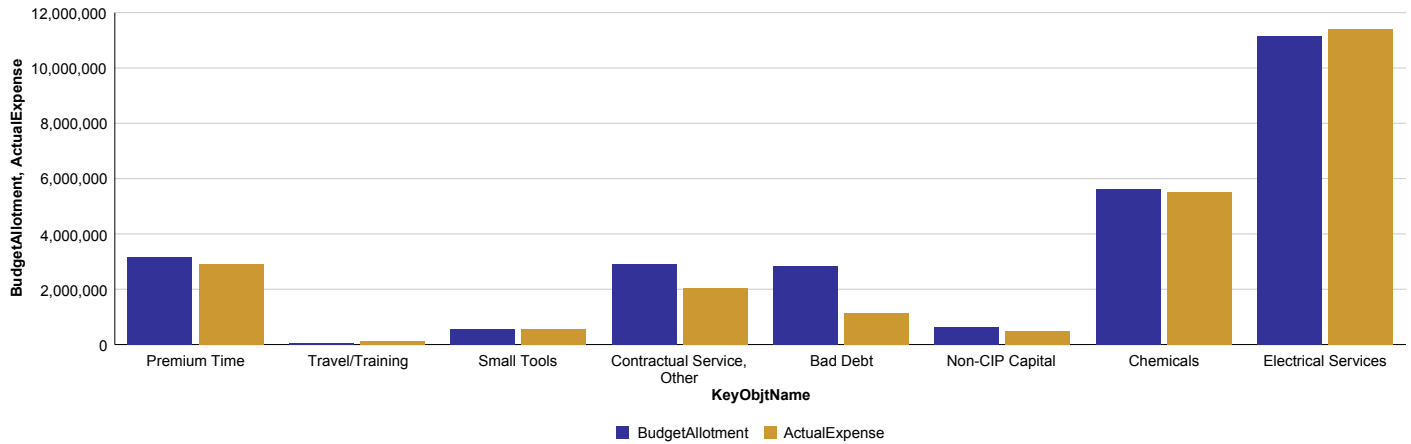
Total Operating Program Requirements as of April 30, 2016 were \$53.19 million for Water, \$48.79 million for Wastewater, and \$0.23 million for Reclaimed Water. The combined Program Operating Requirements of \$102.21 million were \$3.72 million or 3.5% below the allotment.

Engineering Services was \$1.13 million or 22.1% above allotment due to a large encumbrance for large diameter leak detection and condition assessment contract in the Distribution System Engineering Division, as well as lower than estimated spending for CIP related labor cost.

Environmental Affairs & Conservation was \$0.94 million or 12.9% below allotment due to lower than anticipated expenses in several areas such as Water Conservation service contracts, temporary employees, educational and promotional, and lower spending for the Water Conservation Rebate Program.

Other Utility Program Requirements was \$2.02 million or 27.6% below allotment due to lower than estimated spending for bad debt expense; legal services; rental copy machines; cellular phones; commercial paper administration expenses; and grants expense.

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



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

	Premium Time	Travel/Training	Small Tools	Contractual Service, Other	Bad Debt	Non-CIP Capital	Chemicals	Electrical Services	Total
BudgetAllotment	3,175,319	54,538	553,579	2,914,501	2,843,561	614,968	5,606,093	11,143,074	26,905,634
ActualExpense	2,914,485	139,933	577,670	2,058,888	1,124,987	505,641	5,527,129	11,395,947	24,244,681
Variance \$	260,834	(85,396)	(24,092)	855,614	1,718,574	109,327	78,964	(252,873)	2,660,952
Variance %	8.2%	-156.6%	-4.4%	29.4%	60.4%	17.8%	1.4%	-2.3%	9.9%

Travel and Training was \$85,396 or 156.6% above allotment primarily due to a large training services contract encumbrance for the Collection System Engineering Division.

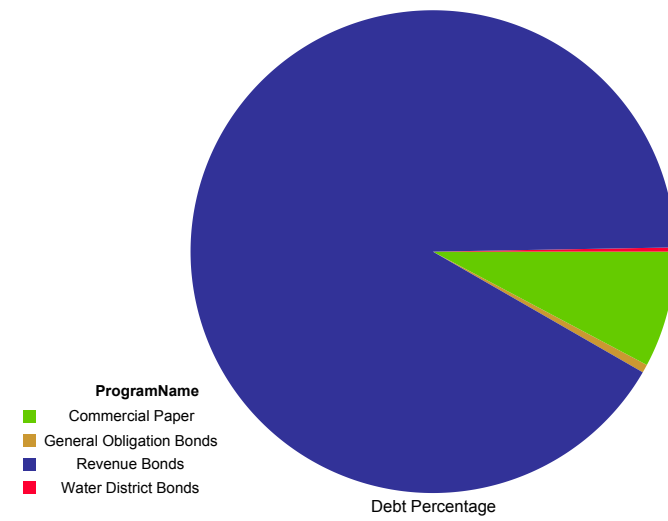
Other Contractual Services were \$855,614 or 29.4% below allotment due to lower than estimated spending in the Water Conservation Division, Construction and Rehabilitation Services Division, Collection System Engineering Division, Wildland Conservation Division, and SWAP costs, as well as lower spending for emergency service contracts for the Utility as a whole.

Non-CIP Capital was \$109,327 or 17.8% below allotment due to lower than estimated spending for Walnut Creek Operations, Hornsby Bend Bio solid Plant, SAR Operations in Wastewater Treatment Division, Electrical Maintenance in the AW Electrical Services Division, and Facility Engineering Division.

## **DEBT OUTSTANDING & DEBT SERVICE**

### Total Debt outstanding By Type

Total Debt as of April 2016 \$2,427,869,444 (Principal Only)

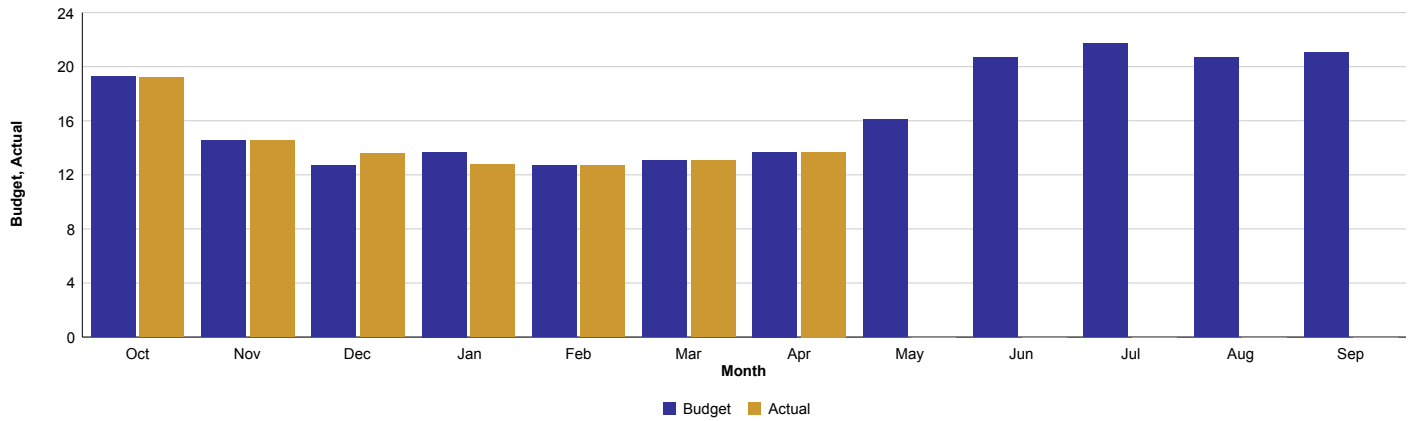


	Debt Outstanding \$	Debt Outstanding %
Commercial Paper	188,785,000	7.8%
General Obligation Bonds	10,819,447	0.4%
Revenue Bonds	2,223,111,391	91.6%
Water District Bonds	5,153,606	0.2%
<b>Total</b>	<b>2,427,869,444</b>	<b>100%</b>

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	10,762.12

### Combined Debt Service by Month (in Millions)

Budget vs. Actual - FY 2015 - 2016

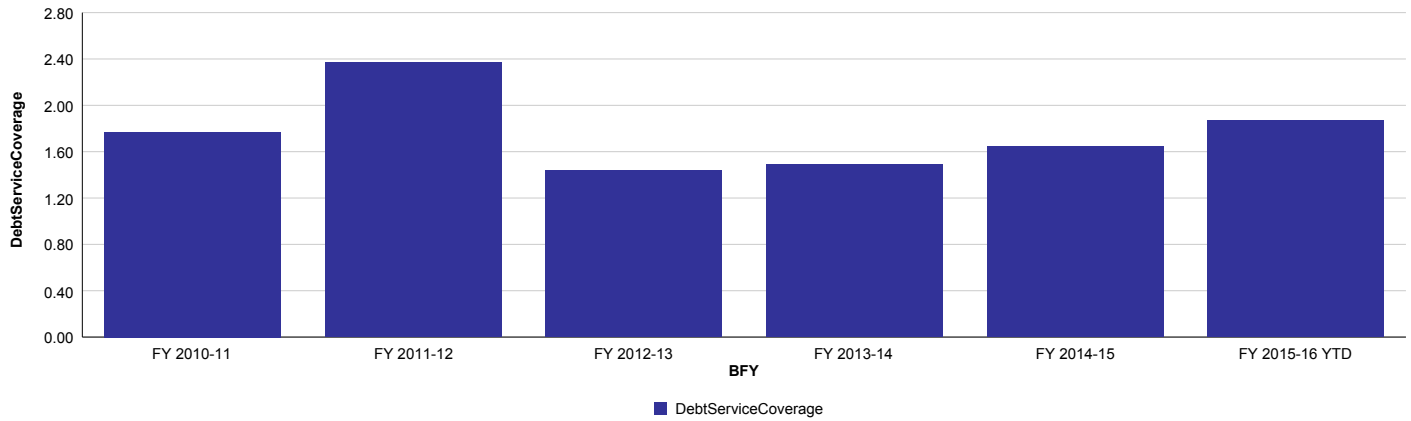


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Budget	19.25	14.52	12.69	13.69	12.69	13.06	13.69	16.08	20.71	21.71	20.71	21.07	199.88
Actual	19.21	14.54	13.56	12.78	12.67	13.04	13.69	0.00	0.00	0.00	0.00	0.00	99.49

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 April 2016 was \$13.69 million, consistent with the projections for the month. Combined debt service for the fiscal year was \$99.49 million or \$0.10 million less than projected.

### Debt Service Coverage

FY 2010- 2011 thru 2015-2016

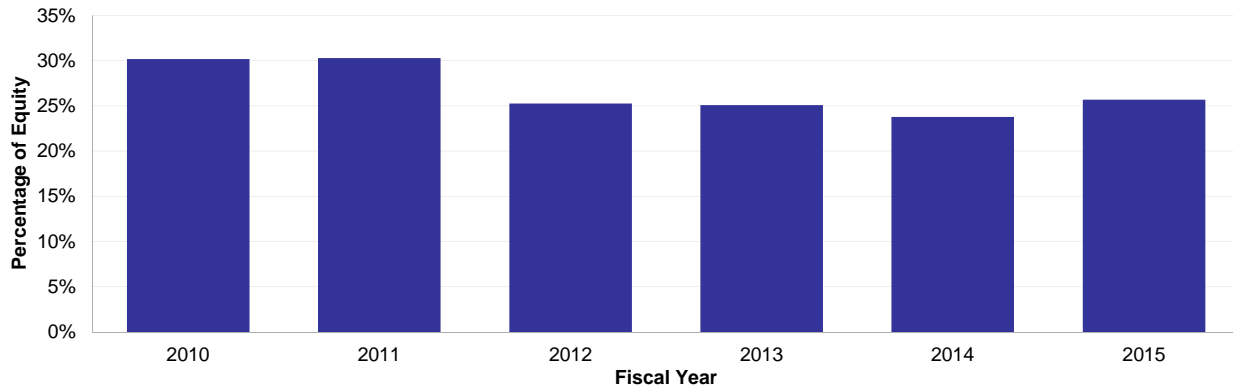


DebtServiceCoverage	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16 YTD
Debt Service Coverage	1.77	1.48	1.41	1.25	1.40	1.97

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 FY14-15 are audited, as reflected in the City's Comprehensive Annual Financial Report (CAFR). The FY15-16 ratio is unaudited; upon finalization of the CAFR in the spring of 2017, the ratio will be updated to reflect audited results.

## Percent of Equity in Utility Systems

FY 2010 through FY 2015



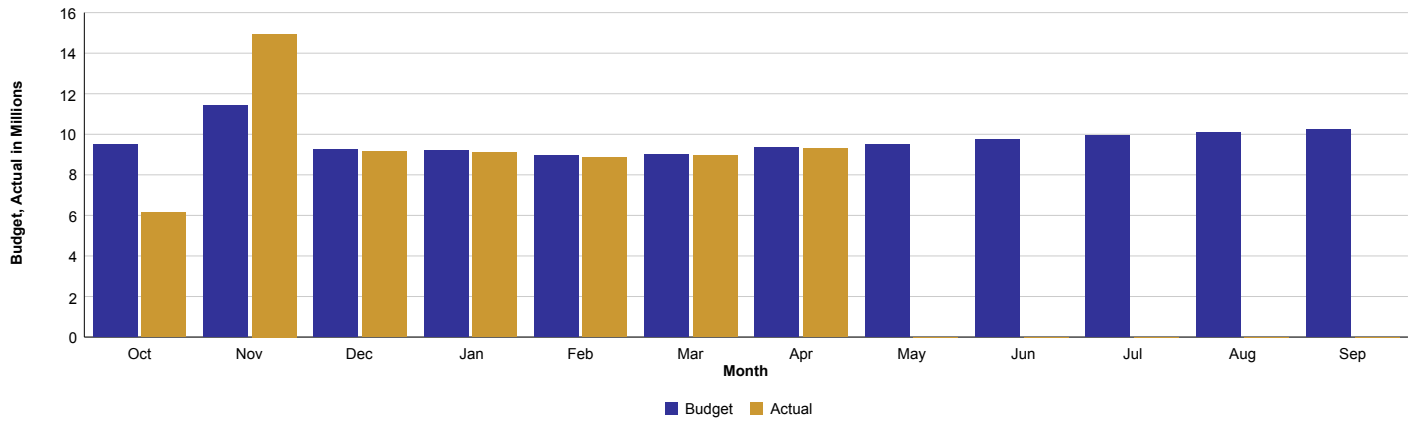
Percentage of Equity	2010	2011	2012	2013	2014	2015
Percent of Equity	30.2%	30.3%	25.3%	25.1%	23.8%	25.7%

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

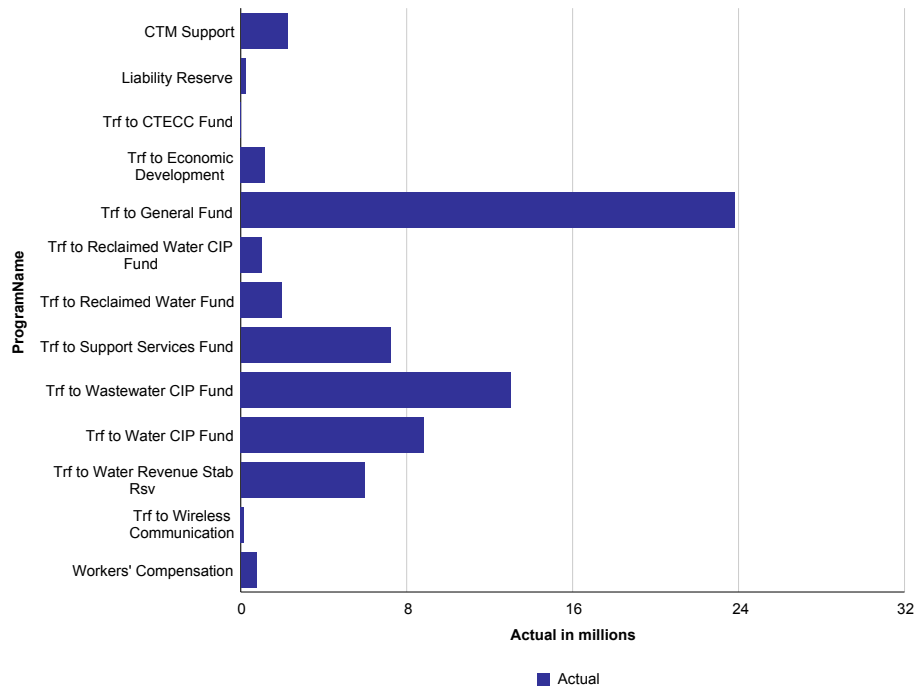


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total YTD
Budget	9.52	11.42	9.23	9.20	8.97	9.01	9.36	9.51	9.72	9.95	10.10	10.22	66.70
Actual	6.15	14.95	9.15	9.12	8.86	8.94	9.32	0.00	0.00	0.00	0.00	0.00	66.47

Transfers Out for the fiscal year through April 2016 totaled \$66.47 million. This was \$0.23 million less than the budget for the year because the transfer to the Water Revenue Stability Reserve Fund was 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**



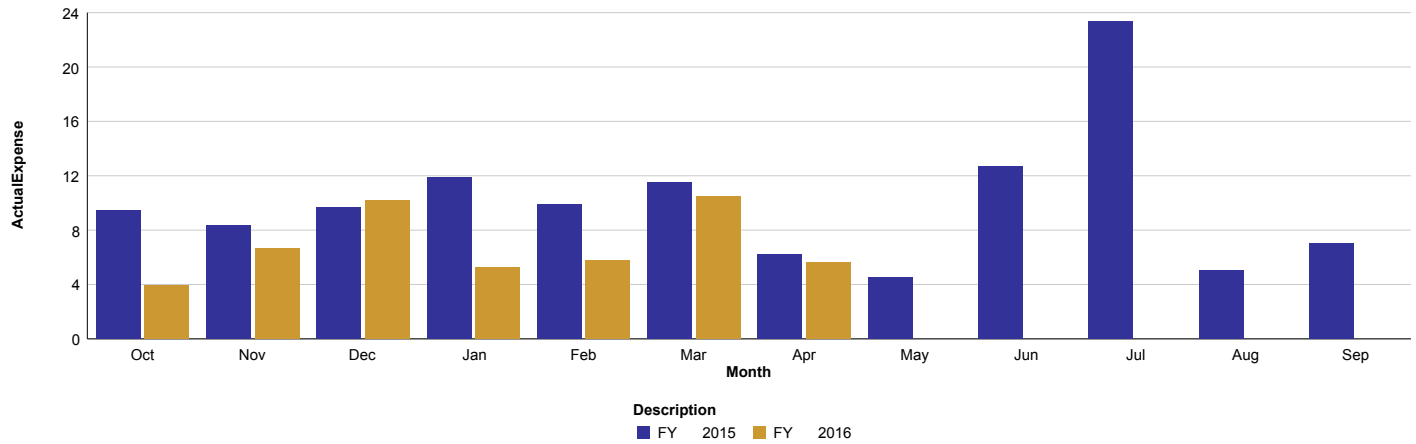
Please select Fiscal Period:

Transfer Out By Type (in millions)	Actual
Trf to General Fund	23.80
Trf to Economic Development	1.18
CTM Support	2.26
Liability Reserve	0.23
Trf to CTECC Fund	0.01
Trf to Reclaimed Water CIP Fund	1.03
Trf to Reclaimed Water Fund	1.98
Trf to Support Services Fund	7.22
Trf to Wastewater CIP Fund	13.04
Trf to Water CIP Fund	8.83
Trf to Water Revenue Stab Rsv	5.97
Trf to Wireless Communication	0.17
Workers' Compensation	0.75
<b>Total</b>	<b>66.47</b>

Transfers Out for the fiscal year through April 2016 totaled \$66.47 million. This was \$0.23 million less than the budget for the year because the transfer to the Water Revenue Stability Reserve Fund was 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)**

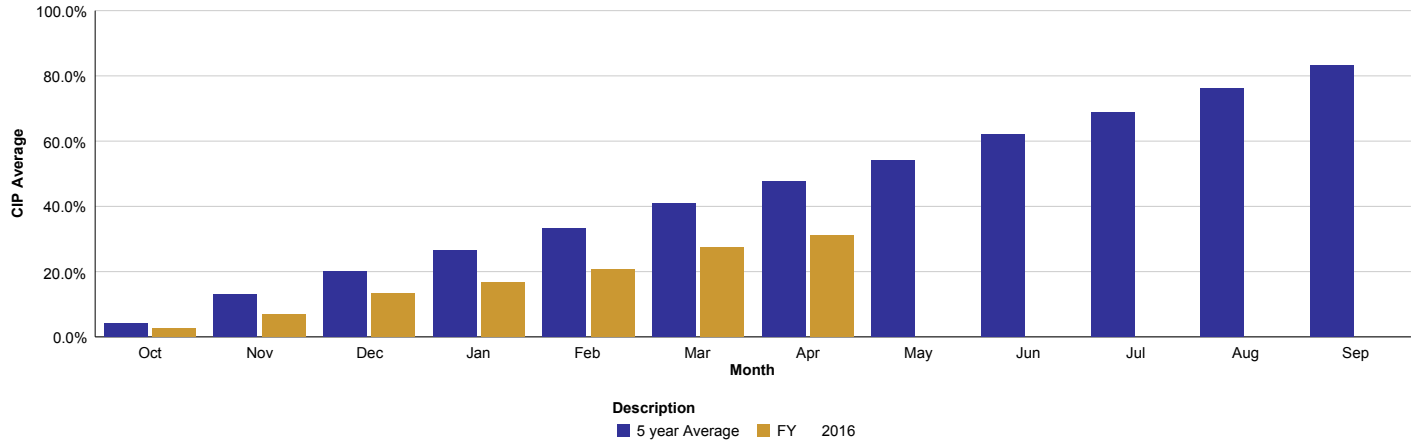


ActualExpense	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
FY 2015	9.43	8.32	9.70	11.86	9.92	11.53	6.21	4.54	12.66	23.35	5.08	7.03	119.63
FY 2016	3.93	6.63	10.16	5.23	5.80	10.52	5.64						47.90

CIP expenditures for the fiscal year through April 2016 totaled \$24.00 million for water, \$21.81 million for wastewater, and \$2.09 million for reclaimed, for a combined total of \$47.90, or 31.0% 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



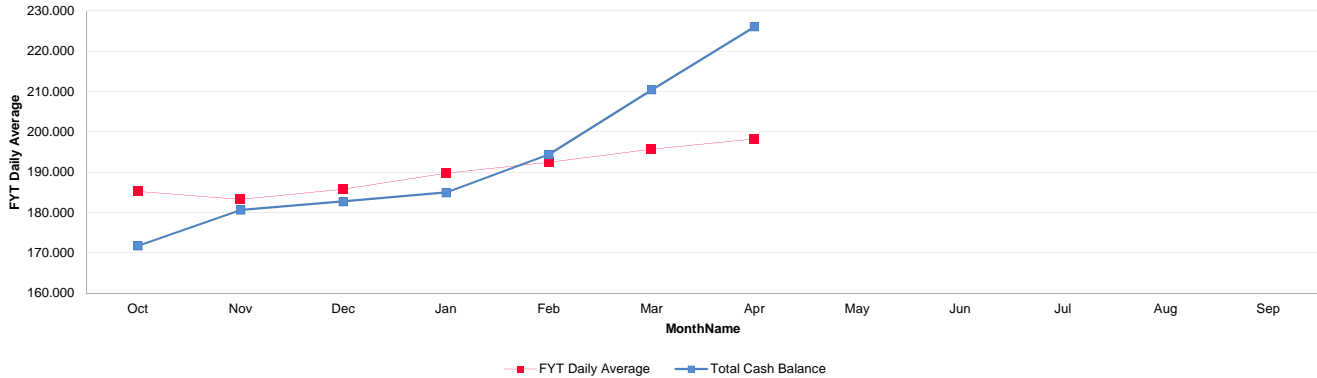
CIPPercent	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2015	5.2%	9.8%	15.1%	21.6%	27.1%	33.4%	36.8%	39.3%	46.3%	59.1%	61.9%	131.5%
FY 2016	2.5%	6.8%	13.4%	16.8%	20.6%	27.4%	31.0%					
5 year Average	4.1%	13.0%	20.2%	26.5%	33.3%	41.0%	47.6%	54.1%	61.9%	68.9%	76.1%	83.3%

CIP expenditures for the fiscal year through April 2016 totaled \$24.00 million for water, \$21.81 million for wastewater, and \$2.09 million for reclaimed, for a combined total of \$47.90, or 31.0% 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 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	85.70	91.77	101.17					
Wastewater	95.80	96.15	99.04	100.67	106.79	115.49	121.17					
Reclaimed	2.71	2.52	2.35	2.44	1.91	3.22	3.76					
<b>Total Cash Balance</b>	<b>171.76</b>	<b>180.65</b>	<b>182.75</b>	<b>184.97</b>	<b>194.40</b>	<b>210.48</b>	<b>226.10</b>					

Ending_Balance	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Operating	64.11	68.30	73.59	74.98	84.22	91.29	96.13					
Capital Recovery Fee	18.70	20.41	22.55	24.14	25.96	28.03	29.88					
CIP	69.49	69.87	64.02	62.73	60.63	67.02	75.38					
Revenue Stability Reserve Fund	19.46	22.06	22.58	23.11	23.60	24.14	24.71					
<b>Total Cash Balance</b>	<b>171.76</b>	<b>180.65</b>	<b>182.75</b>	<b>184.97</b>	<b>194.40</b>	<b>210.48</b>	<b>226.10</b>					

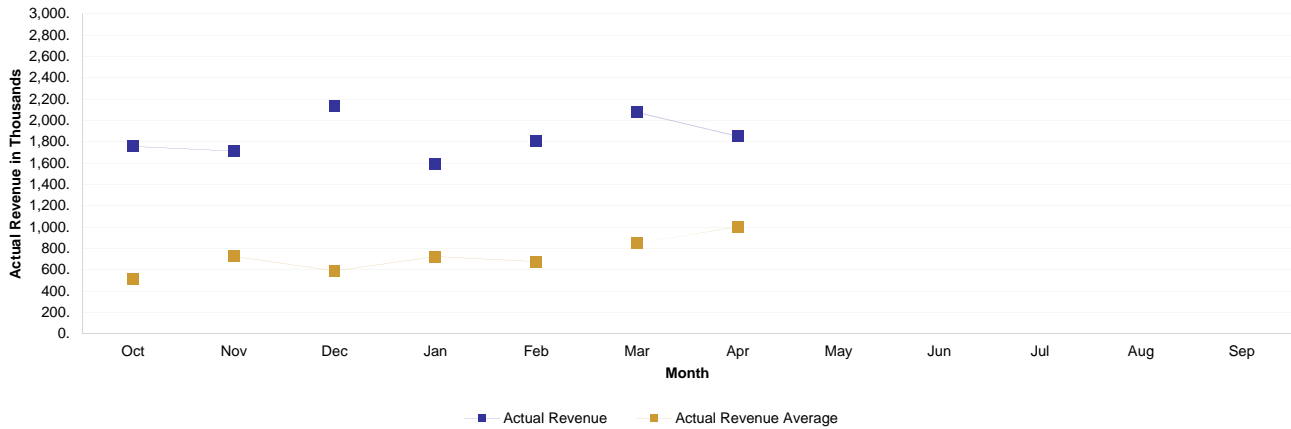
FYT Daily Average	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>FYTD Daily Average</b>	<b>185.21</b>	<b>183.24</b>	<b>185.77</b>	<b>189.74</b>	<b>192.46</b>	<b>195.72</b>	<b>198.25</b>					

Combined cash balances for Water, Wastewater, and Reclaimed for the month of April 2016 totaled \$226.10 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 \$198.25 million at the end of April.

Combined Operating Cash Balances totaled \$96.13 million. Combined CIP Cash Balances totaled \$75.38 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 \$24.71 million.

Capital Recovery Fee Cash Balances totaled \$29.88 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**

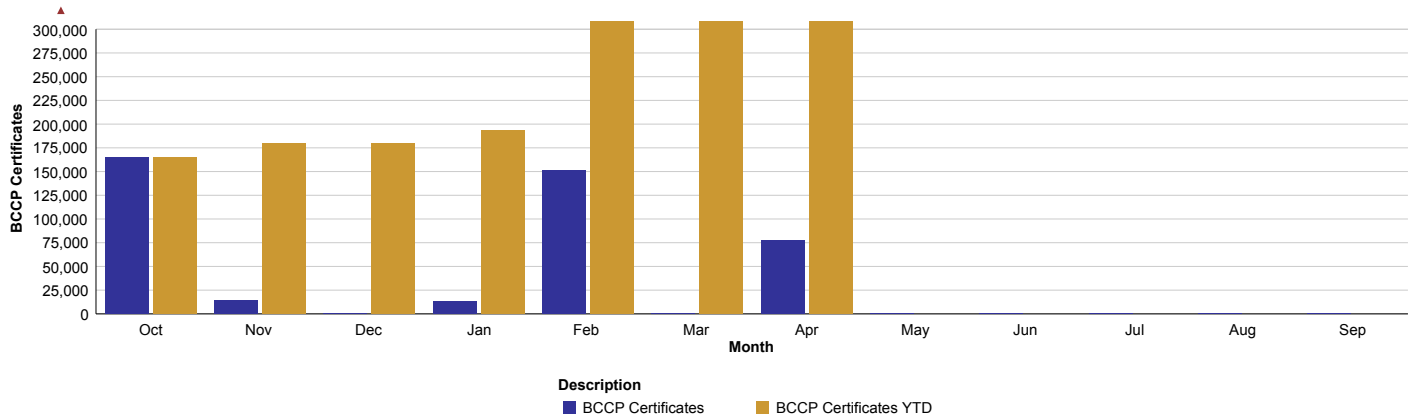


**FY 2015 - 2016 CRF Collections by Month, Water, Wastewater, and Total (in Thousands)**

ActualRevenue	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Water	1,206	1,304	1,476	1,148	1,345	1,464	1,303						9,245
Wastewater	551	409	660	448	467	611	548						3,694
Actual Revenue Avera	512	725	589	724	675	847	1,003						
Total	1,756	1,713	2,136	1,596	1,812	2,076	1,851						12,939

Capital Recovery Fee (CRF) collections and interest for the month of April 2016 were \$1.30 million from Water and \$0.55 million from Wastewater for a total of \$1.85 million. For the fiscal year, a total of \$12.94 million in CRFs and interest has been collected. CRF collections in April were \$0.85 million more than the five year average of \$1.00 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	194,192	345,943	346,431	0	0	0	0	0
Interest	214	265	303	323	363	488	492	0	0	0	0	0
BCCP Cert	165,138	14,750	0	13,200	151,388	0	77,550	0	0	0	0	0
Ending Balance	165,352	180,367	180,670	194,192	345,943	346,431	424,473	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 April 2016, \$77,550 in fees were collected and interest in the amount of \$492 accrued. The overall ending balance fiscal year-to-date is \$424,473.