



FINANCIAL STATUS REPORT  
Year-To-Date through February 28, 2017





City of Austin | Austin Water  
P.O. Box 1088 Austin, TX 78767  
AustinWater.org

## MEMORANDUM

**To:** Greg Meszaros, Director, Austin Water  
**From:** David Anders, Assistant Director, Austin Water  
**Date:** March 23, 2017  
**Subject:** Financial Status Report for the Period Ended February 28, 2017

Attached is Austin Water's Financial Status Report. The combined fund balance at the end of February was \$140.21 million, or \$16.72 million more than projected, as detailed in the Executive Summary. The beginning balance was \$3.95 million more than projected, fiscal year requirements were \$5.49 million below budget, and revenues and transfers in were \$7.29 million above projections.

After recovering from a record breaking drought, the lake system has improved to 98% full at the end of February. The City remains in Conservation Stage water restrictions to conserve availability and protect the integrity of water supply. Water service revenues are \$7.10 million above projections, and wastewater service revenues are \$0.62 million below projections this fiscal year. The Executive Summary includes more discussion of revenue and requirements highlights.

Actual spending for operating requirements was below budget by \$2.70 million, and spending for other requirements was below budget by \$0.98 million. Payments for debt service requirements were below budget by \$0.72 million, and transfers out were below budget by \$1.10 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, Operating Requirements, Outstanding Debt and Debt Service Requirements, Customer Demand Characteristics, Transfers Out, CIP Expenditures, and Cash Balances.

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

Attachments

cc: Robert Goode, Assistant City Manager  
Greg Cannally, Interim Chief Financial Officer, Financial Services  
Assistant Directors, Austin Water  
Division Managers, Austin Water



*The City of Austin is committed to compliance with the Americans with Disabilities Act (ADA). Reasonable modifications and equal access to communications will be provided upon request.*

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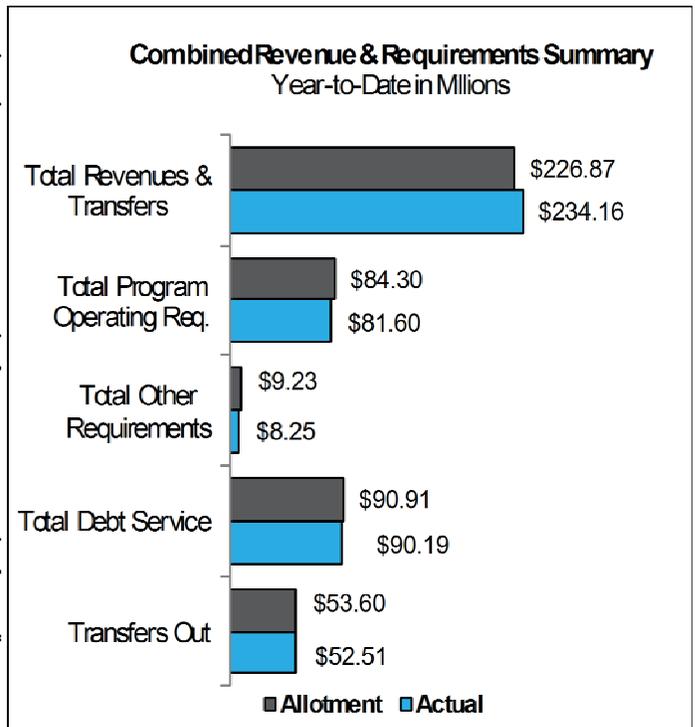
# Executive Summary

## Year-To-Date through February 28, 2017

The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of February 28, 2017, was \$140.21 million. The combined balance was \$16.72 million more than projected for this date, as shown below:

	YTD		
	Allotment	Actual	Difference
<b>Beginning Balance</b>	<b>\$ 134.66</b>	<b>\$ 138.61</b>	<b>\$ 3.95</b>
<b>Water Services</b>	<b>\$ 108.57</b>	<b>\$ 115.67</b>	<b>\$ 7.10</b>
<b>Wastewater Services</b>	<b>109.73</b>	<b>109.11</b>	<b>(0.62)</b>
<b>Reclaimed Services</b>	<b>0.96</b>	<b>0.45</b>	<b>(0.51)</b>
<b>Reserve Fund Surcharge</b>	<b>2.79</b>	<b>2.78</b>	<b>(0.01)</b>
<b>Other Revenues</b>	<b>3.10</b>	<b>4.43</b>	<b>1.33</b>
<b>Transfers In</b>	<b>1.72</b>	<b>1.72</b>	<b>0.00</b>
<b>Total Revenues &amp; Transfers</b>	<b>\$ 226.87</b>	<b>\$ 234.16</b>	<b>\$ 7.29</b>
<b>Total Program Operating Req.</b>	<b>\$ 84.30</b>	<b>\$ 81.60</b>	<b>\$ 2.70</b>
<b>Total Other Requirements</b>	<b>9.23</b>	<b>8.25</b>	<b>0.98</b>
<b>Total Debt Service</b>	<b>90.91</b>	<b>90.19</b>	<b>0.72</b>
<b>Transfers Out</b>	<b>53.60</b>	<b>52.51</b>	<b>1.10</b>
<b>Total Revenue Requirements</b>	<b>\$ 238.04</b>	<b>\$ 232.55</b>	<b>\$ 5.49</b>
<b>Ending balance</b>	<b>\$ 123.50</b>	<b>\$ 140.21</b>	<b>\$ 16.72</b>
<b>Debt Service Coverage</b>	<b>1.35</b>	<b>1.52</b>	

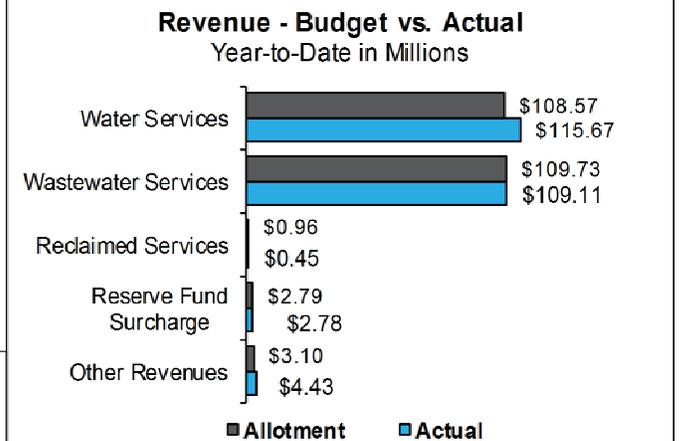
**Note: Numbers may not add due to rounding.**



### Revenue Highlights

Total revenues for the fiscal year were 232.44 million. This is \$7.29 million or 3.2% more than projected.

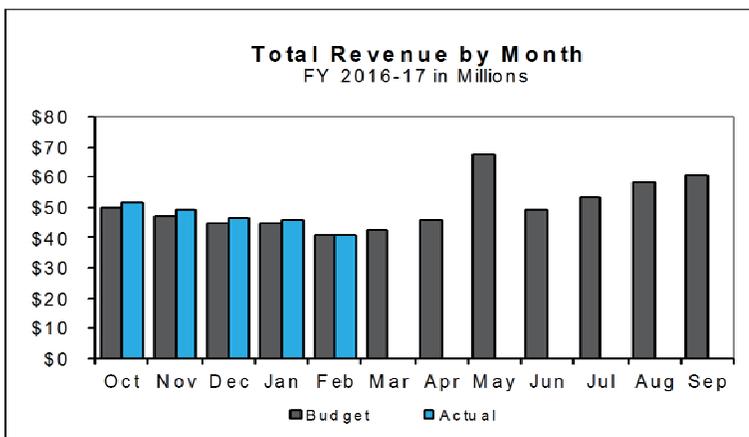
- Water services were \$115.67 million, or 6.5% above projections.
- Wastewater services were \$109.11 million, or 0.6% below projections.
- Reclaimed services were \$0.45 million, or 53.2% below projections.
- Reserve fund surcharge was \$2.78 million, or 0.2% below projections.
- Other revenues, including miscellaneous and interest income totaled \$4.43 million, or 42.9% more than projected.
- Transfers In were \$1.72 million, or equal to projections.



Year-to-date Water Services revenues were above projections in all five customer classes, with Residential and Multifamily driving most of the increase by 5.9% and 12.8%, respectively.

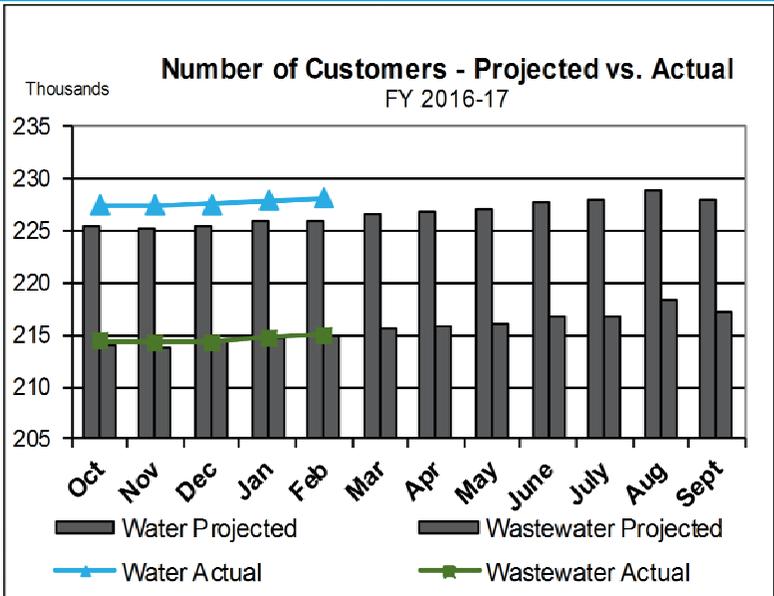
Wastewater Services were below projections in the Commercial and Residential customer classes by 6.2% and 2.3%, respectively. This offset increases in the other customer classes.

Revenues and Transfers In for February were \$40.9 million, or 0.7% above projections.



## User Characteristics

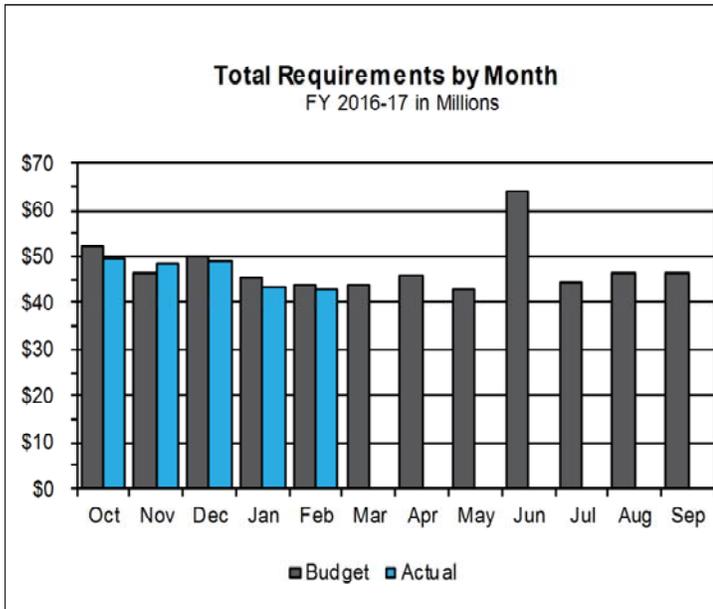
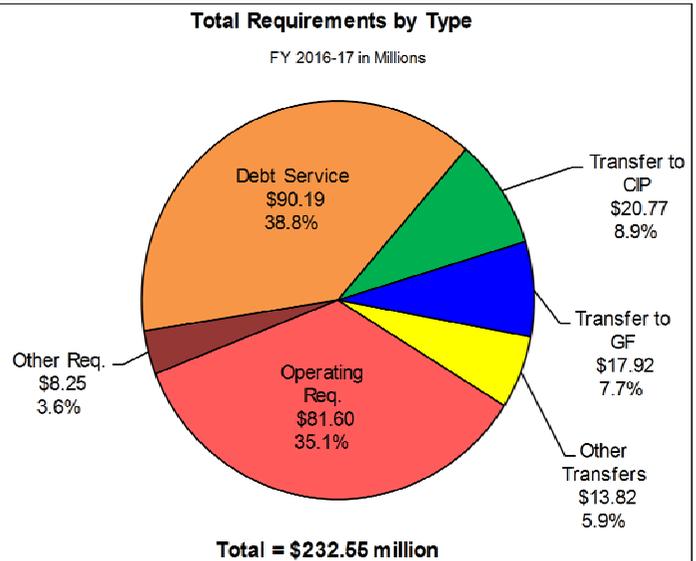
	<b>Projected</b>	<b>Actual</b>
<b>Water Customers</b>	<b>225,914</b>	<b>228,081</b>
<b>Wastewater Customers</b>	<b>214,976</b>	<b>214,970</b>
<b>Monthly Pumpage</b>	2.93	3.05
<b>YTD Pumpage</b>	16.41	17.48
<b>Monthly Billed Use</b>	2.52	2.52
<b>YTD Billed Use</b>	15.09	15.53
<b>Monthly Influent Flow</b>	3.18	3.03
<b>YTD Influent Flow</b>	17.14	15.25
<b>Monthly Billed Flow</b>	2.14	2.06
<b>YTD Billed Flow</b>	<b>11.33</b>	<b>11.25</b>
<b>(Above in Billions of Gallons)</b>		
<b>Avg. Residential Use (gal)</b>	<b>4,200</b>	<b>4,186</b>
<b>Avg. Residential Flow (gal)</b>	<b>3,775</b>	<b>3,447</b>



## Requirement Highlights

Total requirements for the fiscal year were \$232.55 million. This is \$5.49 million, or 2.3%, less than the budget. The graph at the right shows the proportions of these requirements to the whole.

- Total program operating requirements were \$81.60 million, or 3.2% less than budgeted.
- Total other requirements were \$8.25 million, or 10.6% less than budgeted.
- Debt service requirements were \$90.19 million, or 0.8% less than budgeted.
- Transfers out consists of transfers to Capital Improvement Projects, General Fund, and Other Transfers. These total \$52.51 million, or 2.0% less than budgeted.



The Support Services and Treatment program areas had higher expenditures than projected. But, these areas were more than offset by lower than projected expenditures in the other program areas.

Pages 18 and 19 provide details on variances in spending by program area and object code.

Total Requirements of \$42.61 million for the month were \$1.07 million, or 2.5% less than the budget allotment.

**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - COMBINED**  
**As of February 2017**

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>BEGINNING BALANCE</b>	134,661,011	134,661,011	134,661,011	138,607,619	3,946,608	2.9%
<b>REVENUE</b>						
Water Revenue	291,381,890	291,381,890	108,574,650	115,674,441	7,099,791	6.5%
Wastewater Revenue	271,521,805	271,521,805	109,726,413	109,105,450	(620,963)	-0.6%
Reserve Fund Surcharge	7,295,119	7,295,119	2,789,899	2,783,375	(6,524)	-0.2%
Other Revenue	5,471,824	5,471,824	2,279,929	2,452,358	172,429	7.6%
Reclaimed Revenue	2,505,414	2,505,414	961,688	450,019	(511,669)	-53.2%
Interest	656,731	656,731	273,635	734,999	461,364	168.6%
Public Health Licenses, Permits, Inspections	556,300	556,300	231,794	300,744	68,950	29.7%
Other Fines	371,200	371,200	154,665	335,850	181,185	117.1%
Miscellaneous Franchise Fees	147,300	147,300	61,379	30,126	(31,254)	-50.9%
Building Rental/Lease	127,700	127,700	53,205	30,168	(23,037)	-43.3%
Land & Infrastructure Rental/Lease	68,500	68,500	28,544	27,500	(1,044)	-3.7%
Scrap Sales	39,900	39,900	16,625	16,361	(264)	-1.6%
Development Fees	0	0	0	501,519	501,519	0.0%
Parking Revenue	0	0	0	1,035	1,035	0.0%
<b>Total Revenue</b>	<b>580,143,683</b>	<b>580,143,683</b>	<b>225,152,426</b>	<b>232,443,943</b>	<b>7,291,517</b>	<b>3.2%</b>
<b>TRANSFERS IN</b>						
CIP	20,164,000	20,164,000	0	0	0	0.0%
Austin Water Utility	3,400,000	3,400,000	1,416,670	1,416,655	(15)	0.0%
Support Services/Infrastructure Funds	300,582	300,582	300,582	300,582	0	0.0%
Austin Resource Recovery Fund	130,431	130,431	0	0	0	0.0%
<b>Total Transfers In</b>	<b>23,995,013</b>	<b>23,995,013</b>	<b>1,717,252</b>	<b>1,717,237</b>	<b>(15)</b>	<b>0.0%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>604,138,696</b>	<b>604,138,696</b>	<b>226,869,678</b>	<b>234,161,180</b>	<b>7,291,502</b>	<b>3.2%</b>
<b>PROGRAM REQUIREMENTS</b>						
Treatment	77,716,518	77,716,518	32,077,206	33,463,297	(1,386,091)	-4.3%
Pipeline Operations	44,566,176	44,566,176	19,049,126	18,952,878	96,248	0.5%
Support Services	25,836,064	25,836,064	10,983,270	12,121,725	(1,138,456)	-10.4%
Other Utility Program Requirements	15,485,000	15,485,000	7,004,901	4,341,893	2,663,008	38.0%
Environmental Affairs & Conservation	12,009,453	12,009,453	5,310,002	4,738,910	571,092	10.8%
Engineering Services	11,864,771	11,864,771	5,673,786	4,433,866	1,239,920	21.9%
Water Resources Management	8,591,611	8,591,611	3,724,526	3,158,850	565,676	15.2%
One Stop Shop	723,634	723,634	306,161	247,884	58,277	19.0%
Reclaimed Water Services	416,789	416,789	173,520	143,635	29,884	17.2%
<b>Total Program Requirements</b>	<b>197,210,016</b>	<b>197,210,016</b>	<b>84,302,497</b>	<b>81,602,939</b>	<b>2,699,558</b>	<b>3.2%</b>
<b>OTHER REQUIREMENTS</b>						
Utility Billing System Support	20,401,455	20,401,455	8,500,606	8,148,488	352,118	4.1%
Market Study Adjustment	1,495,639	1,495,639	623,183	0	623,183	100.0%
Accrued Payroll	318,547	318,547	0	0	0	0.0%
Interdepartmental Charges	169,190	169,190	70,450	70,490	(40)	-0.1%
Trf to PID Fund	75,000	75,000	31,250	31,250	0	0.0%
<b>Total Other Requirements</b>	<b>22,459,831</b>	<b>22,459,831</b>	<b>9,225,489</b>	<b>8,250,228</b>	<b>975,261</b>	<b>10.6%</b>
<b>DEBT SERVICE REQUIREMENTS</b>						
Trf to Util D/S Separate Lien	152,966,772	152,966,772	62,333,498	61,617,022	716,475	1.1%
Trf to Utility D/S Prior Lien	38,802,555	38,802,555	21,740,683	21,744,292	(3,610)	0.0%
Trf to Utility D/S Sub Lien	8,807,516	8,807,516	4,905,784	4,909,945	(4,161)	-0.1%
Trf to GO Debt Service	3,620,142	3,620,142	1,810,072	1,810,072	(0)	0.0%
Trf to Util D/S Tax/Rev Bonds	645,526	645,526	0	0	0	0.0%
Commercial paper interest	280,669	280,669	116,945	108,562	8,384	7.2%
<b>Total Debt Service Requirements</b>	<b>205,123,180</b>	<b>205,123,180</b>	<b>90,906,981</b>	<b>90,189,893</b>	<b>717,088</b>	<b>0.8%</b>

**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - COMBINED**  
**As of February 2017**

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>TRANSFERS OUT</b>						
Trf to General Fund	42,876,568	42,876,568	17,921,568	17,921,568	0	0.0%
Trf to Wastewater CIP Fund	29,200,000	29,200,000	11,801,000	11,801,000	0	0.0%
Trf to Water CIP Fund	22,000,000	22,000,000	8,204,000	8,204,000	0	0.0%
TRF CRF to Debt Defeasance	15,000,000	15,000,000	0	0	0	0.0%
Administrative Support	12,485,620	12,485,620	5,268,550	5,268,550	0	0.0%
Trf to Water Revenue Stab Rsv	9,295,119	9,295,119	3,872,965	2,783,375	1,089,590	28.1%
CTM Support	4,127,580	4,127,580	1,721,435	1,721,435	0	0.0%
Trf to Reclaimed Water Fund	3,400,000	3,400,000	1,416,655	1,416,655	0	0.0%
Trf to Economic Development	2,928,899	2,928,899	1,227,164	1,227,164	0	0.0%
Trf to Reclaimed Water CIP Fnd	2,000,000	2,000,000	768,000	768,000	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,813,549	1,813,549	777,234	777,234	0	0.0%
Workers' Compensation	1,213,237	1,213,237	505,523	505,523	0	0.0%
Regional Radio System	253,605	253,605	105,660	105,660	0	0.0%
CTECC Support	10,622	10,622	10,622	10,622	0	0.0%
<b>Total Transfers Out</b>	<b>146,604,799</b>	<b>146,604,799</b>	<b>53,600,376</b>	<b>52,510,786</b>	<b>1,089,590</b>	<b>2.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>571,397,826</b>	<b>571,397,826</b>	<b>238,035,343</b>	<b>232,553,846</b>	<b>5,481,497</b>	<b>2.3%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	<b>32,740,870</b>	<b>32,740,870</b>	<b>(11,165,665)</b>	<b>1,607,334</b>	<b>12,772,998</b>	<b>-114.4%</b>
<b>ENDING BALANCE</b>	<b>167,401,881</b>	<b>167,401,881</b>	<b>123,495,346</b>	<b>140,214,953</b>	<b>16,719,606</b>	<b>13.5%</b>

Note: Numbers may not add due to rounding.

<b>DEBT SERVICE COVERAGE RATIO</b>	1.70	1.70	1.52
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# City of Austin, Texas

## Austin Water FUND SUMMARY - WATER As of February 2017

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>BEGINNING BALANCE</b>	62,508,631	62,508,631	62,508,631	63,703,309	1,194,678	1.9%
<b>REVENUE</b>						
Water Revenue	291,381,890	291,381,890	108,574,650	115,674,441	7,099,791	6.5%
Reserve Fund Surcharge	7,295,119	7,295,119	2,789,899	2,783,375	(6,524)	-0.2%
Other Revenue	2,344,036	2,344,036	976,684	1,192,676	215,992	22.1%
Other Fines	371,200	371,200	154,665	335,850	181,185	117.1%
Interest	305,258	305,258	127,190	340,526	213,336	167.7%
Miscellaneous Franchise Fees	107,300	107,300	44,710	30,126	(14,585)	-32.6%
Land & Infrastructure Rental/Lease	68,500	68,500	28,544	27,500	(1,044)	-3.7%
Building Rental/Lease	63,400	63,400	26,419	15,084	(11,335)	-42.9%
Public Health Licenses, Permits, Inspections	26,800	26,800	11,169	24,375	13,206	118.2%
Scrap Sales	23,500	23,500	9,790	8,180	(1,610)	-16.4%
Property Sales	0	0	0	0	0	0.0%
Development Fees	0	0	0	499,237	499,237	0.0%
Parking Revenue	0	0	0	1,035	1,035	0.0%
<b>Total Revenue</b>	<b>301,987,003</b>	<b>301,987,003</b>	<b>112,743,720</b>	<b>120,932,404</b>	<b>8,188,684</b>	<b>7.3%</b>
<b>TRANSFERS IN</b>						
CIP	14,914,000	14,914,000	0	0	0	0.0%
Support Services/Infrastructure Funds	150,291	150,291	150,291	150,291	0	0.0%
<b>Total Transfers In</b>	<b>15,064,291</b>	<b>15,064,291</b>	<b>150,291</b>	<b>150,291</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>317,051,294</b>	<b>317,051,294</b>	<b>112,894,011</b>	<b>121,082,695</b>	<b>8,188,684</b>	<b>7.3%</b>
<b>PROGRAM REQUIREMENTS</b>						
Treatment	38,063,429	38,063,429	15,752,598	16,605,104	(852,506)	-5.4%
Pipeline Operations	25,877,347	25,877,347	11,061,060	11,079,459	(18,399)	-0.2%
Support Services	13,002,785	13,002,785	5,494,730	6,041,419	(546,690)	-9.9%
Environmental Affairs & Conservation	9,022,829	9,022,829	4,045,668	3,502,617	543,051	13.4%
Other Utility Program Requirements	8,548,898	8,548,898	3,483,262	2,017,764	1,465,498	42.1%
Engineering Services	4,912,562	4,912,562	1,836,476	1,439,294	397,182	21.6%
Water Resources Management	4,031,644	4,031,644	1,787,571	1,452,661	334,910	18.7%
One Stop Shop	250,758	250,758	107,762	96,318	11,443	10.6%
<b>Total Program Requirements</b>	<b>103,710,252</b>	<b>103,710,252</b>	<b>43,569,127</b>	<b>42,234,638</b>	<b>1,334,489</b>	<b>3.1%</b>
<b>OTHER REQUIREMENTS</b>						
Utility Billing System Support	12,854,313	12,854,313	5,355,964	5,080,506	275,458	5.1%
Market Study Adjustment	987,309	987,309	411,379	0	411,379	100.0%
Accrued Payroll	182,510	182,510	0	0	0	0.0%
Interdepartmental Charges	84,595	84,595	35,225	35,245	(20)	-0.1%
Trf to PID Fund	37,500	37,500	15,625	15,625	0	0.0%
<b>Total Other Requirements</b>	<b>14,146,227</b>	<b>14,146,227</b>	<b>5,818,192</b>	<b>5,131,376</b>	<b>686,816</b>	<b>11.8%</b>
<b>DEBT SERVICE REQUIREMENTS</b>						
Trf to Util D/S Separate Lien	84,097,430	84,097,430	33,861,104	33,210,085	651,019	1.9%
Tfr to Utility D/S Prior Lien	18,082,574	18,082,574	10,345,886	10,349,622	(3,736)	0.0%
Tfr to Utility D/S Sub Lien	4,912,497	4,912,497	2,751,222	2,755,418	(4,196)	-0.2%
Trf to GO Debt Service	1,643,406	1,643,406	821,704	821,704	(0)	0.0%
Tfr to Util D/S Tax/Rev Bonds	238,871	238,871	0	0	0	0.0%
Commercial paper interest	138,030	138,030	57,513	35,370	22,143	38.5%
<b>Total Debt Service Requirements</b>	<b>109,112,808</b>	<b>109,112,808</b>	<b>47,837,428</b>	<b>47,172,199</b>	<b>665,230</b>	<b>1.4%</b>

# City of Austin, Texas

## Austin Water FUND SUMMARY - WATER As of February 2017

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>TRANSFERS OUT</b>						
Trf to General Fund	22,587,681	22,587,681	9,411,581	9,411,581	0	0.0%
Trf to Water CIP Fund	22,000,000	22,000,000	8,204,000	8,204,000	0	0.0%
TRF CRF to Debt Defeasance	9,750,000	9,750,000	0	0	0	0.0%
Trf to Water Revenue Stab Rsv	9,295,119	9,295,119	3,872,965	2,783,375	1,089,590	28.1%
Administrative Support	7,264,361	7,264,361	3,026,806	3,026,806	0	0.0%
CTM Support	2,071,106	2,071,106	862,941	862,941	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	708,310	708,310	0	0.0%
Trf to Economic Development	1,549,387	1,549,387	645,547	645,547	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,173,937	1,173,937	489,127	489,127	0	0.0%
Workers' Compensation	606,619	606,619	252,769	252,769	0	0.0%
Regional Radio System	253,605	253,605	105,660	105,660	0	0.0%
CTECC Support	5,311	5,311	5,311	5,311	0	0.0%
<b>Total Transfers Out</b>	<b>78,257,126</b>	<b>78,257,126</b>	<b>27,585,017</b>	<b>26,495,427</b>	<b>1,089,590</b>	<b>3.9%</b>
<b>TOTAL REQUIREMENTS</b>	<b>305,226,413</b>	<b>305,226,413</b>	<b>124,809,765</b>	<b>121,033,641</b>	<b>3,776,124</b>	<b>3.0%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>						
	11,824,881	11,824,881	(11,915,753)	49,054	11,964,808	-100.4%
<b>ENDING BALANCE</b>	<b>74,333,512</b>	<b>74,333,512</b>	<b>50,592,878</b>	<b>63,752,363</b>	<b>13,159,486</b>	<b>26.0%</b>
<i>Note: Numbers may not add due to rounding.</i>						
<b>DEBT SERVICE COVERAGE RATIO</b>	1.61	1.61		1.49		

**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - RECLAIMED**  
**As of February 2017**

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>BEGINNING BALANCE</b>	692,546	692,546	692,546	386,954	(305,592)	-44.1%
<b>REVENUE</b>						
Reclaimed Services	2,505,414	2,505,414	961,688	450,019	(511,669)	-53.2%
Interest	5,071	5,071	2,115	7,917	5,802	274.3%
<b>Total Revenue</b>	<b>2,510,485</b>	<b>2,510,485</b>	<b>963,803</b>	<b>457,937</b>	<b>(505,866)</b>	<b>-52.5%</b>
<b>TRANSFERS IN</b>						
Austin Water Utility	3,400,000	3,400,000	1,416,670	1,416,655	(15)	0.0%
<b>Total Transfers In</b>	<b>3,400,000</b>	<b>3,400,000</b>	<b>1,416,670</b>	<b>1,416,655</b>	<b>(15)</b>	<b>0.0%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>5,910,485</b>	<b>5,910,485</b>	<b>2,380,473</b>	<b>1,874,592</b>	<b>(505,881)</b>	<b>-21.3%</b>
<b>PROGRAM REQUIREMENTS</b>						
Reclaimed Water Services	416,789	416,789	173,520	143,635	29,884	17.2%
Other Utility Program Requirements	23,768	23,768	5,842	12,269	(6,427)	-110.0%
<b>Total Program Requirements</b>	<b>440,557</b>	<b>440,557</b>	<b>179,361</b>	<b>155,904</b>	<b>23,457</b>	<b>13.1%</b>
<b>OTHER REQUIREMENTS</b>						
Accrued Payroll	946	946	0	0	0	0.0%
<b>Total Other Requirements</b>	<b>946</b>	<b>946</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>DEBT SERVICE REQUIREMENTS</b>						
Trf to Util D/S Separate Lien	2,177,736	2,177,736	941,740	940,212	1,528	0.2%
Commercial paper interest	27,289	27,289	11,370	42,877	(31,506)	-277.1%
<b>Total Debt Service Requirements</b>	<b>2,205,025</b>	<b>2,205,025</b>	<b>953,110</b>	<b>983,089</b>	<b>(29,978)</b>	<b>-3.1%</b>
<b>TRANSFERS OUT</b>						
Trf to Reclaimed Water CIP Fnd	2,000,000	2,000,000	768,000	768,000	0	0.0%
Administrative Support	113,506	113,506	113,506	113,506	0	0.0%
Trf to General Fund	96,883	96,883	96,883	96,883	0	0.0%
Trf to CIP Mgm - CPM (5460)	37,076	37,076	37,076	37,076	0	0.0%
Trf to Economic Development	11,716	11,716	11,716	11,716	0	0.0%
CTM Support	2,789	2,789	2,789	2,789	0	0.0%
<b>Total Transfers Out</b>	<b>2,261,970</b>	<b>2,261,970</b>	<b>1,029,970</b>	<b>1,029,970</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>4,908,498</b>	<b>4,908,498</b>	<b>2,162,442</b>	<b>2,168,963</b>	<b>(6,521)</b>	<b>-0.3%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	<b>1,001,987</b>	<b>1,001,987</b>	<b>218,031</b>	<b>(294,371)</b>	<b>(512,402)</b>	<b>-235.0%</b>
<b>ENDING BALANCE</b>	<b>1,694,533</b>	<b>1,694,533</b>	<b>910,577</b>	<b>92,583</b>	<b>(817,994)</b>	<b>-89.8%</b>

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

<b>DEBT SERVICE COVERAGE RATIO</b>	0.88	0.88	0.16
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**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - WASTEWATER**  
**As of February 2017**

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>BEGINNING BALANCE</b>	71,459,834	71,459,834	71,459,834	74,517,356	3,057,522	4.3%
<b>REVENUE</b>						
Wastewater Revenue	271,521,805	271,521,805	109,726,413	109,105,450	(620,963)	-0.6%
Other Revenue	3,127,788	3,127,788	1,303,245	1,259,682	(43,563)	-3.3%
Public Health Licenses, Permits, Inspections	529,500	529,500	220,625	276,369	55,744	25.3%
Interest	346,402	346,402	144,330	386,555	242,225	167.8%
Building Rental/Lease	64,300	64,300	26,786	15,084	(11,702)	-43.7%
Miscellaneous Franchise Fees	40,000	40,000	16,669	0	(16,669)	-100.0%
Scrap Sales	16,400	16,400	6,835	8,180	1,345	19.7%
Development Fees	0	0	0	2,282	2,282	0.0%
<b>Total Revenue</b>	<b>275,646,195</b>	<b>275,646,195</b>	<b>111,444,903</b>	<b>111,053,602</b>	<b>(391,301)</b>	<b>-0.4%</b>
<b>TRANSFERS IN</b>						
CIP	5,250,000	5,250,000	0	0	0	0.0%
Support Services/Infrastructure Funds	150,291	150,291	150,291	150,291	0	0.0%
Austin Resource Recovery Fund	130,431	130,431	0	0	0	0.0%
<b>Total Transfers In</b>	<b>5,530,722</b>	<b>5,530,722</b>	<b>150,291</b>	<b>150,291</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>281,176,917</b>	<b>281,176,917</b>	<b>111,595,194</b>	<b>111,203,893</b>	<b>(391,301)</b>	<b>-0.4%</b>
<b>PROGRAM REQUIREMENTS</b>						
Treatment	39,653,089	39,653,089	16,324,608	16,858,192	(533,584)	-3.3%
Pipeline Operations	18,688,829	18,688,829	7,988,066	7,873,419	114,647	1.4%
Support Services	12,833,279	12,833,279	5,488,540	6,080,306	(591,766)	-10.8%
Engineering Services	6,952,209	6,952,209	3,837,311	2,994,573	842,738	22.0%
Other Utility Program Requirements	6,912,334	6,912,334	3,515,797	2,311,860	1,203,937	34.2%
Water Resources Management	4,559,967	4,559,967	1,936,954	1,706,189	230,766	11.9%
Environmental Affairs & Conservation	2,986,624	2,986,624	1,264,333	1,236,293	28,041	2.2%
One Stop Shop	472,876	472,876	198,400	151,566	46,834	23.6%
<b>Total Program Requirements</b>	<b>93,059,207</b>	<b>93,059,207</b>	<b>40,554,009</b>	<b>39,212,397</b>	<b>1,341,612</b>	<b>3.3%</b>
<b>OTHER REQUIREMENTS</b>						
Utility Billing System Support	7,547,142	7,547,142	3,144,642	3,067,982	76,661	2.4%
Market Study Adjustment	508,330	508,330	211,804	0	211,804	100.0%
Accrued Payroll	135,091	135,091	0	0	0	0.0%
Interdepartmental Charges	84,595	84,595	35,225	35,245	(20)	-0.1%
Trf to PID Fund	37,500	37,500	15,625	15,625	0	0.0%
<b>Total Other Requirements</b>	<b>8,312,658</b>	<b>8,312,658</b>	<b>3,407,296</b>	<b>3,118,852</b>	<b>288,445</b>	<b>8.5%</b>
<b>DEBT SERVICE REQUIREMENTS</b>						
Trf to Util D/S Separate Lien	66,691,606	66,691,606	27,530,653	27,466,725	63,928	0.2%
Tfr to Utility D/S Prior Lien	20,719,981	20,719,981	11,394,797	11,394,670	127	0.0%
Tfr to Utility D/S Sub Lien	3,895,019	3,895,019	2,154,561	2,154,527	35	0.0%
Tfr to GO Debt Service	1,976,736	1,976,736	988,368	988,368	0	0.0%
Tfr to Util D/S Tax/Rev Bonds	406,655	406,655	0	0	0	0.0%
Commercial paper interest	115,350	115,350	48,063	30,315	17,747	36.9%
<b>Total Debt Service Requirements</b>	<b>93,805,347</b>	<b>93,805,347</b>	<b>42,116,442</b>	<b>42,034,606</b>	<b>81,837</b>	<b>0.2%</b>

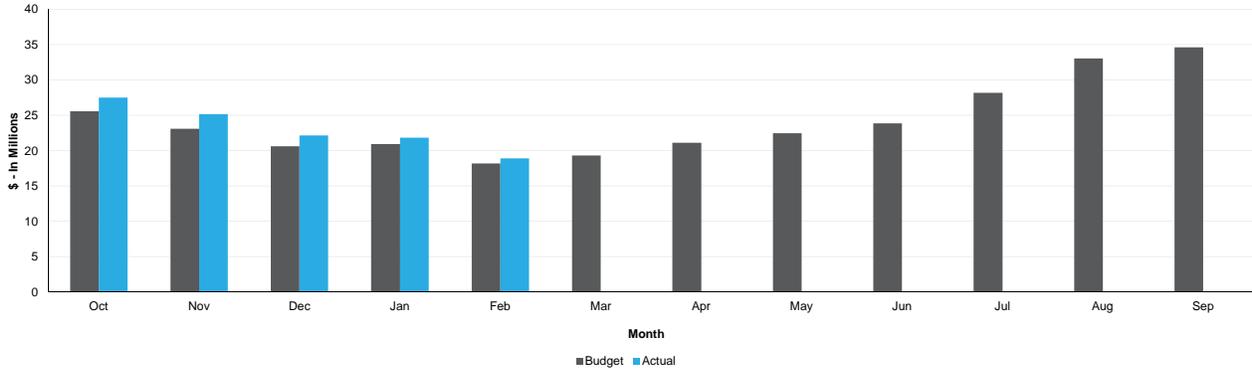
**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - WASTEWATER**  
**As of February 2017**

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>TRANSFERS OUT</b>						
Trf to Wastewater CIP Fund	29,200,000	29,200,000	11,801,000	11,801,000	0	0.0%
Trf to General Fund	20,192,004	20,192,004	8,413,104	8,413,104	0	0.0%
TRF CRF to Debt Defeasance	5,250,000	5,250,000	0	0	0	0.0%
Administrative Support	5,107,753	5,107,753	2,128,238	2,128,238	0	0.0%
CTM Support	2,053,685	2,053,685	855,705	855,705	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	708,345	708,345	0	0.0%
Trf to Economic Development	1,367,796	1,367,796	569,901	569,901	0	0.0%
Workers' Compensation	606,618	606,618	252,754	252,754	0	0.0%
Trf to CIP Mgm - CPM (5460)	602,536	602,536	251,031	251,031	0	0.0%
CTECC Support	5,311	5,311	5,311	5,311	0	0.0%
<b>Total Transfers Out</b>	<b>66,085,703</b>	<b>66,085,703</b>	<b>24,985,389</b>	<b>24,985,389</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>261,262,915</b>	<b>261,262,915</b>	<b>111,063,137</b>	<b>109,351,243</b>	<b>1,711,893</b>	<b>1.5%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	<b>19,914,002</b>	<b>19,914,002</b>	<b>532,057</b>	<b>1,852,650</b>	<b>1,320,593</b>	<b>248.2%</b>
<b>ENDING BALANCE</b>	<b>91,373,836</b>	<b>91,373,836</b>	<b>71,991,891</b>	<b>76,370,006</b>	<b>4,378,115</b>	<b>6.1%</b>
<i>Note: Numbers may not add due to rounding.</i>						
<b>DEBT SERVICE COVERAGE RATIO</b>	1.82	1.82		1.59		

# REVENUES

### Water Services Revenues by Month

Budget vs. Actual

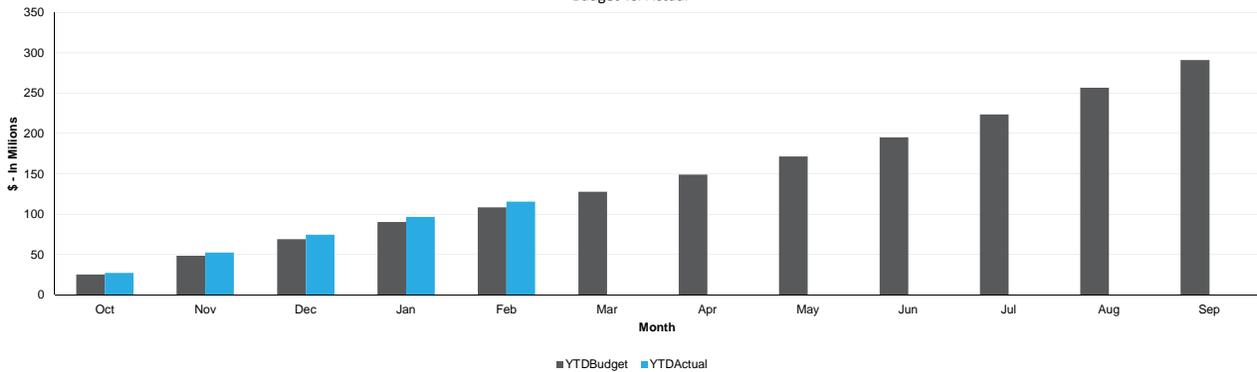


### FY 2016 - 2017 Water Service Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	25.62	23.14	20.62	20.96	18.23	19.36	21.12	22.48	23.89	28.21	33.10	34.65
Actual	\$ 27.54	\$ 25.19	\$ 22.17	\$ 21.84	\$ 18.93							
Variance	\$ 1.92	\$ 2.05	\$ 1.54	\$ 0.88	\$ 0.70							
Variance %	7.5%	8.9%	7.5%	4.2%	3.9%							

### Water Services Revenues Year-to-Date

Budget vs. Actual



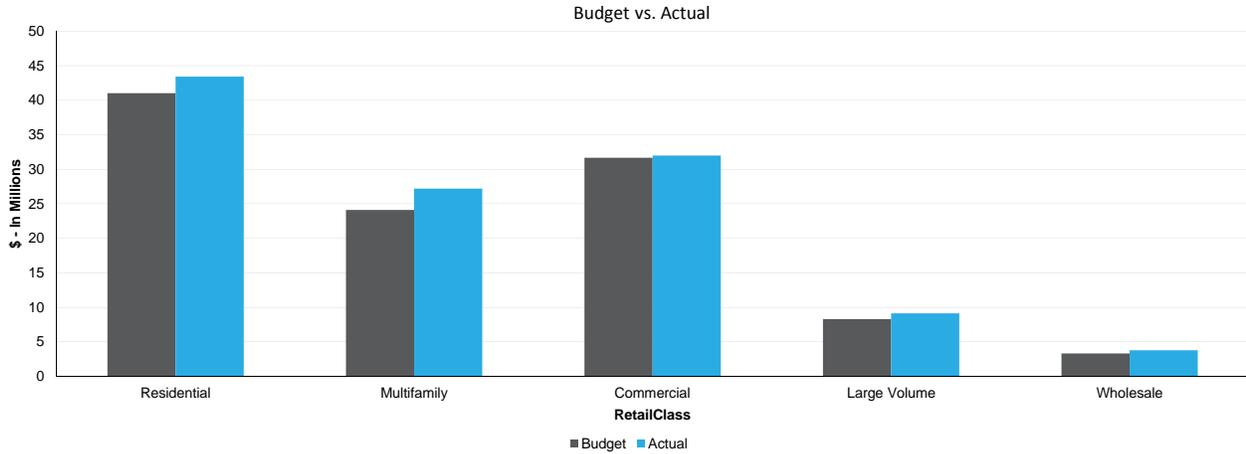
### FY 2016 - 2017 Water Service Revenues by Year-to-Date With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	\$ 25.62	\$ 48.76	\$ 69.38	\$ 90.34	\$ 108.57	\$ 127.93	\$ 149.06	\$ 171.53	\$ 195.42	\$ 223.63	\$ 256.73	\$ 291.38
YTD Actual	\$ 27.54	\$ 52.73	\$ 74.90	\$ 96.74	\$ 115.68							
Variance	\$ 1.92	\$ 3.97	\$ 5.52	\$ 6.40	\$ 7.10							
Variance %	7.5%	8.1%	7.9%	7.1%	6.5%							

Water service revenues for February 2017 totaled \$18.93 million. This is \$0.70 million, or 3.9%, more than the budget allotment for the month. For the fiscal year, water service revenues totaled \$115.68 million, which is \$7.10 million, or 6.5%, more than the budget allotment.

Billed water consumption for February 2017 totaled 2.52 billion gallons (BG). This was 0.003 BG, or 0.1%, less than projected for the month. For the fiscal year, billed water consumption totaled 15.53 BG. This was 0.44 BG, or 2.9%, more than projected.

### Year-to-Date Water Service Revenues by Customer Class



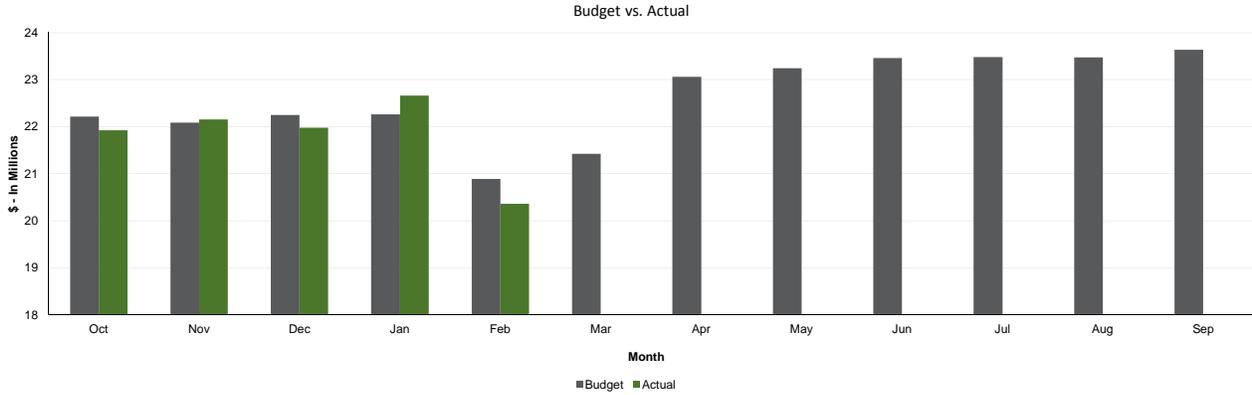
### FY 2016 - 2017 Year-to-Date Water Service Revenues by Customer Class With Variances (Millions)

	Residential	Multifamily	Commercial	Large Volume	Wholesale	Total
<b>Budget</b>	\$ 41.03	\$ 24.15	\$ 31.70	\$ 8.32	\$ 3.38	\$ 108.57
<b>Actual</b>	\$ 43.44	\$ 27.22	\$ 32.02	\$ 9.17	\$ 3.82	\$ 115.68
<b>Variance</b>	\$ 2.40	\$ 3.08	\$ 0.32	\$ 0.85	\$ 0.44	\$ 7.10
<b>Variance %</b>	5.9%	12.8%	1.0%	10.2%	13.0%	6.5%

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 by those classes through February, before any accounts receivable adjustments.

All customer classes are above projections, with Residential and Multifamily classes significantly above by 5.9% and 12.8%, respectively. Overall, water revenues are 6.5% higher than projected.

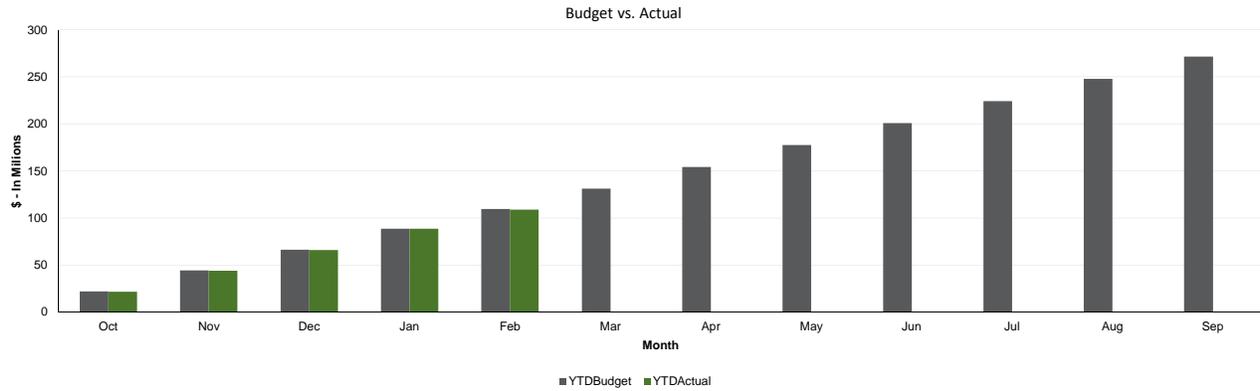
### Wastewater Services Revenues by Month



### FY 2016 - 2017 Wastewater Service Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	\$ 22.22	\$ 22.09	\$ 22.25	\$ 22.27	\$ 20.89	\$ 21.43	\$ 23.06	\$ 23.24	\$ 23.46	\$ 23.48	\$ 23.48	\$ 23.64
Actual	\$ 21.93	\$ 22.16	\$ 21.98	\$ 22.67	\$ 20.37							
Variance \$	\$ (0.29)	\$ 0.07	\$ (0.27)	\$ 0.40	\$ (0.53)							
Variance %	-1.3%	0.3%	-1.2%	1.8%	-2.5%							

### Wastewater Services Revenues Year-to-Date



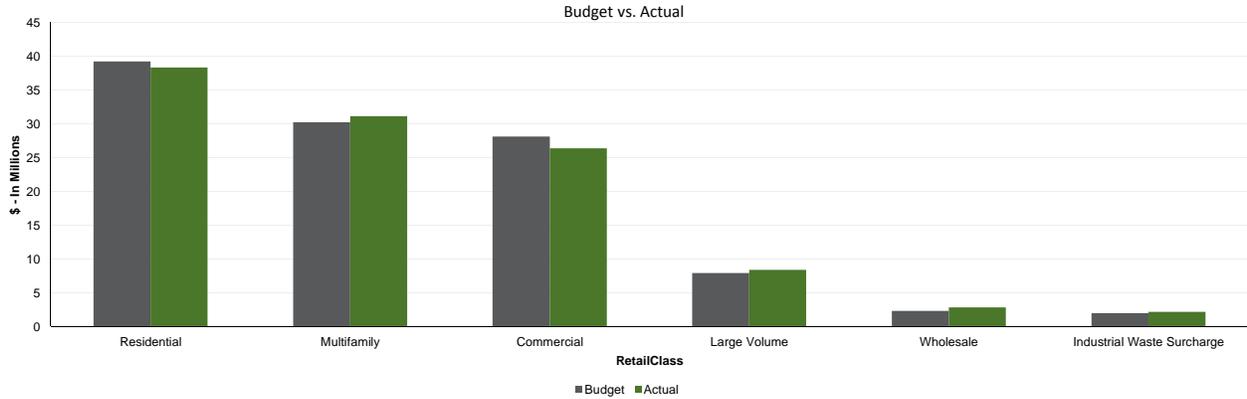
### FY 2016 - 2017 Wastewater Service Revenues by Year-to-Date With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	\$ 22.22	\$ 44.31	\$ 66.56	\$ 88.83	\$ 109.73	\$ 131.15	\$ 154.21	\$ 177.46	\$ 200.92	\$ 224.40	\$ 247.88	\$ 271.52
YTD Actual	\$ 21.93	\$ 44.09	\$ 66.07	\$ 88.74	\$ 109.11							
Variance	\$ (0.29)	\$ (0.22)	\$ (0.49)	\$ (0.09)	\$ (0.62)							
Variance %	-1.3%	-0.5%	-0.7%	-0.1%	-0.6%							

Wastewater service revenues for February 2017 totaled \$20.37 million. This is \$0.53 million or 2.5% less than the budget allotment for the month. For the fiscal year, wastewater service revenues totaled \$109.11 million. This is \$0.62 million, or 0.6%, less 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**



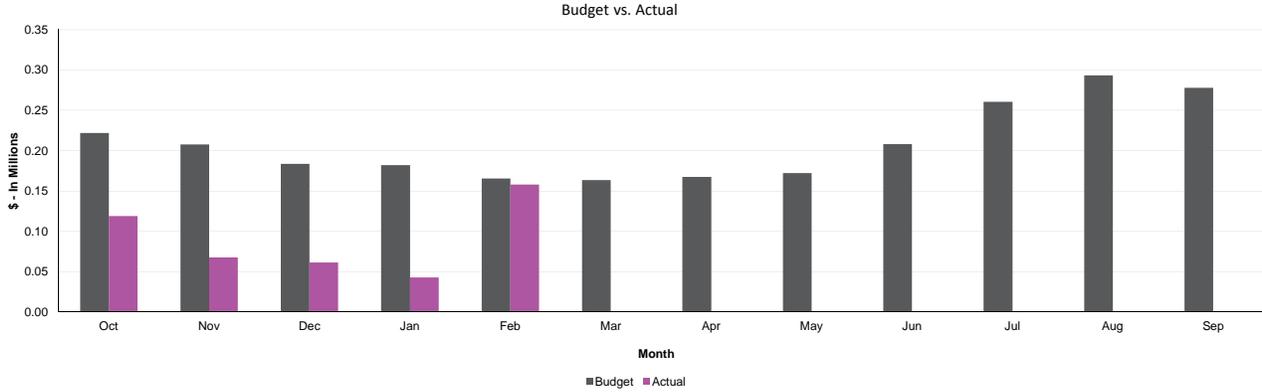
**FY 2016 - 2017 Year-to-Date Wastewater Service Revenues by Customer Class With Variances (Millions)**

	Residential	Multifamily	Commercial	Large Volume	Wholesale	Industrial Waste Surcharge	Total
<b>Budget</b>	\$ 39.21	\$ 30.24	\$ 28.09	\$ 7.90	\$ 2.30	\$ 1.98	\$ 109.73
<b>Actual</b>	\$ 38.30	\$ 31.09	\$ 26.36	\$ 8.40	\$ 2.80	\$ 2.15	\$ 109.11
<b>Variance</b>	\$ (0.91)	\$ 0.85	\$ (1.73)	\$ 0.50	\$ 0.50	\$ 0.16	\$ (0.62)
<b>Variance %</b>	-2.3%	2.8%	-6.2%	6.3%	21.9%	8.2%	-0.6%

Wastewater service revenues are collected from a variety of customer classes including Residential, Multifamily, Commercial, Large Volume, Wholesale, and Industrial Waste Surcharge. The graph above compares the budgeted and actual wastewater service revenues by those classes through February, before any accounts receivable adjustments.

Four customer classes are above projections, with Multifamily showing the largest dollar increase of \$0.85 million or 2.8% above budget. This is more than offset by decreases in the Residential and Commercial classes which are below projections by 2.3% and 6.2%, respectively. Overall, wastewater revenues are \$0.62 million or 0.6% lower than projected.

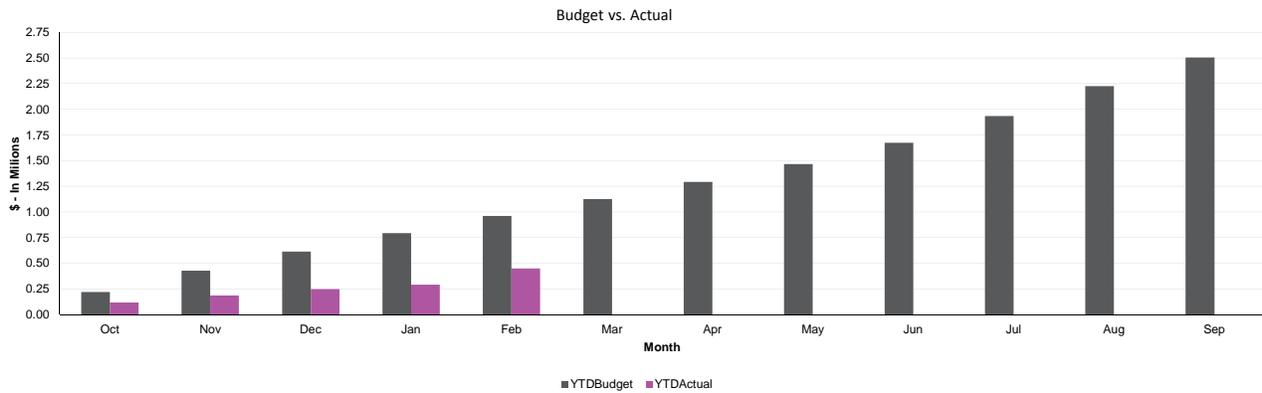
### Reclaimed Services Revenues by Month



### FY 2016 - 2017 Reclaimed Service Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	\$ 0.22	\$ 0.21	\$ 0.18	\$ 0.18	\$ 0.17	\$ 0.16	\$ 0.17	\$ 0.17	\$ 0.21	\$ 0.26	\$ 0.29	\$ 0.28
Actual	\$ 0.12	\$ 0.07	\$ 0.06	\$ 0.04	\$ 0.16							
Variance	\$ (0.10)	\$ (0.14)	\$ (0.12)	\$ (0.14)	\$ (0.01)							
Variance %	-46.3%	-67.4%	-66.4%	-76.5%	-4.4%							

### Reclaimed Services Revenues Year-to-Date



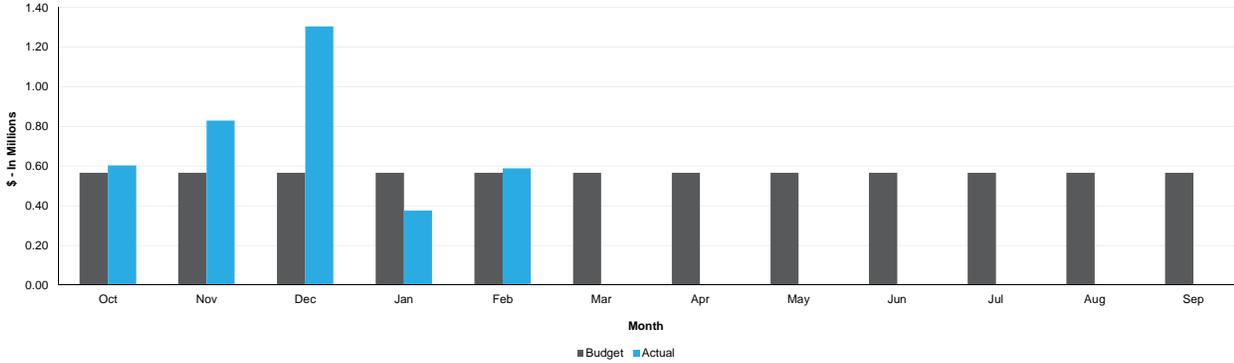
### FY 2016 - 2017 Reclaimed Service Revenues by Year-to-Date With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	\$ 0.22	\$ 0.43	\$ 0.61	\$ 0.80	\$ 0.96	\$ 1.13	\$ 1.29	\$ 1.47	\$ 1.67	\$ 1.93	\$ 2.23	\$ 2.51
YTD Actual	\$ 0.12	\$ 0.19	\$ 0.25	\$ 0.29	\$ 0.45							
Variance	\$ (0.10)	\$ (0.24)	\$ (0.36)	\$ (0.50)	\$ (0.51)							
Variance %	-46.3%	-56.5%	-59.5%	-63.4%	-53.2%							

Reclaimed service revenues for February 2017 totaled \$0.16 million. This is \$0.01 million or 4.4% less than the budget allotment for the month. For the fiscal year, Reclaimed service revenues totaled \$0.45 million. This is \$0.51 million or 53.2% less than the budget allotment.

### Miscellaneous Revenues by Month

Budget vs. Actual

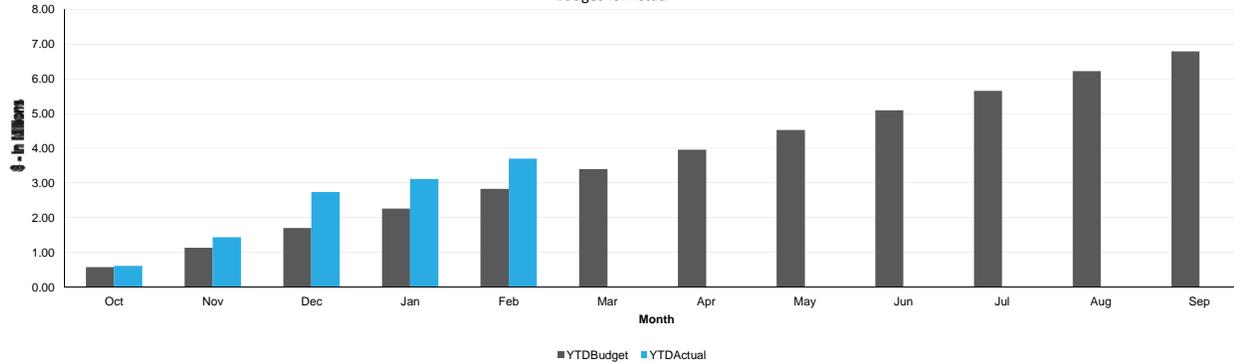


### FY 2016 - 2017 Miscellaneous Revenues by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57
Actual	\$ 0.60	\$ 0.83	\$ 1.30	\$ 0.37	\$ 0.59							
Variance	\$ 0.04	\$ 0.26	\$ 0.74	\$ (0.19)	\$ 0.02							
Variance %	6.5%	46.5%	130.7%	-33.8%	3.8%							

### Miscellaneous Revenues Year-to-Date

Budget vs. Actual



### FY 2016 - 2017 Miscellaneous Revenues by Year-to-Date With Variances (Millions)

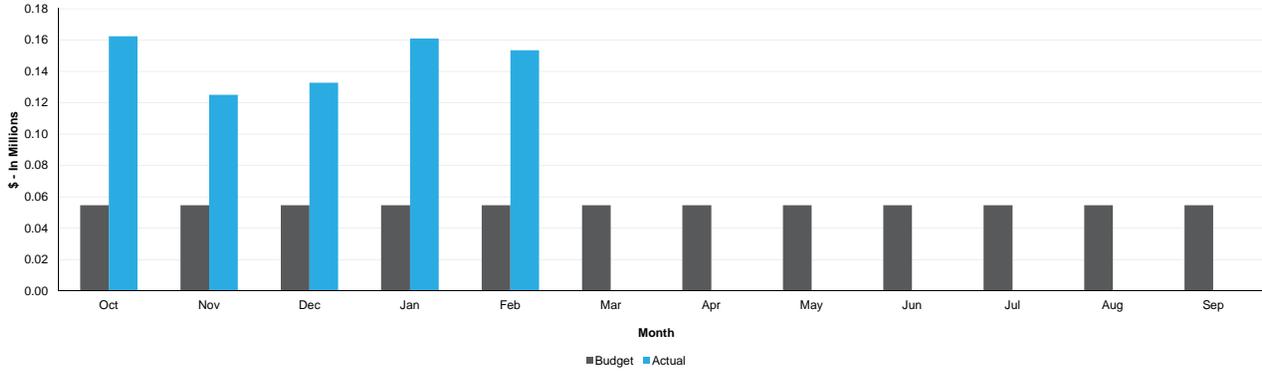
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	\$ 0.57	\$ 1.13	\$ 1.70	\$ 2.26	\$ 2.83	\$ 3.39	\$ 3.96	\$ 4.52	\$ 5.09	\$ 5.65	\$ 6.22	\$ 6.78
YTD Actual	\$ 0.60	\$ 1.43	\$ 2.73	\$ 3.11	\$ 3.70							
Variance	\$ 0.04	\$ 0.30	\$ 1.04	\$ 0.85	\$ 0.87							
Variance %	6.5%	26.5%	61.3%	37.5%	30.8%							

Miscellaneous revenues include revenue from sources other than water and wastewater services, such as late fees, fines and special billings. Miscellaneous revenues for February 2017 totaled \$0.59 million. This is 3.8% more than the budget allotment for the month.

The combined miscellaneous revenues for the fiscal year totaled \$3.70 million. This is \$0.87 million, or 30.8%, more than the budget allotment to date.

### Interest Income by Month

Budget vs. Actual

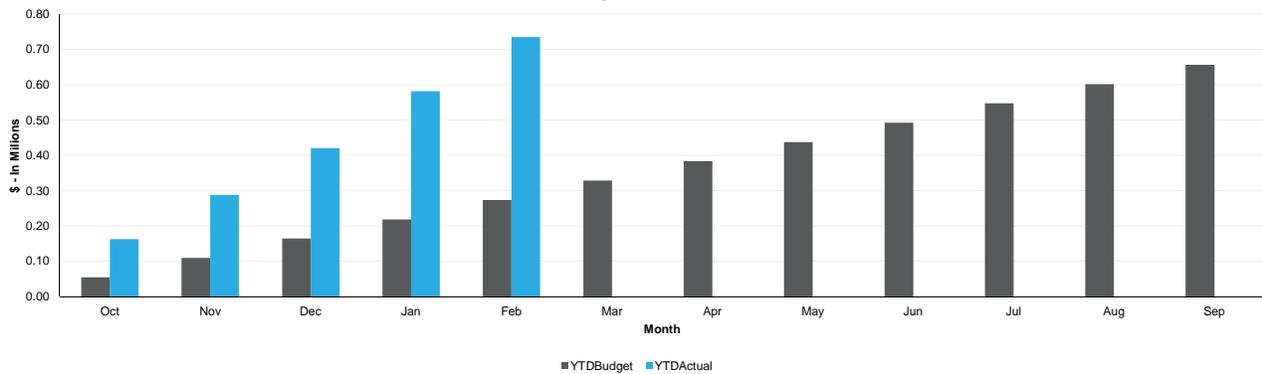


### FY 2016 - 2017 Interest Income by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05
Actual	\$ 0.16	\$ 0.13	\$ 0.13	\$ 0.16	\$ 0.15							
Variance	\$ 0.11	\$ 0.08	\$ 0.09	\$ 0.12	\$ 0.11							
Variance %	196.9%	146.9%	160.9%	212.6%	198.8%							

### Interest Income Year-to-Date

Budget vs. Actual



### FY 2016 - 2017 Interest Income by Year-to-Date With Variances (Millions)

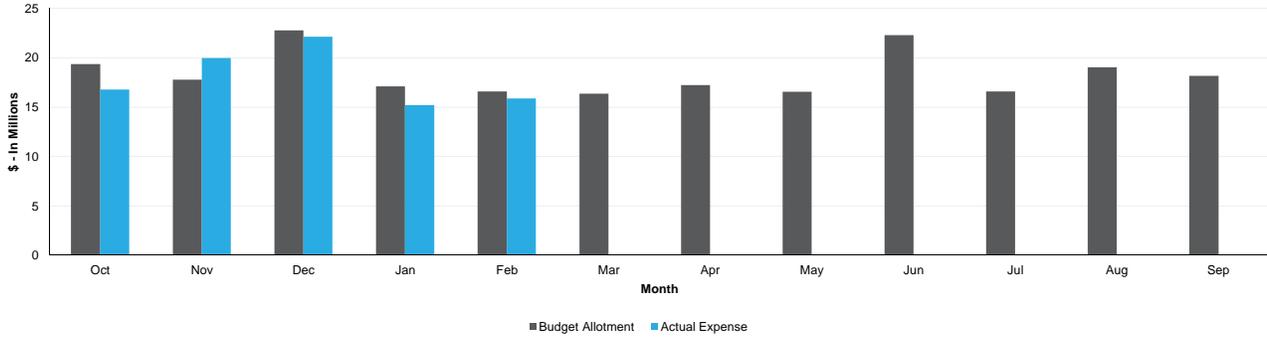
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	\$ 0.05	\$ 0.11	\$ 0.16	\$ 0.22	\$ 0.27	\$ 0.33	\$ 0.38	\$ 0.44	\$ 0.49	\$ 0.55	\$ 0.60	\$ 0.66
YTD Actual	\$ 0.16	\$ 0.29	\$ 0.42	\$ 0.58	\$ 0.73							
Variance	\$ 0.11	\$ 0.18	\$ 0.26	\$ 0.36	\$ 0.46							
Variance %	196.9%	162.8%	156.1%	165.6%	168.6%							

Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income for February 2017 totaled \$0.15 million. This is \$0.11 million more than the budget allotment for the month.

Interest income for the fiscal year totaled \$0.73 million. This total is significantly more than the budget allotment of \$0.27 million or \$0.46 million and results from an increase in the balance of cash on hand.

# **OPERATING REQUIREMENTS**

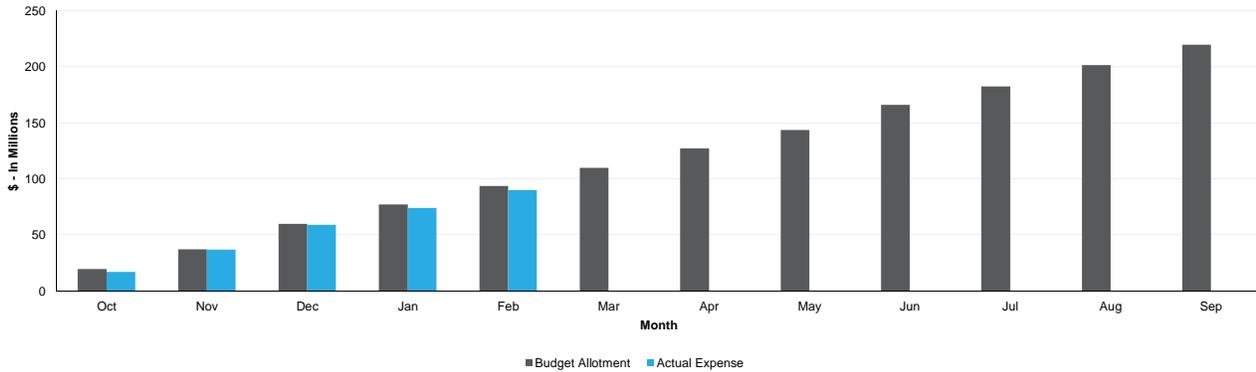
**Program Operating and Other Requirements by Month**  
Budget vs Actual



**FY 2016 - 2017 Program Operating and Other Requirements by Month With Variances (Millions)**

Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget Allotment	\$ 19.35	\$ 17.76	\$ 22.75	\$ 17.09	\$ 16.58	\$ 16.34	\$ 17.22	\$ 16.54	\$ 22.26	\$ 16.58	\$ 19.03	\$ 18.16
Actual Expense	\$ 16.78	\$ 19.95	\$ 22.10	\$ 15.18	\$ 15.85							
Variance	\$ 2.57	\$ (2.19)	\$ 0.65	\$ 1.91	\$ 0.74							
Variance %	13.3%	-12.3%	2.8%	11.2%	4.4%							

**Program Operating and Other Requirements Year-to-Date**  
Budget vs Actual

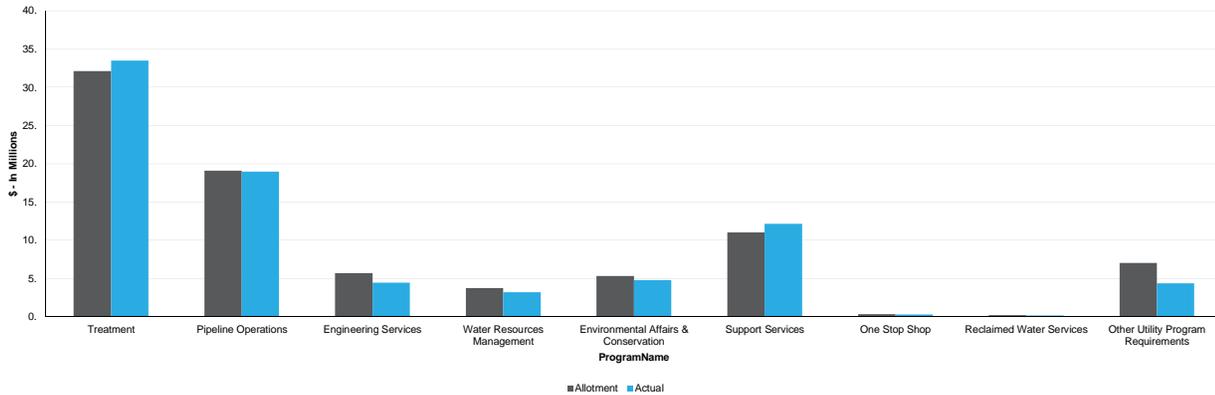


**FY 2016 - 2017 Program Operating and Other Requirements by Year-to-Date With Variances (Millions)**

YTD	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Budget Allotment	\$ 19.35	\$ 37.10	\$ 59.85	\$ 76.95	\$ 93.53	\$ 109.87	\$ 127.09	\$ 143.63	\$ 165.89	\$ 182.48	\$ 201.51	\$ 219.67
Actual Expense	\$ 16.78	\$ 36.73	\$ 58.83	\$ 74.01	\$ 89.85							
Variance \$	\$ 2.57	\$ 0.37	\$ 1.02	\$ 2.93	\$ 3.67							
Variance %	13.3%	1.0%	1.7%	3.8%	3.9%							

Total Program Operating and Other Requirements for the fiscal year through February 2017 were \$47.37 million for water, \$42.33 million for wastewater, and \$0.15 million for reclaimed water. The combined Program Operating and Other Requirements of \$89.85 million were \$3.67 million, or 3.9%, below the budget allotment.

**Operating Requirements by Program (Millions)  
Budget vs Actual**



**FY 2016 - 2017 Year-To-Date Program Operating Requirements by Program (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	\$ 32.08	\$ 19.05	\$ 5.67	\$ 3.72	\$ 5.31	\$ 10.98	\$ 0.31	\$ 0.17	\$ 7.00	\$ 84.30
Actual	\$ 33.46	\$ 18.95	\$ 4.43	\$ 3.16	\$ 4.74	\$ 12.12	\$ 0.25	\$ 0.14	\$ 4.34	\$ 81.60
Variance \$	\$ (1.39)	\$ 0.10	\$ 1.24	\$ 0.57	\$ 0.57	\$ (1.14)	\$ 0.06	\$ 0.03	\$ 2.66	\$ 2.70
Variance %	-4.3%	0.5%	21.9%	15.2%	10.8%	-10.4%	19.0%	17.2%	38.0%	3.2%

Total Operating Program Requirements as of February 28, 2017 were \$42.23 million for Water, \$39.21 million for Wastewater, and \$0.16 million for Reclaimed Water. The combined Program Operating Requirements of \$81.60 million were \$2.70 million or 3.2% below the allotment.

Engineering Services was \$1.24 million or 21.9% below allotment mainly due to lower than estimated spending on contractual services and pipeline maintenance services, and higher than estimated spending on the CIP related labor costs transfer.

Water Resources Management was \$0.57 million or 15.2% below allotment mainly due to lower than estimated spending on contractual services, interdepartmental charges, and temporary employees.

Environmental Affairs & Conservation was \$0.57 million or 10.8% below allotment mainly due to lower than estimated spending on Water Conservation Rebate related programs, contractual services, temporary employees, and survey services.

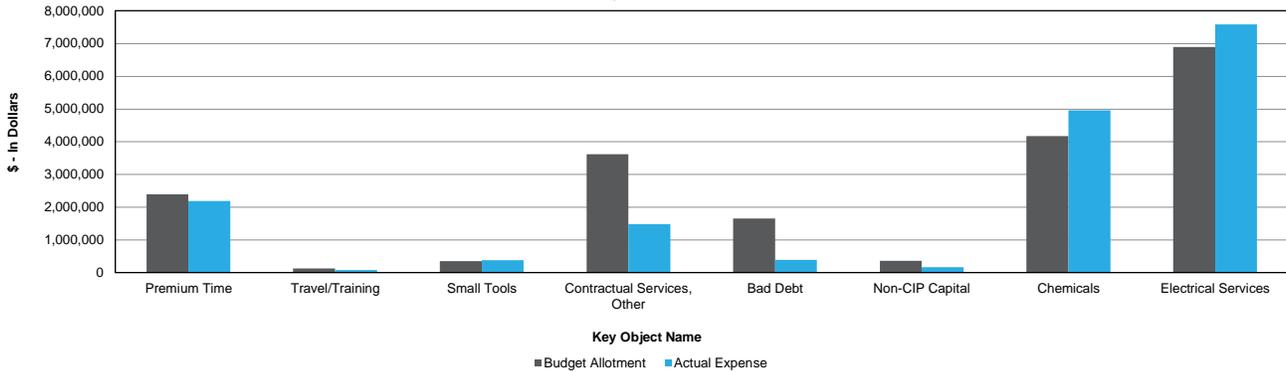
Support Services was \$1.14 million or 10.4% above allotment due to higher than estimated spending on computer software maintenance, security services, cellular phones, contractual services, and electric services.

One Stop Shop was \$0.06 million or 19.0% below allotment due to vacant positions.

Reclaimed Water Services was \$0.03 million or 17.2% below allotment also due to vacant positions, interdepartmental charges, consultant services, and general liability insurance.

Other Utility Program Requirements was \$2.66 million or 38.0% below allotment due to lower than estimated spending for contractual services, bad debt expense, compensation adjustment, insurance and software.

**Key Operating Object Codes Year-to-Date**  
Budget vs Actual



**FY 2016 - 2017 Year-To-Date Operating Requirements Key Object Codes With Variance**

	Premium Time	Travel/Training	Small Tools	Contractual Services, Other	Bad Debt	Non-CIP Capital	Chemicals	Electrical Services	Total
Budget Allotment	\$ 2,389,407	\$ 124,244	\$ 345,493	\$ 3,616,059	\$ 1,655,134	\$ 355,421	\$ 4,174,439	\$ 6,888,555	\$ 19,548,751
Actual Expense	\$ 2,184,869	\$ 80,804	\$ 376,357	\$ 1,472,964	\$ 388,597	\$ 168,690	\$ 4,953,701	\$ 7,584,612	\$ 17,210,594
Variance \$	\$ 204,538	\$ 43,440	\$ (30,864)	\$ 2,143,095	\$ 1,266,538	\$ 186,731	\$ (779,262)	\$ (696,057)	\$ 2,338,157
Variance %	8.6%	35.0%	-8.9%	59.3%	76.5%	52.5%	-18.7%	-10.1%	12.0%

Travel and Training was \$43,440 or 35.0% below allotment due to lower than anticipated expenses.

Other Contractual Services were \$2,143,095 or 59.3% below allotment due to lower than estimated spending in the Collection System Engineering, Utility Development Services and Water Conservation Divisions, as well as lower spending for emergency service contracts for the Utility as a whole.

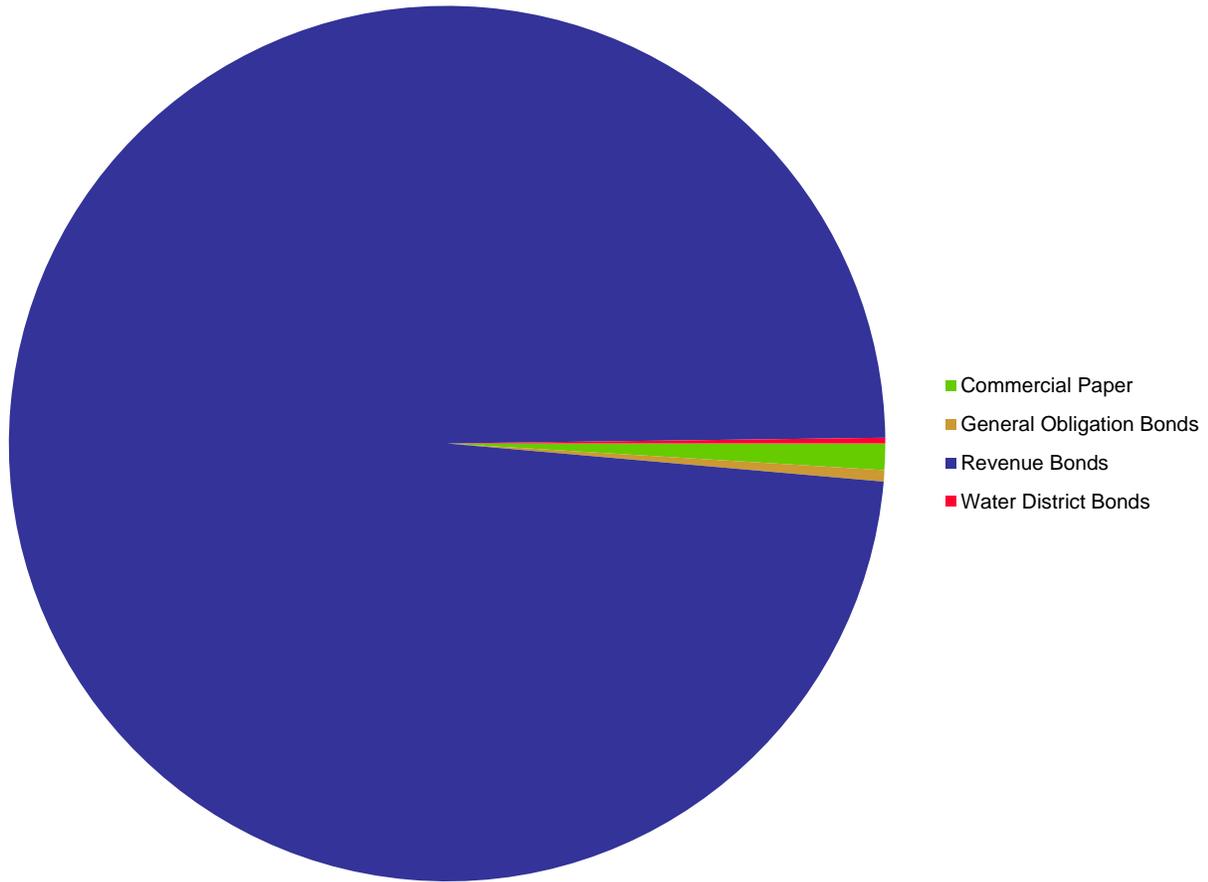
Non-CIP Capital was \$186,731 or 52.5% below allotment due to lower than estimated spending in the Wastewater Treatment, Water Meter Operations, Collection System Services, Distribution System Maintenance, and Laboratory Services Divisions.

Chemicals were \$779,262 or 18.7% above allotment due to FY2016 expenses which were posted to FY2017. It is anticipated that the Controller's Office will post an Unvouchered payable journal to reverse these transactions during March 2017.

Electrical Services were \$696,057 or 10.1% above allotment due to the Green Choice Batch 6 rates which were billed to Austin Water during the first three months of FY2017. It is expected that the new rate will be reflected beginning with the February 2017 bill.

## **DEBT OUTSTANDING & DEBT SERVICE**

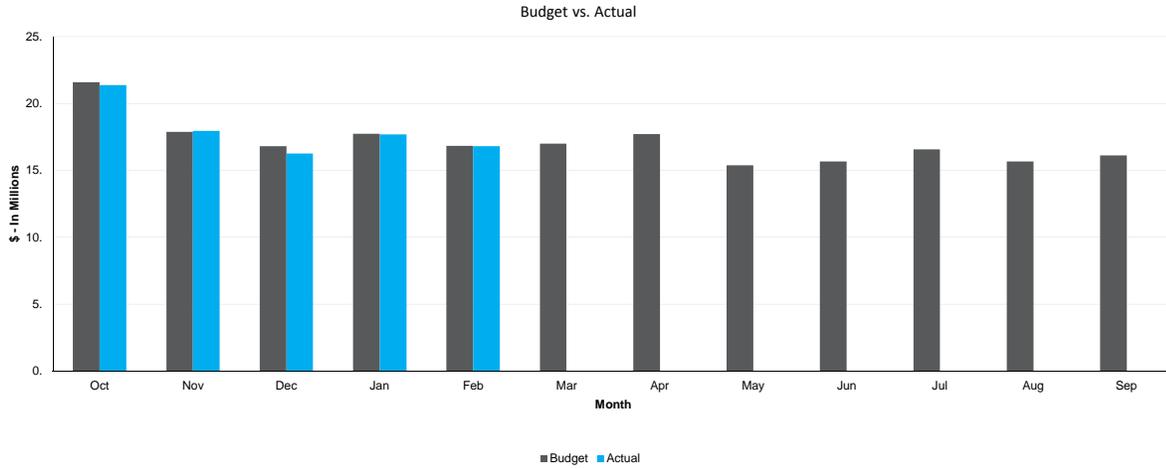
### Total Debt outstanding By Type as of February 2017



	Debt Outstanding	% Outstanding
Commercial Paper	\$ 65,330,000	2.8%
General Obligation Bonds	7,739,523	0.3%
Revenue Bonds	2,255,736,857	96.7%
Water District Bonds	4,900,727	0.2%
<b>Total</b>	<b>\$ 2,333,707,107</b>	<b>100.0%</b>

Fiscal Year	Utility Debt Per Customer
2012	10,832.55
2013	11,288.09
2014	11,443.78
2015	11,021.31
2016	10,465.12
2017	10,231.92

### Combined Debt Service by Month (Millions)

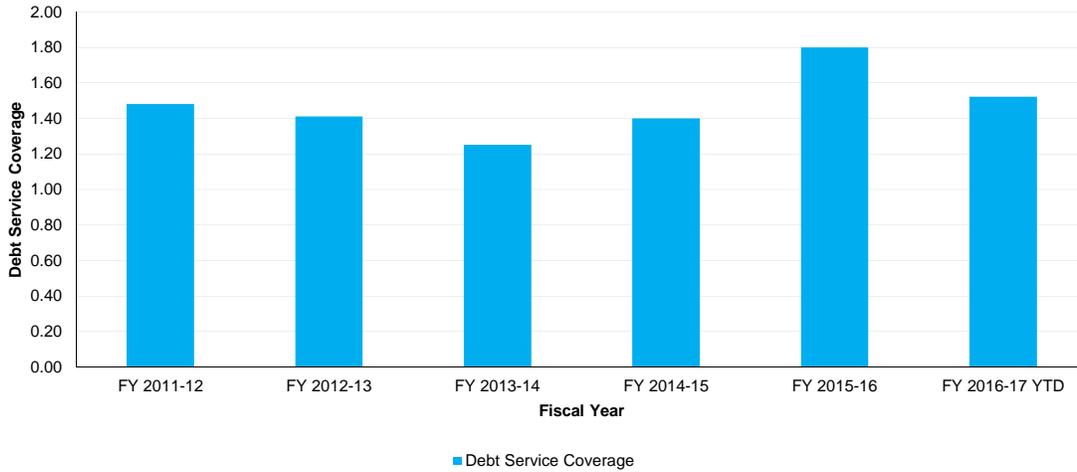


FY 2016 - 2017 Combined Debt Service by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Budget	\$ 21.61	\$ 17.89	\$ 16.83	\$ 17.74	\$ 16.84	\$ 17.02	\$ 17.74	\$ 15.39	\$ 15.68	\$ 16.58	\$ 15.68	\$ 16.12	\$ 205.12
Actual	\$ 21.40	\$ 17.97	\$ 16.29	\$ 17.71	\$ 16.83								\$ 90.19
Variance	\$ 0.21	\$ (0.08)	\$ 0.55	\$ 0.03	\$ 0.01								
Variance %	1.0%	-0.4%	3.3%	0.2%	0.1%								

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 February 2017 was \$16.83 million, \$0.01 million less than projected for the month. Combined debt service for the fiscal year was \$90.19 million or \$0.72 million less than projected.

### Debt Service Coverage



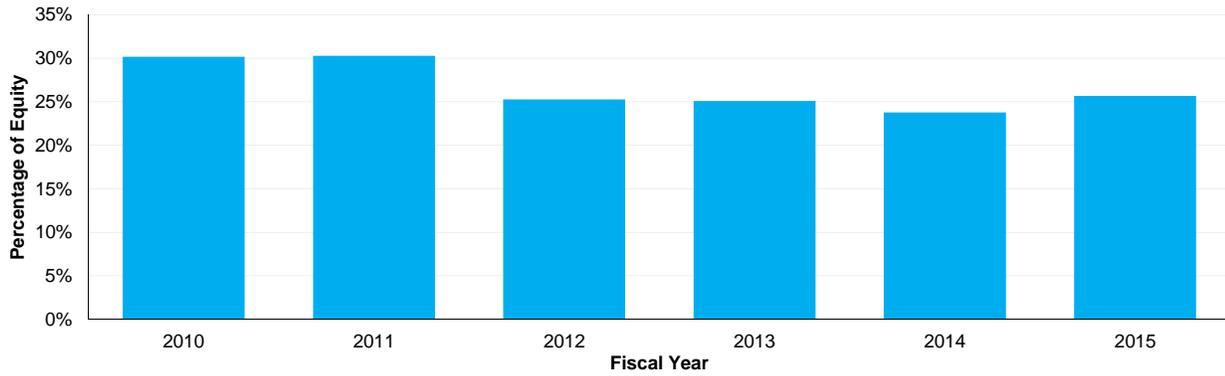
<b>DebtServiceCoverage</b>	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 YTD
Debt Service Coverage	1.48	1.41	1.25	1.40	1.80	1.52

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 FY11-12 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

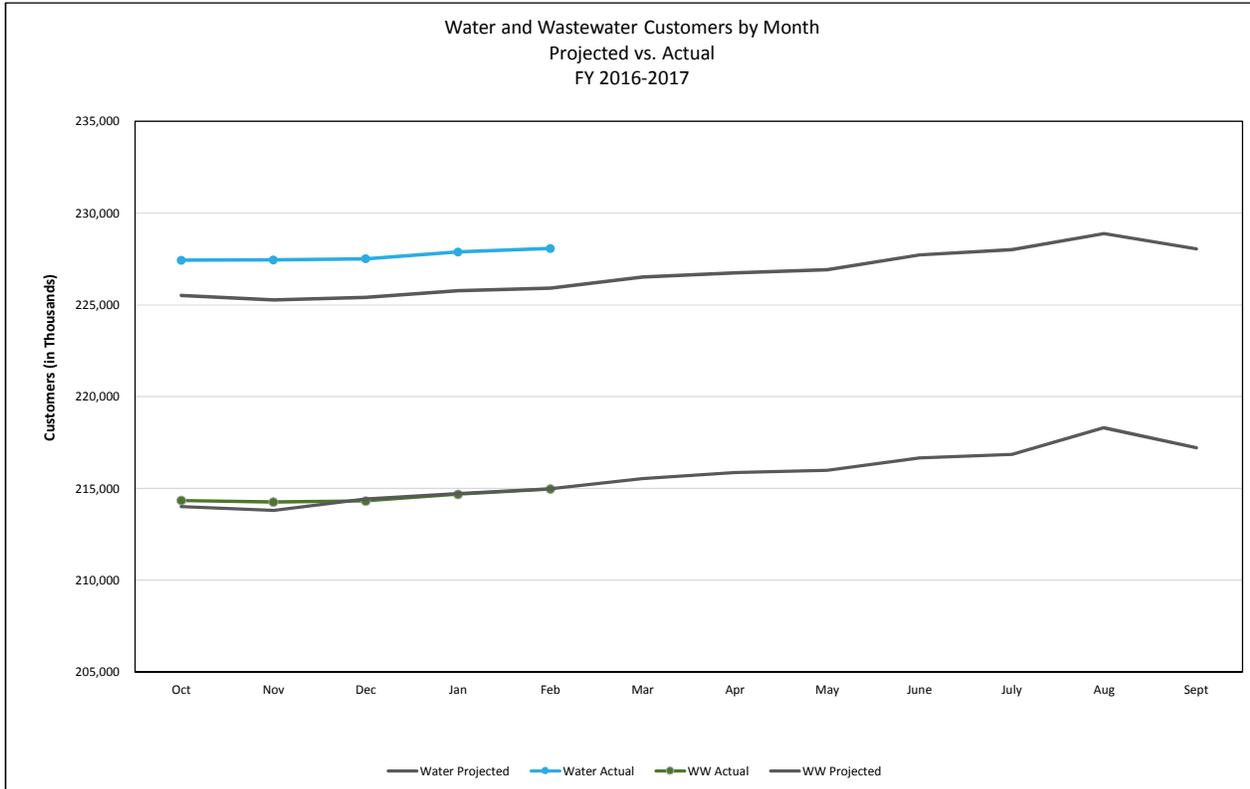


Percentage of Equity	2010	2011	2012	2013	2014	2015
Percent of Equity	30.2%	30.3%	25.3%	25.1%	23.8%	25.7%

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.

## **CUSTOMER DEMAND CHARACTERISTICS**

## Number of Customers



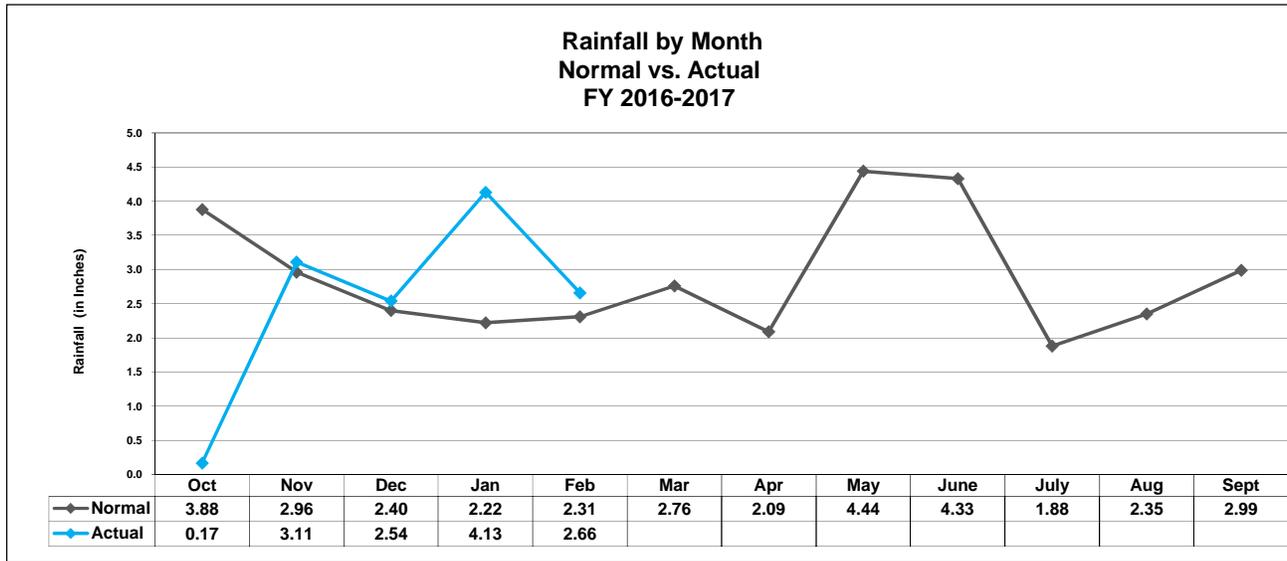
Customers	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Water Projected	225,510	225,273	225,416	225,776	225,914	226,514	226,748	226,926	227,718	228,011	228,879	228,040
Water Actual	227,441	227,449	227,517	227,885	228,081							
Variance	1,931	2,176	2,101	2,109	2,167							
Monthly Change	9	8	68	368	196							
WW Projected	214,013	213,805	214,420	214,713	214,976	215,541	215,860	215,980	216,659	216,859	218,305	217,220
WW Actual	214,346	214,265	214,320	214,690	214,970							
Variance	333	460	(100)	(23)	(6)							
Monthly Change	(26)	(81)	55	370	280							

The actual number of water customers as of February 28, 2017, was 228,081. This was 196 more customers than last month, and 2,167 more customers than projected for this date. There were 224,841 water customers as of February 29, 2016.

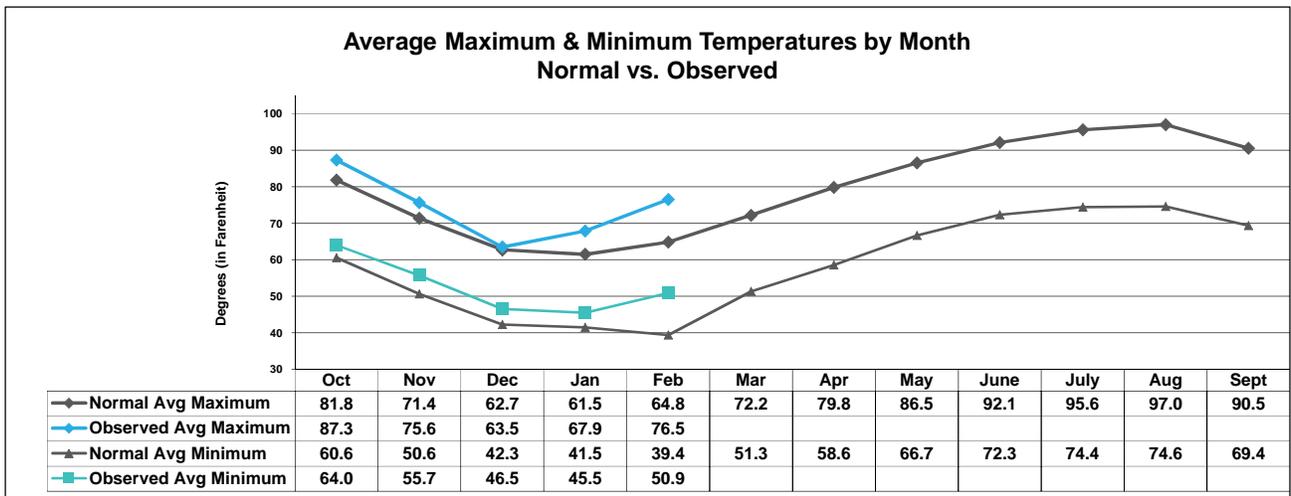
The actual number of wastewater customers as of February 28, 2017, was 214,970. This was 280 more customers than last month, and 6 fewer customers than projected for this date. There were 211,835 wastewater customers as of February 29, 2016.

The projected number of customers for fiscal year 2016–17 was determined in April 2016 using a 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 Temperatures by Month



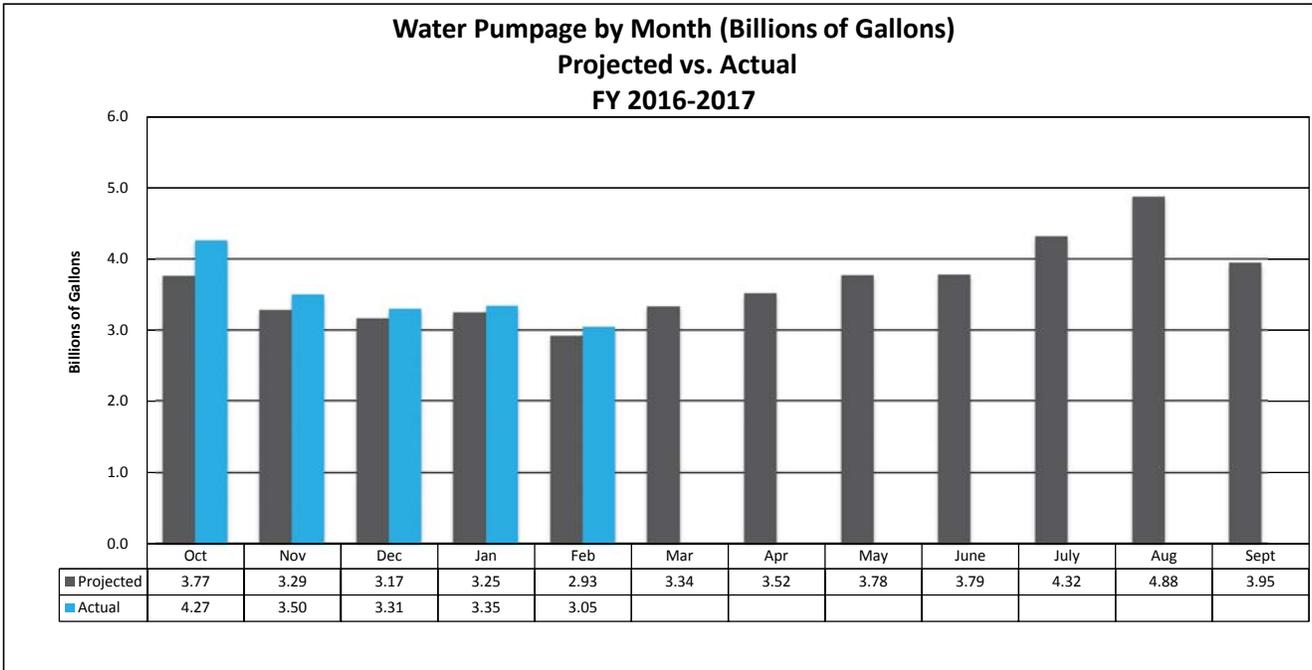
Monthly normal rainfall is based on a 30-year history as reported by the National Weather Service for Austin-Camp Mabry. Last fiscal year the total rainfall was 52.69 inches, 55.6% above the normal amount of 33.87 inches. In February, 2.66 inches of rain fell, 0.35 inches above normal for the month. For the fiscal year to date, rainfall has totaled 12.61 inches, 8.4% less than the normal amount of 13.77 inches. Generally, as rainfall increases significantly, water pumpage decreases and wastewater influent increases due to inflow and infiltration. Conversely, as rainfall decreases significantly, water pumpage increases and wastewater influent decreases.



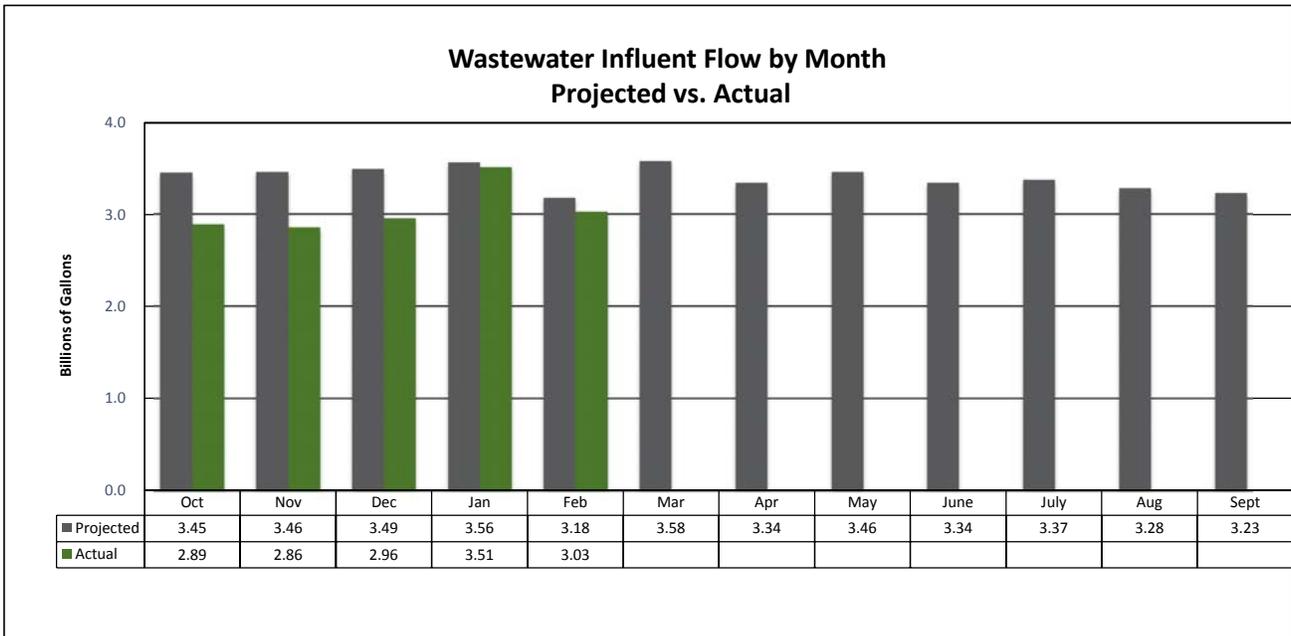
Monthly average maximum and minimum temperatures are reported by the National Weather Service for Austin-Camp Mabry. This fiscal year temperatures have been largely warmer than historic norms. In February, the average high temperature was 11.7 degrees higher than the historical normal value and the average low temperature was 11.5 degrees higher than the historical normal value.

The combined storage capacity in the Highland Lakes' two water storage reservoirs, Travis and Buchanan, is at 98% as of February 2017.

## Water Pumpage and Wastewater Influent Flow by Month

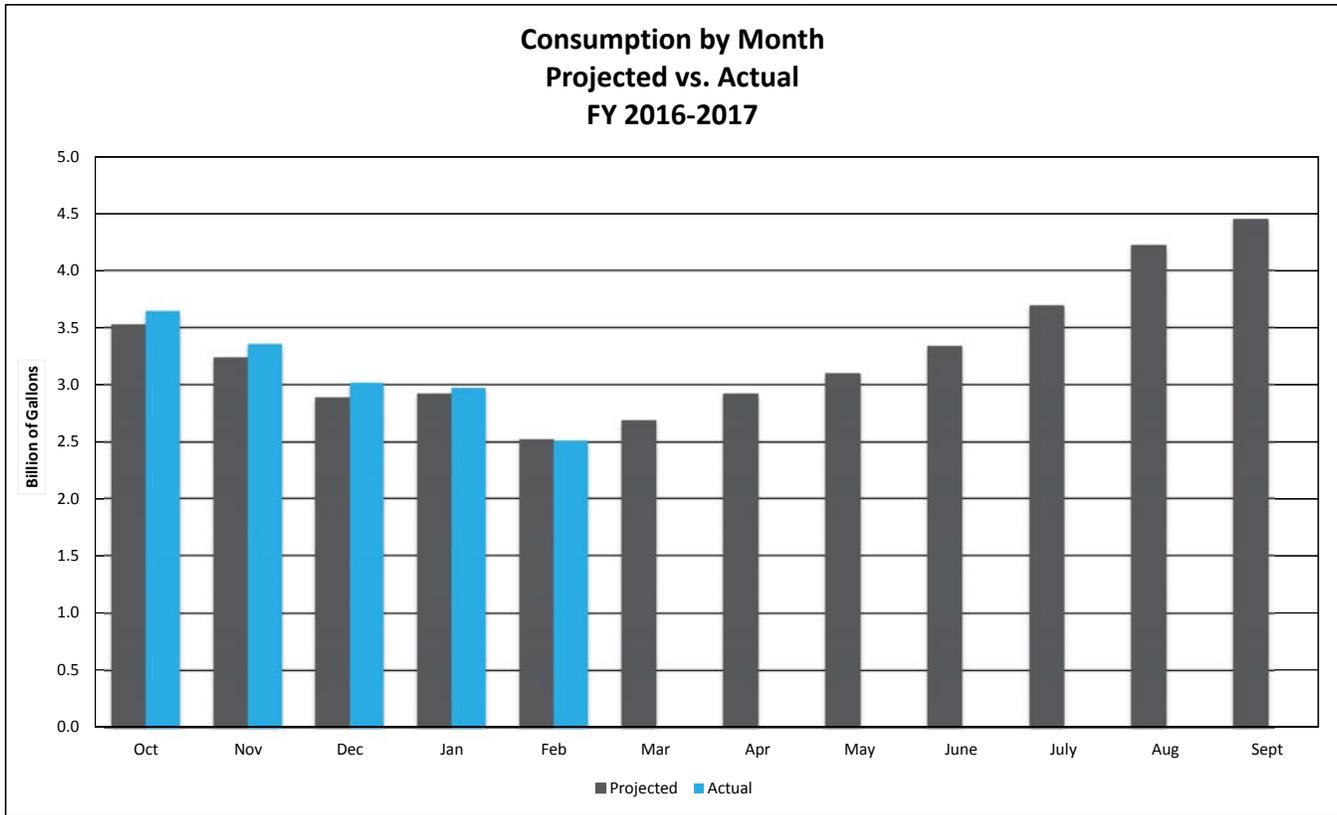


Pumpage during February 2017 averaged 108.93 MGD for a total of 3.05 BG for the month. This compares to a daily average of 115.70 MGD for this fiscal year, and a daily average of 113.12 MGD for fiscal year 2015–16.



Influent during February 2017 averaged 108.11 MGD for a total of 3.03 BG for the month. This compares to a daily average of 101.00 MGD for this fiscal year, and an average of 111.22 MGD for fiscal year 2015–16.

## Billed Water Consumption

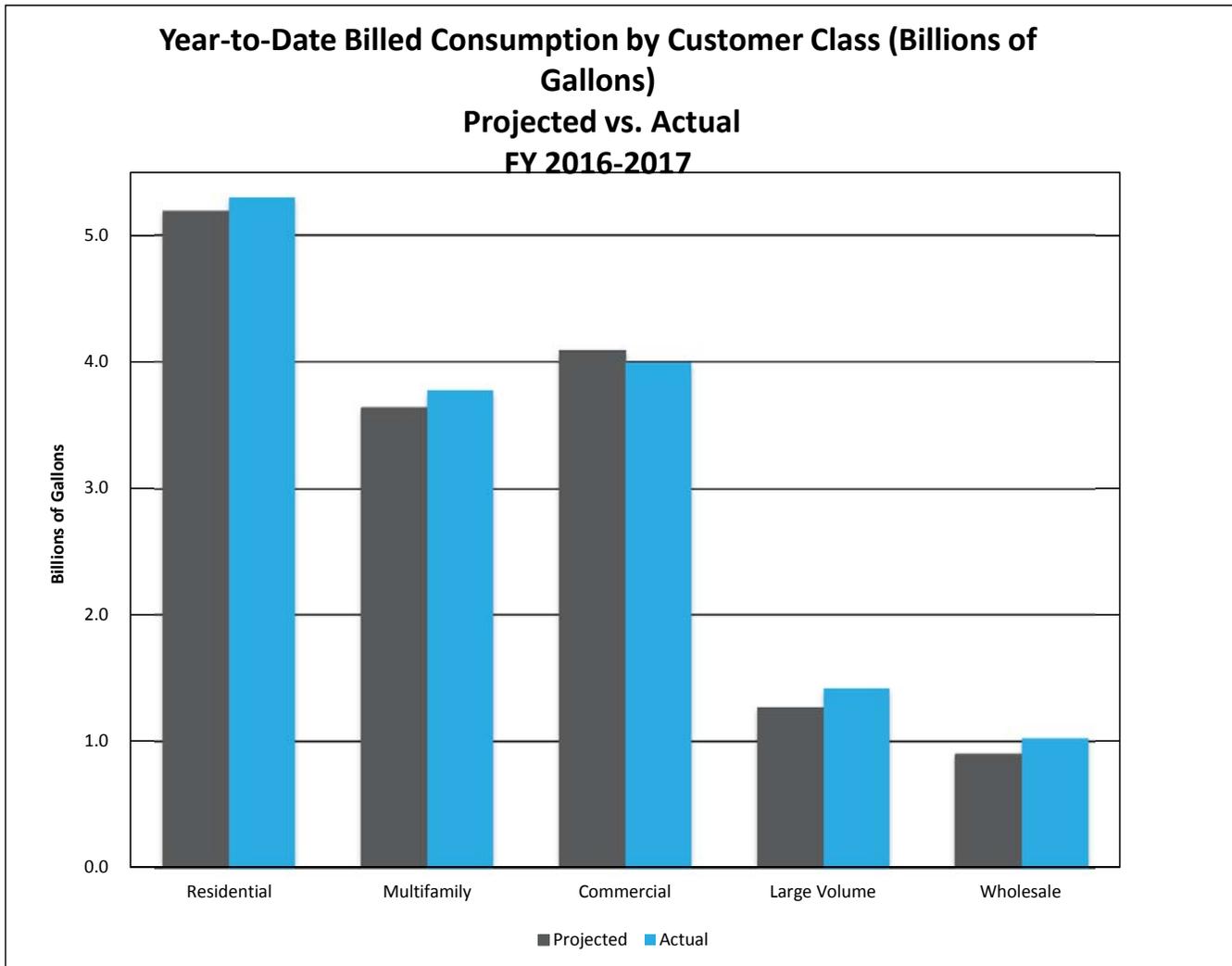


**FY 2016-17 Billed Consumption by Month and Year-to-Date (Billion of Gallons)**

Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Projected	3.53	3.24	2.89	2.92	2.52	2.69	2.92	3.1	3.34	3.69	4.22	4.45
Actual	3.65	3.36	3.02	2.98	2.52							
Variance	0.12	0.12	0.13	0.06	-0.003							
Variance %	3.4%	3.7%	4.5%	2.1%	-0.1%							
<b>YTD</b>												
Projected	3.53	6.76	9.65	12.57	15.09	17.78	20.70	23.80	27.14	30.83	35.05	39.50
Actual	3.65	7.01	10.03	13.02	15.53							
Variance	0.12	0.25	0.38	0.45	0.44							
Variance %	3.4%	3.7%	3.9%	3.6%	2.9%							

Actual billed water consumption for February 2017 was 2.52 BG. This was 0.003 BG, or 0.1%, less than projected for the month. For the fiscal year, actual billed water consumption was 15.53 BG. This was 0.44 BG, or 2.9%, more than projected for the period.

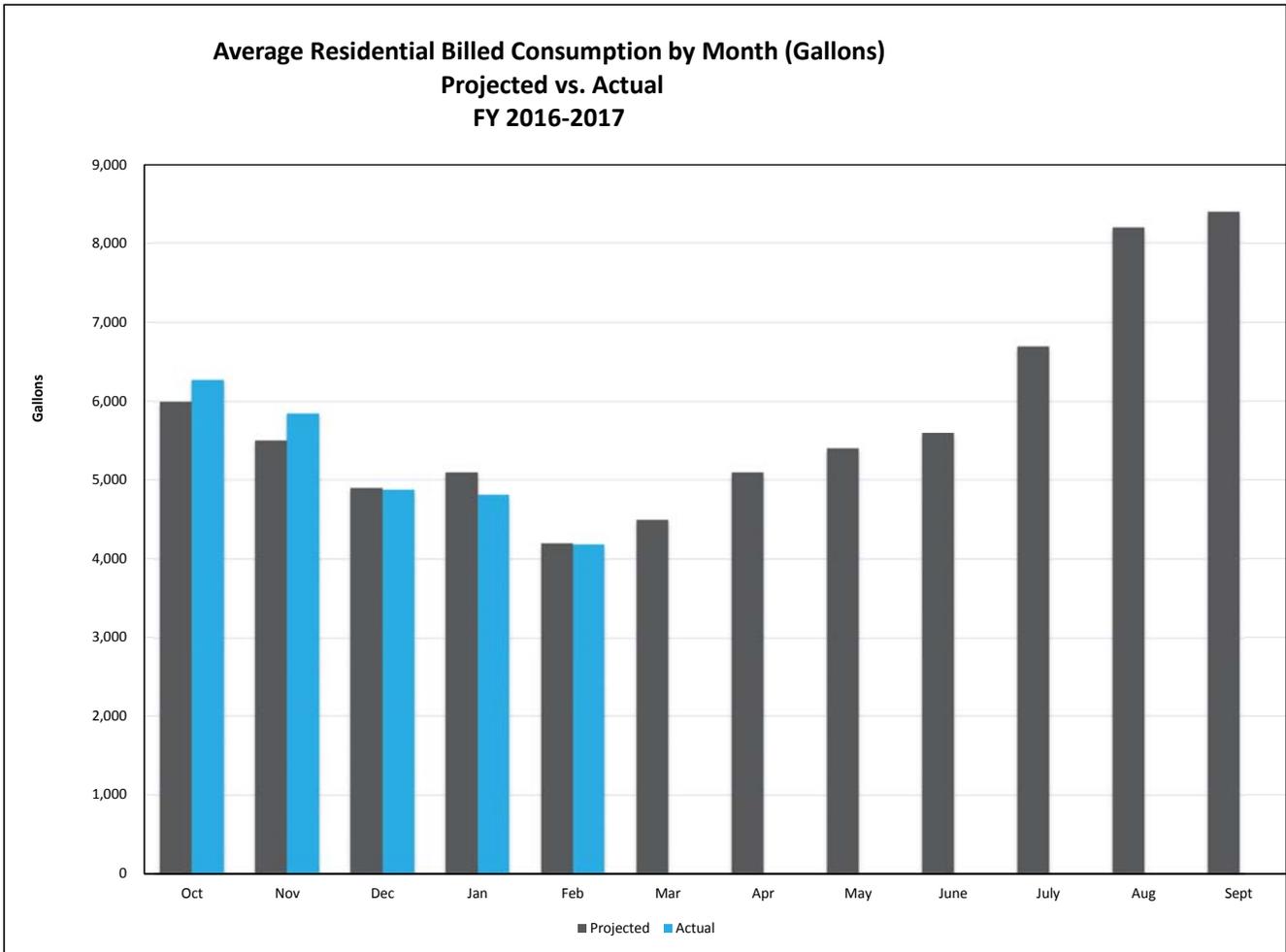
## Billed Water Consumption (continued)



Class	Residential	Multifamily	Commercial	Large Volume	Wholesale
Projected	5.19	3.64	4.09	1.27	0.90
Actual	5.30	3.78	4.00	1.42	1.03
Variance	0.11	0.14	-0.09	0.15	0.13
Variance %	2.1%	3.8%	-2.2%	11.8%	14.4%

For the fiscal year through February 2017, billed water consumption was 15.53 BG. This was 0.44 BG, or 2.9%, more than projected for all customer classes combined. Residential, Multifamily, Large Volume, and Wholesale classes were each above projections for the year.

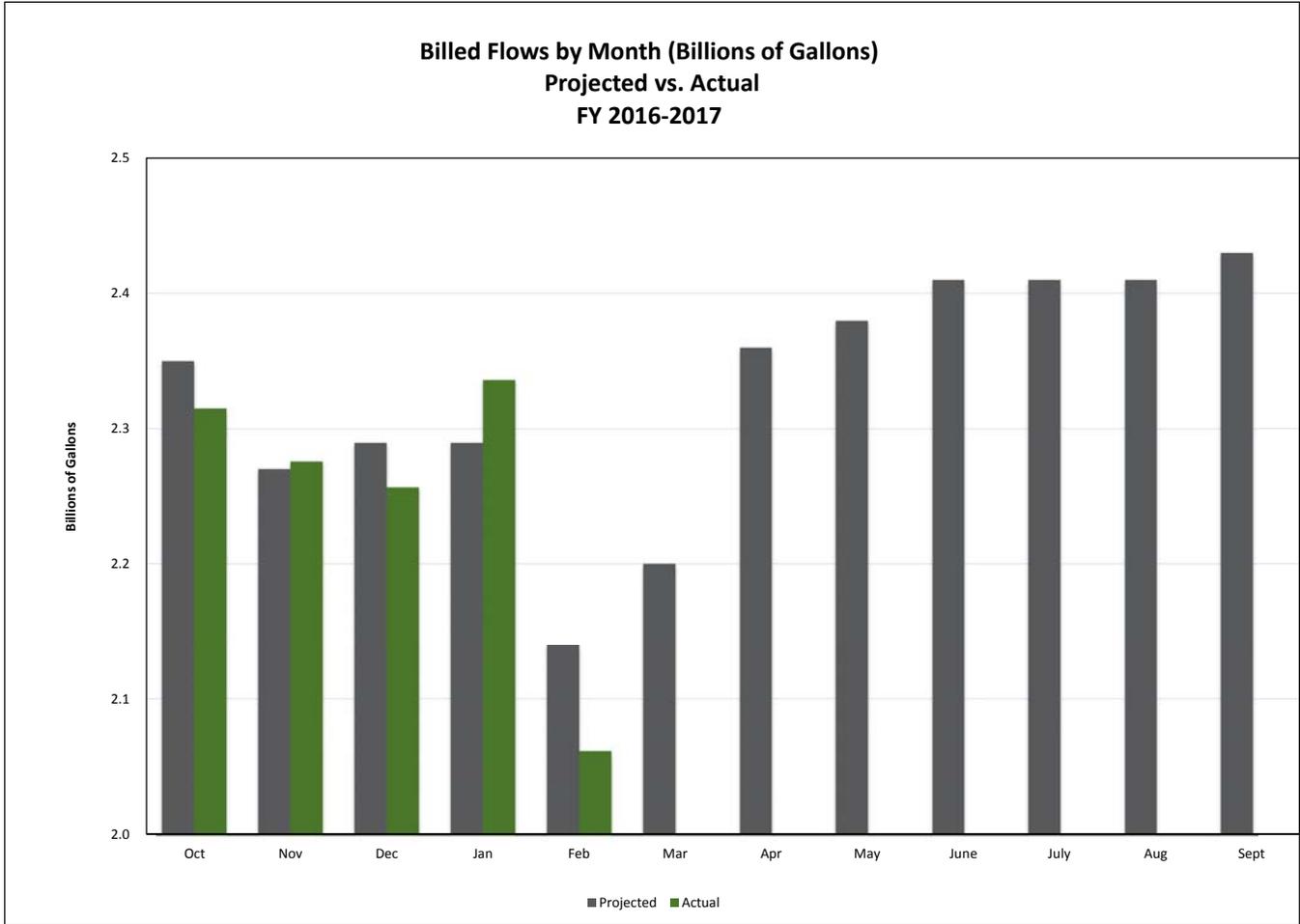
## Billed Water Consumption (continued)



Average Residential Water Consumption	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Projected	6,000	5,500	4,900	5,100	4,200	4,500	5,100	5,400	5,600	6,700	8,200	8,400
Actual	6,277	5,851	4,880	4,815	4,186							
Variance	277	351	(20)	(285)	(14)							
Variance %	4.6%	6.4%	-0.4%	-5.6%	-0.3%							

Average Residential billed consumption for February 2017 was 4,186 gallons. This was 14 gallons, or 0.3%, less than projected for the month.

## Billed Wastewater Flows

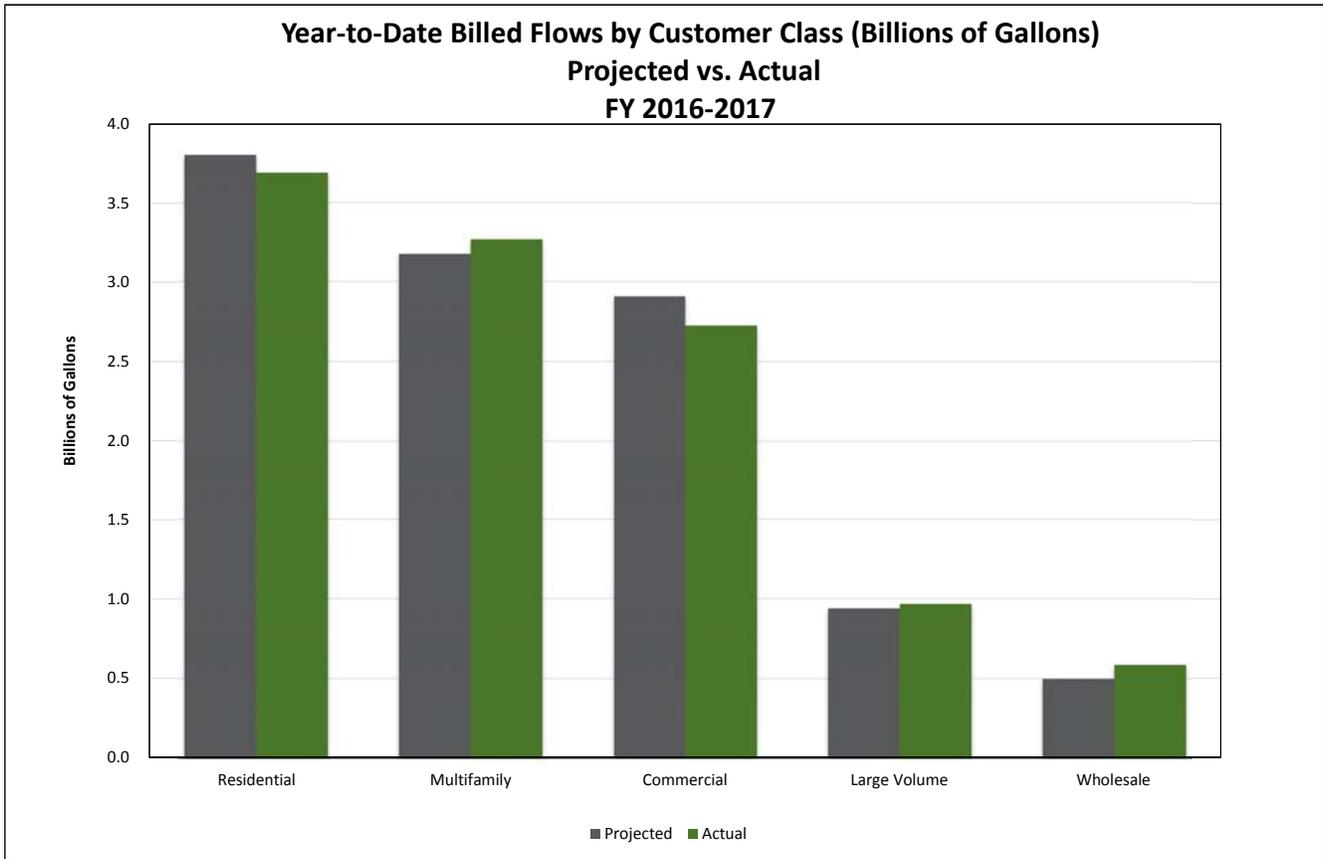


Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Projected	2.35	2.27	2.29	2.29	2.14	2.20	2.36	2.38	2.41	2.41	2.41	2.43
Actual	2.32	2.28	2.26	2.34	2.06							
Variance	-0.03	0.01	-0.03	0.05	-0.08							
Variance %	-1.5%	0.2%	-1.5%	2.0%	-3.7%							
YTD												
Projected	2.35	4.62	6.90	9.19	11.33	13.53	15.89	18.27	20.68	23.09	25.49	27.92
Actual	2.32	4.59	6.85	9.18	11.25							
Variance	-0.03	-0.03	-0.05	-0.01	-0.08							
Variance %	-1.5%	-0.6%	-0.8%	-0.1%	-0.7%							

Actual billed flows for February 2017 were 2.06 BG. This was 0.08BG, or 3.7% below the projection for the month. For the fiscal year, actual billed flows were 11.25 BG. This was 0.08 BG, or 0.7%, less than projected for the fiscal 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.

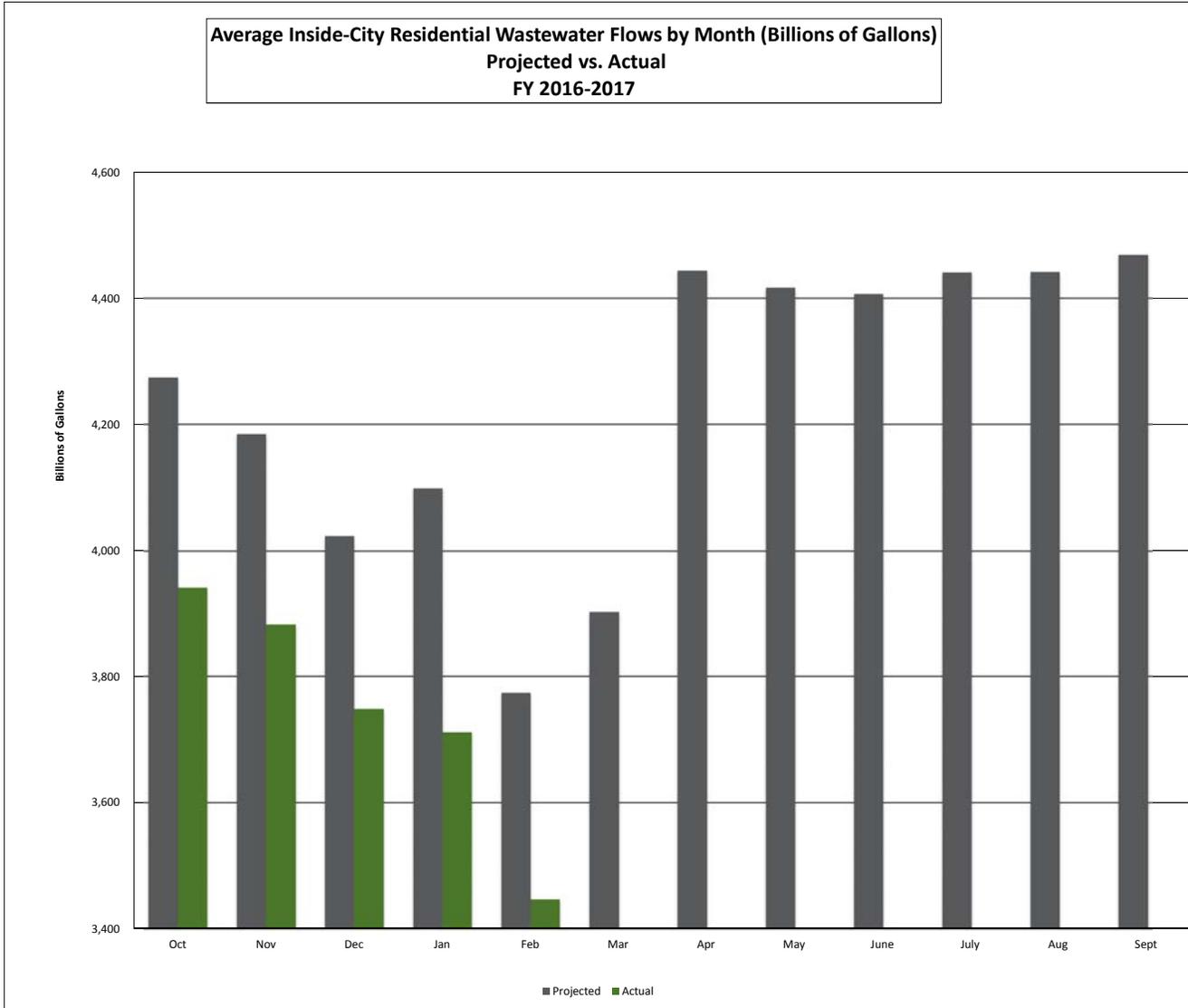
## Billed Wastewater Flows (continued)



Class	Residential	Multifamily	Commercial	Large Volume	Wholesale
Projected	3.80	3.18	2.91	0.94	0.50
Actual	3.69	3.27	2.73	0.97	0.59
Variance	-0.11	0.09	-0.18	0.03	0.09
Variance %	-2.9%	2.8%	-6.2%	3.2%	18.0%

Overall, billed wastewater flows were 11.25 BG for the fiscal year through February 2017. This was 0.08 BG, or 0.7%, less than projected for all customer classes combined. As shown in the table above, billed wastewater flows were below projections in the Residential and Commercial classes, offsetting the higher billed flows in the other classes.

## Billed Wastewater Flows (continued)

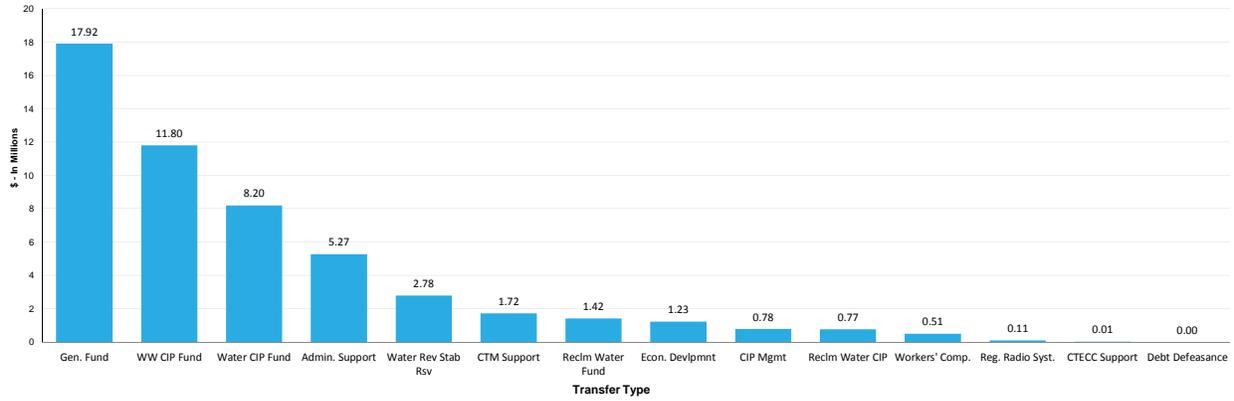


Average Inside City Residential Flows	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Projected	4,275	4,185	4,024	4,099	3,775	3,902	4,444	4,417	4,407	4,441	4,442	4,469
Actual	3,943	3,883	3,749	3,712	3,447							
Variance	(333)	(302)	(275)	(386)	(328)							
Variance %	-7.8%	-7.2%	-6.8%	-9.4%	-8.7%							

The average Residential billed flow for February 2017 was 3,447 gallons. This was 328 gallons, or 8.7%, less than projected for the month.

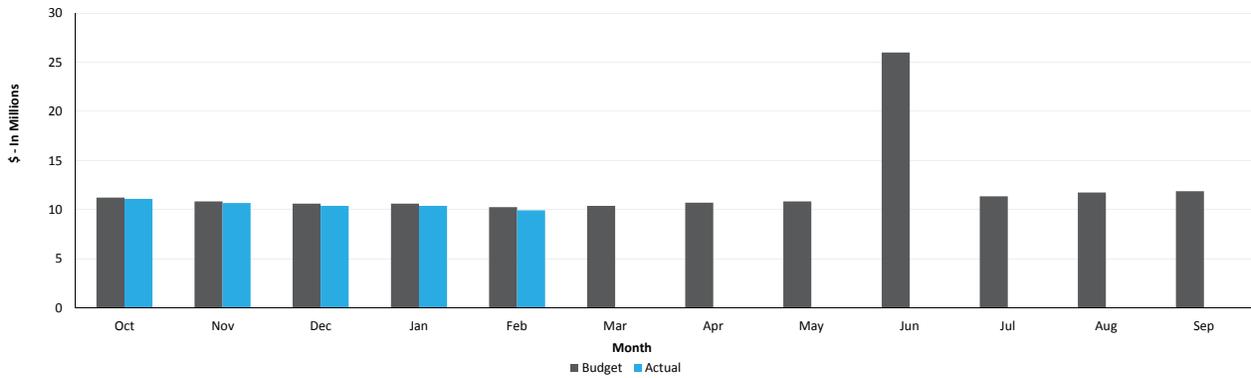
## **OTHER REPORTING**

**Transfers Out by Type**  
Actual Year-to-Date



**Total Transfers Out by Month Year-to-Date**

Budget vs. Actual



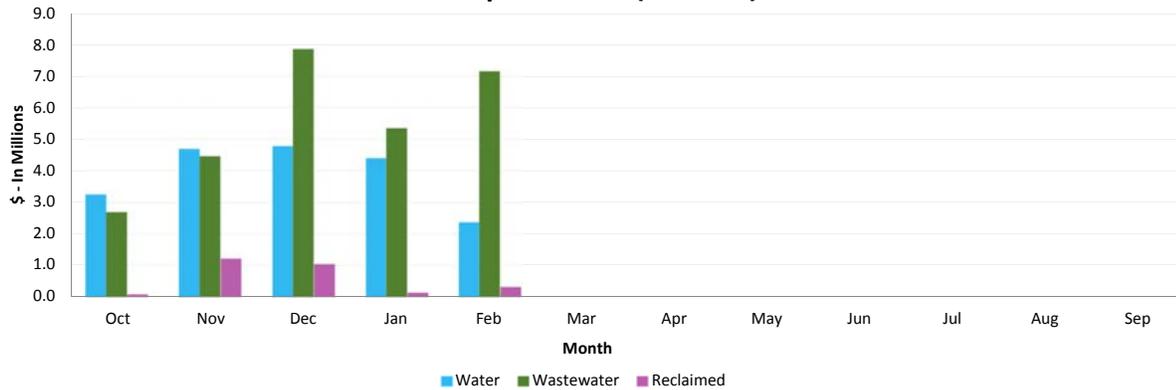
**FY 2016 - 2017 Total Transfers Out by Month With Variances (Millions)**

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Budget	\$ 11.23	\$ 10.85	\$ 10.61	\$ 10.64	\$ 10.27	\$ 10.41	\$ 10.72	\$ 10.85	\$ 26.01	\$ 11.37	\$ 11.77	\$ 11.89	\$ 146.60
Actual	\$ 11.11	\$ 10.67	\$ 10.38	\$ 10.40	\$ 9.95								\$ 52.51
Variance	\$ 0.12	\$ 0.18	\$ 0.23	\$ 0.24	\$ 0.32								
Variance %	1.1%	1.7%	2.1%	2.2%	3.1%								

Transfers Out for the fiscal year through February 2017 totaled \$52.51 million. This was \$1.09 million less than the budget allotment for the year.

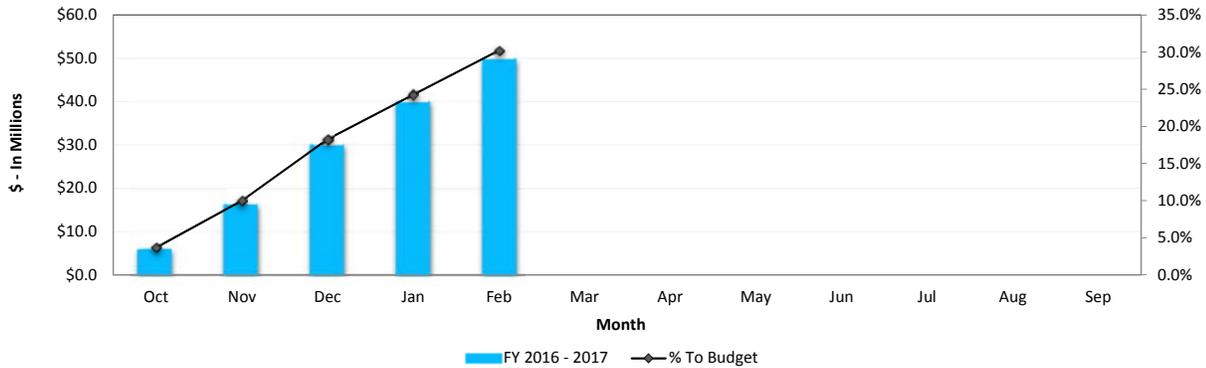
Transfers Out includes transfers for General Fund, Capital Improvement Program, Administrative Support, Water Revenue Stability Reserve Fund, Communication and Technology Management Fund (CTM), Reclaimed Water Fund, Economic Development Fund, Workers' Compensation Fund, Regional Radio System, and Emergency and Communications Center (CTECC).

### CIP Expenditures (Millions)



Actual Expense	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
Water	\$ 3.27	\$ 4.69	\$ 4.77	\$ 4.39	\$ 2.39								\$ 19.51
Wastewater	2.70	4.46	7.86	5.35	7.16								27.53
Reclaimed	0.09	1.21	1.04	0.14	0.32								2.80
<b>Total</b>	<b>\$ 6.06</b>	<b>\$ 10.36</b>	<b>\$ 13.67</b>	<b>\$ 9.88</b>	<b>\$ 9.87</b>								<b>\$ 49.84</b>

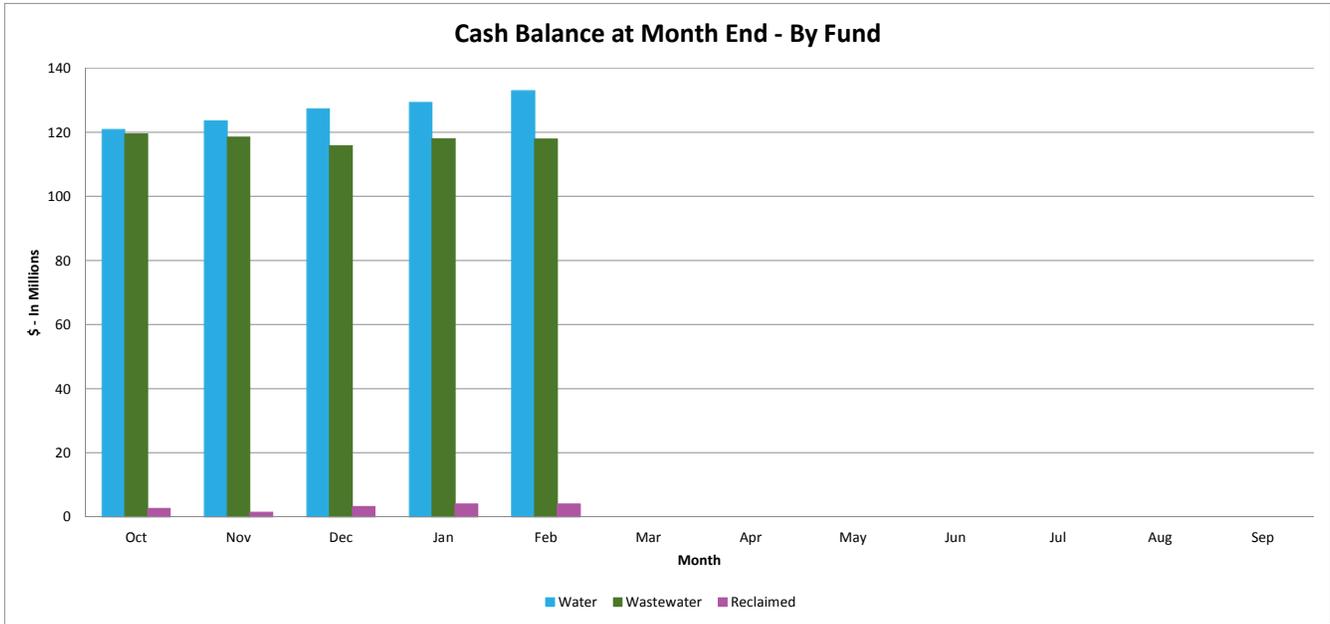
### Year-to-Date Cumulative CIP Expenditures (Millions)



CIP	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>FY 2016 - 2017</b>	<b>\$ 6.06</b>	<b>\$ 16.42</b>	<b>\$ 30.09</b>	<b>\$ 39.97</b>	<b>\$ 49.84</b>	<b>\$ -</b>						
<b>% To Budget</b>	<b>3.67%</b>	<b>9.96%</b>	<b>18.25%</b>	<b>24.24%</b>	<b>30.22%</b>							

CIP expenditures for the fiscal year through February 2017 totaled \$19.51 million for water, \$27.53 million for wastewater, and \$2.80 million for reclaimed, for a combined total of \$49.84 million, or 30.22% of the FY 2016-17 CIP spending plan.

The approved CIP spending plan for FY 2016-17 was \$79.96 million for water, \$69.07 million for wastewater, and \$15.87 million for reclaimed for a combined total of \$164.90 million.



### FY 2016 - 2017 Cash Balances, Operating, CIP, Capital Recovery Fee - (\$ In Millions)

Ending Balance	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>Water</b>	\$ 120.85	\$ 123.55	\$ 127.36	\$ 129.28	\$ 133.01							
<b>Wastewater</b>	\$ 119.52	\$ 118.50	\$ 115.83	\$ 118.04	\$ 117.89							
<b>Reclaimed</b>	\$ 2.65	\$ 1.47	\$ 3.24	\$ 4.04	\$ 4.08							
<b>Total Cash Balance</b>	\$ 243.02	\$ 243.52	\$ 246.42	\$ 251.37	\$ 254.98							

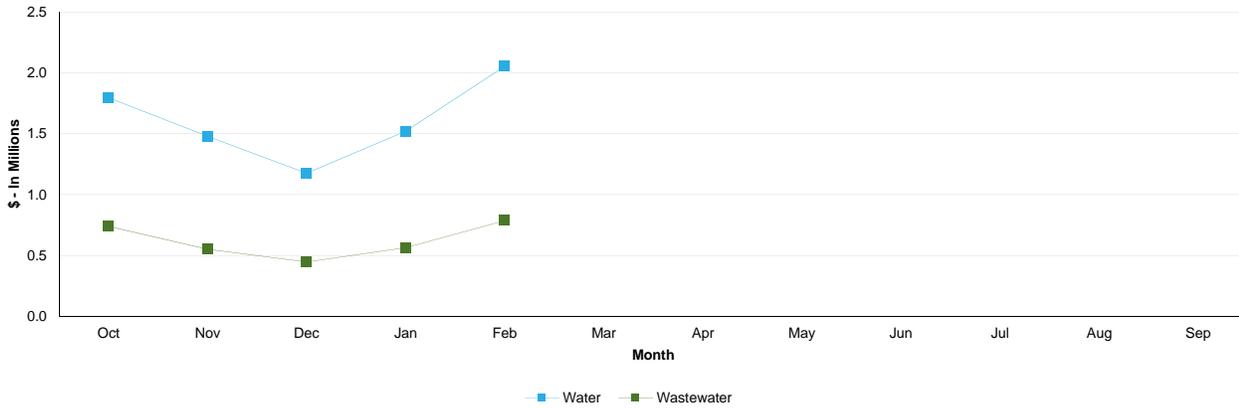
Ending Balance	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>Operating</b>	\$ 120.71	\$ 124.27	\$ 124.83	\$ 124.84	\$ 125.93							
<b>Capital Recovery Fee</b>	26.53	28.56	30.18	32.27	35.11							
<b>CIP</b>	67.09	61.40	61.56	63.85	63.06							
<b>Revenue Stability Reserve Fund</b>	28.68	29.29	29.85	30.41	30.88							
<b>Total Cash Balance</b>	\$ 243.02	\$ 243.52	\$ 246.42	\$ 251.37	\$ 254.98							

Combined cash balances for Water, Wastewater, and Reclaimed for the month of February 2017 totaled \$254.98 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 \$235.52 million at the end of February.

Combined Operating Cash Balances totaled \$125.93 million. Combined CIP Cash Balances totaled \$63.06 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 \$30.88 million.

Capital Recovery Fee (CRF) Cash Balances totaled \$35.11 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. Austin Water now transfers CRFs to the operating funds, from which transfers are made to debt service funds.

### CRF Collections by Month



### FY 2016 - 2017 CRF Collections by Month, Water, Wastewater, and Total (Millions)

Actual Revenue	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
<b>Water</b>	\$ 1.80	\$ 1.48	\$ 1.17	\$ 1.52	\$ 2.05								\$ 8.02
<b>Wastewater</b>	0.74	0.55	0.45	0.57	0.79								3.09
<b>Combined Total</b>	\$ 2.54	\$ 2.03	\$ 1.62	\$ 2.09	\$ 2.84								\$ 11.11

Capital Recovery Fee (CRF) collections and interest for the month of February 2017 were \$2.05 million for Water and \$0.79 million for Wastewater for a total of \$2.84 million. For the fiscal year, a total of \$11.11 million in CRFs and interest has been collected.