



## **FINANCIAL STATUS REPORT**

For the Period Ending September 30, 2017  
Close II





## MEMORANDUM

**To:** Greg Meszaros, Director, Austin Water  
**From:** David Anders, Assistant Director, Austin Water  
**Date:** November 15, 2017  
**Subject:** Financial Status Report for the Period Ended September 30, 2017

Attached is Austin Water's Financial Status Report. The combined fund balance at the end of September was \$212.33 million, or \$50.94 million more than projected, as detailed in the Executive Summary. The beginning balance was \$4.73 million more than projected, fiscal year requirements were \$11.89 million below budget, and revenues and transfers in were \$34.32 million above projections.

The Buchanan and Travis lake system is now 88% full at the end of September. The City remains in Conservation Stage water restrictions to conserve availability and protect the integrity of water supply. Water service revenues are \$20.18 million above projections, and wastewater service revenues are \$0.07 million above projections this fiscal year. The Executive Summary includes more discussion of revenue and requirements highlights.

Actual spending for operating requirements were below budget by \$8.17 million and spending for other requirements were below budget by \$3.08 million. Payments for debt service requirements were above budget by \$0.28 million, and transfers out were below budget by \$0.92 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





# Executive Summary

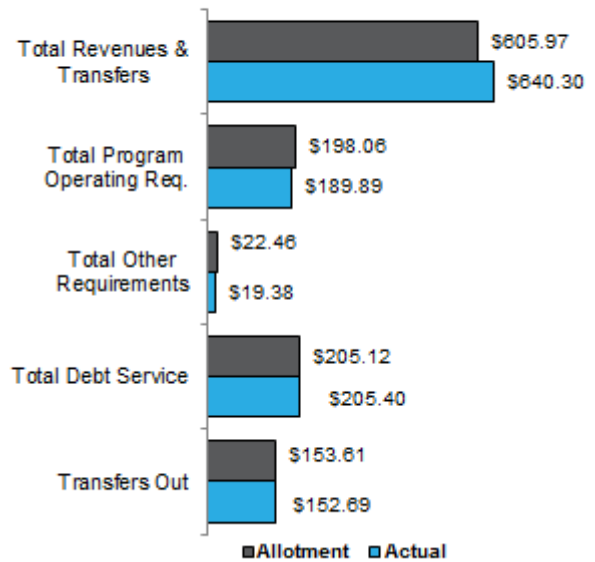
Year-To-Date through September 30, 2017

The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of September 30, 2017, was \$212.33 million. The combined balance was \$50.94 million more than projected for this date, as shown below:

	Amended Budget	Actual YTD	Difference
Beginning Balance	\$ 134.66	\$ 139.39	\$ 4.73
Water Services	\$ 291.38	\$ 311.56	\$ 20.18
Wastewater Services	271.52	271.59	0.07
Reclaimed Services	2.51	1.52	(0.99)
Reserve Fund Surcharge	7.29	7.38	0.09
Other Revenues	7.44	11.60	4.16
Transfers In	25.83	36.65	10.82
Total Revenues & Transfers	\$ 605.97	\$ 640.30	\$ 34.32
Total Program Operating Req.	\$ 198.06	\$ 189.89	\$ 8.17
Total Other Requirements	22.46	19.38	3.08
Total Debt Service	205.12	205.40	(0.28)
Transfers Out	153.61	152.69	0.92
Total Revenue Requirements	\$ 579.25	\$ 567.36	\$ 11.89
Ending balance	\$ 161.39	\$ 212.33	\$ 50.94

Debt Service Coverage 1.69 1.87  
Note: Numbers may not add due to rounding.

Combined Revenue & Requirements Summary  
Year-to-Date in Millions

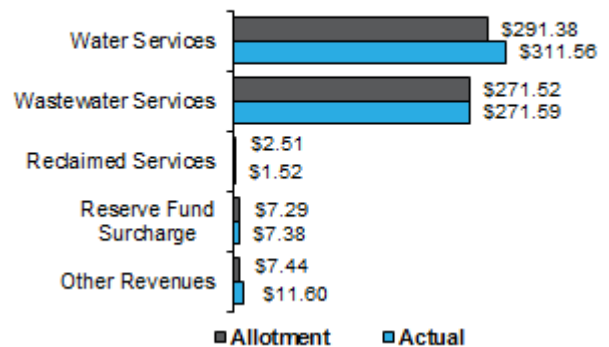


## Revenue Highlights

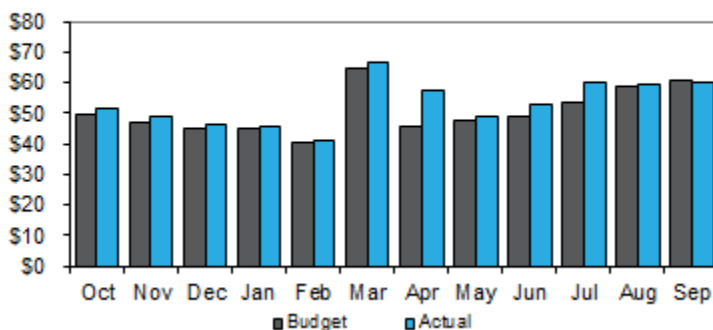
Total revenues for the fiscal year were \$640.30 million. This is \$34.32 million or 5.7% more than projected.

- Water services were \$311.56 million, or 6.9% above projections.
- Wastewater services were \$271.59 million, or in line projections.
- Reclaimed services were \$1.52 million, or 39.5% below projections.
- Reserve fund surcharge was \$7.38 million, or 1.2% above projections.
- Other revenues, including miscellaneous and interest income totaled \$11.60 million, or 55.9% more than projected.
- Transfers In were \$36.65 million, or 41.9% above projections.

Revenue - Budget vs. Actual  
Year-to-Date in Millions



Total Revenue by Month  
FY 2016-17 in Millions



Year-to-date Water Services revenues were above projections in all five customer classes, with Residential and Multifamily driving most of the increase by 5.5% and 12.2%, respectively.

Wastewater Services were below projections in the Residential and Commercial customer classes by 4.0% and 3.3%, respectively. Other customer classes were above projections.

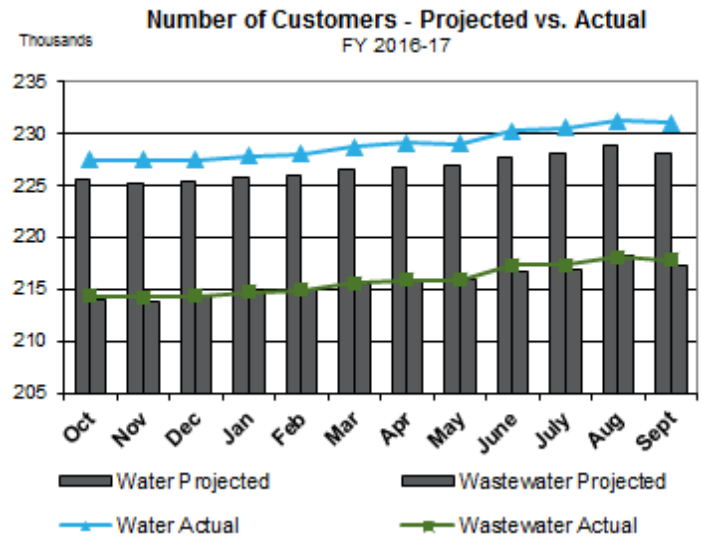
Revenues and Transfers In for September were \$59.99 million, or 0.7% below projections.

## User Characteristics

	Projected	Actual
Water Customers	228,040	231,014
Wastewater Customers	217,220	217,794
Monthly Pumpage	3.95	4.35
YTD Pumpage	43.99	47.38
Monthly Billed Use	4.45	4.13
YTD Billed Use	39.51	41.42
Monthly Influent Flow	3.23	3.12
YTD Influent Flow	40.74	37.81
Monthly Billed Flow	2.43	2.42
YTD Billed Flow	27.92	27.80

(Above in Billions of Gallons)

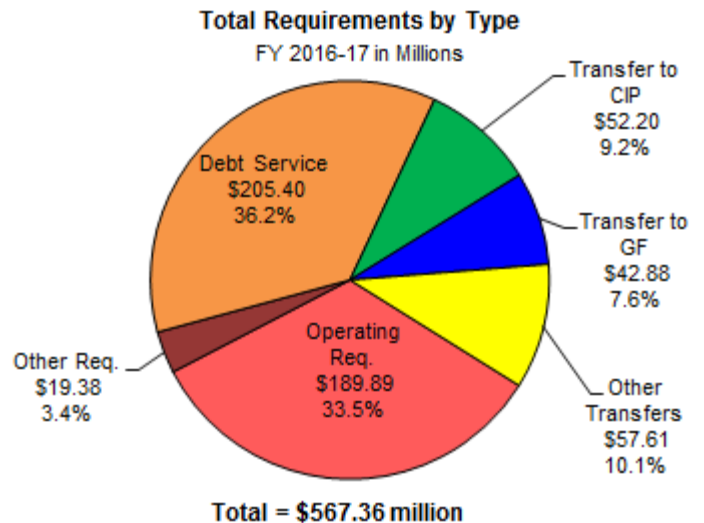
Avg. Residential Use (gal)	8,400	7,166
Avg. Residential Flow (gal)	4,469	3,958



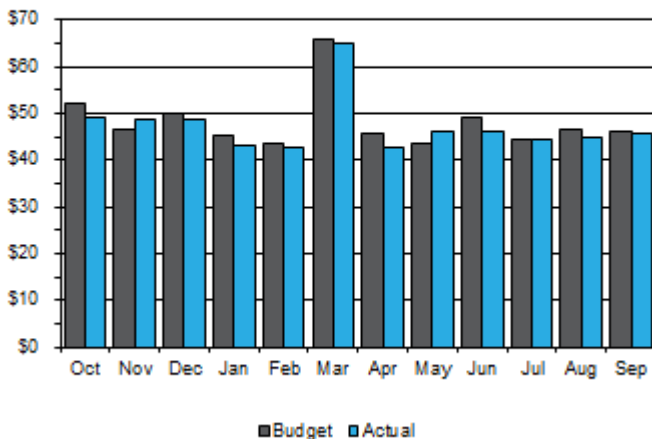
## Requirement Highlights

Total requirements for the fiscal year were \$567.36 million. This is \$11.89 million, or 2.1%, less than the budget. The graph at the right shows the proportions of these requirements to the whole.

- Total program operating requirements were \$189.89 million, or 4.1% less than budgeted.
- Total other requirements were \$19.38 million, or 13.7% less than budgeted.
- Debt service requirements were \$205.40 million, or 0.1% more than budgeted.
- Transfers out consists of transfers to Capital Improvement Projects, General Fund, Debt Defeasances, and Other Transfers. These total \$152.69 million, or 0.6% less than budgeted.



**Total Requirements by Month**  
FY 2016-17 in Millions



Lower than projected expenditures in Other Utility Programs, Environmental Affairs & Conservation, Water Resource Mgmt., and Reclaimed Water Services more than offset greater than anticipated expenditures in the Pipeline Operations, Treatment, and Support Services programs.

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

Total Requirements of \$45.50 million for the month were \$0.67 million, or 1.4% less than the budget allotment.

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

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE	YEAR-END ESTIMATE	YEAR-END VARIANCE	YEAR-END %
BEGINNING BALANCE	134,661,011	134,661,011	134,661,011	0	139,388,668	4,727,657	3.5%	139,388,668	4,727,657	3.5%
REVENUE										
Water Revenue	291,381,890	291,381,890	291,381,890	33,315,502	311,556,317	20,174,427	6.9%	302,519,664	11,137,774	3.8%
Wastewater Revenue	271,521,805	271,521,805	271,521,805	24,698,839	271,588,891	67,086	0.0%	270,225,877	(1,295,928)	-0.5%
Reserve Fund Surcharge	7,295,119	7,295,119	7,295,119	774,897	7,381,380	86,261	1.2%	7,295,119	0	0.0%
Other Revenue	5,471,824	5,471,824	5,471,824	(50,389)	5,621,753	149,929	2.7%	7,010,851	1,539,027	28.1%
Reclaimed Revenue	2,505,414	2,505,414	2,505,414	220,282	1,515,417	(989,997)	-39.5%	1,448,058	(1,057,356)	-42.2%
Interest	656,731	656,731	656,731	423,293	2,550,344	1,893,613	288.3%	656,731	0	0.0%
Public Health Licenses, Permits, Inspections	556,300	556,300	556,300	50,409	649,030	92,730	16.7%	623,763	67,463	12.1%
Other Fines	371,200	371,200	371,200	66,125	706,700	335,500	90.4%	548,464	177,264	47.8%
Miscellaneous Franchise Fees	147,300	147,300	147,300	93,333	502,391	355,091	241.1%	114,291	(33,009)	-22.4%
Building Rental/Lease	127,700	127,700	127,700	0	121,870	(5,830)	-4.6%	115,296	(12,404)	-9.7%
Land & Infrastructure Rental/Lease	68,500	68,500	68,500	5,500	60,500	(8,000)	-11.7%	67,664	(836)	-1.2%
Scrap Sales	39,900	39,900	39,900	6,239	58,550	18,650	46.7%	37,637	(2,263)	-5.7%
Development Fees	0	0	0	97,947	1,325,986	1,325,986	0.0%	672	672	0.0%
Parking Revenue	0	0	0	0	4,105	4,105	0.0%	0	0	0.0%
Total Revenue	580,143,683	580,143,683	580,143,683	59,701,978	603,643,232	23,499,549	4.1%	590,664,087	10,520,404	1.8%
TRANSFERS IN										
CIP	20,164,000	22,000,000	22,000,000	0	32,954,253	10,954,253	49.8%	26,513,000	4,513,000	20.5%
Austin Water Utility	3,400,000	3,400,000	3,400,000	283,335	3,400,000	0	0.0%	3,400,000	0	0.0%
Support Services/Infrastructure Funds	300,582	300,582	300,582	0	300,582	0	0.0%	300,582	0	0.0%
Austin Resource Recovery Fund	130,431	130,431	130,431	0	0	(130,431)	-100.0%	130,431	0	0.0%
Total Transfers In	23,995,013	25,831,013	25,831,013	283,335	36,654,835	10,823,822	41.9%	30,344,013	4,513,000	17.5%
TOTAL AVAILABLE FUNDS	604,138,696	605,974,696	605,974,696	59,985,313	640,298,067	34,323,371	5.7%	621,008,100	15,033,404	2.5%
PROGRAM REQUIREMENTS										
Treatment	77,716,518	77,716,518	77,716,518	6,927,091	78,268,877	552,359	0.7%	77,716,518	0	0.0%
Pipeline Operations	44,566,176	44,566,176	44,566,176	3,875,917	45,767,339	1,201,163	2.7%	44,566,176	0	0.0%
Support Services	25,836,064	25,836,064	25,836,064	1,636,027	26,283,365	447,301	1.7%	25,836,064	0	0.0%
Other Utility Program Requirements	15,485,000	16,335,000	16,335,000	841,584	8,568,901	(7,766,099)	-47.5%	16,335,000	0	0.0%
Environmental Affairs & Conservation	12,009,453	12,009,453	12,009,453	(1,110,409)	10,260,209	(1,749,244)	-14.6%	12,009,453	0	0.0%
Engineering Services	11,864,771	11,864,771	11,864,771	959,396	11,846,634	(18,137)	-0.2%	11,864,771	0	0.0%
Water Resources Management	8,591,611	8,591,611	8,591,611	822,873	7,831,554	(760,057)	-8.8%	8,591,611	0	0.0%
One Stop Shop	723,634	723,634	723,634	93,125	729,773	6,139	0.8%	723,634	0	0.0%
Reclaimed Water Services	416,789	416,789	416,789	46,878	328,429	(88,360)	-21.2%	416,789	0	0.0%
Total Program Requirements	197,210,016	198,060,016	198,060,016	14,092,481	189,885,082	(8,174,934)	-4.1%	198,060,016	0	0.0%
OTHER REQUIREMENTS										
Utility Billing System Support	20,401,455	20,401,455	20,401,455	1,521,921	18,814,781	(1,586,674)	-7.8%	18,816,924	1,584,531	7.8%
Market Study Adjustment	1,495,639	1,495,639	1,495,639	0	0	(1,495,639)	-100.0%	1,495,639	0	0.0%
Accrued Payroll	318,547	318,547	318,547	326,020	326,020	7,473	2.3%	305,428	13,119	4.1%
Interdepartmental Charges	169,190	169,190	169,190	14,100	169,190	0	0.0%	169,190	0	0.0%
Trf to PID Fund	75,000	75,000	75,000	6,250	75,000	0	0.0%	75,000	0	0.0%
Total Other Requirements	22,459,831	22,459,831	22,459,831	1,868,292	19,384,992	(3,074,839)	-13.7%	20,862,181	1,597,650	7.1%
DEBT SERVICE REQUIREMENTS										
Trf to Util D/S Separate Lien	152,966,772	152,966,772	152,966,772	16,859,224	153,009,361	42,589	0.0%	153,086,545	(119,773)	-0.1%
Trf to Utility D/S Prior Lien	38,802,555	38,802,555	38,802,555	449,426	38,802,974	419	0.0%	38,802,555	(0)	0.0%
Trf to Utility D/S Sub Lien	8,807,516	8,807,516	8,807,516	116,195	8,807,521	5	0.0%	8,807,516	0	0.0%
Trf to GO Debt Service	3,620,142	3,620,142	3,620,142	0	3,620,144	2	0.0%	3,620,142	(0)	0.0%
Trf to Util D/S Tax/Rev Bonds	645,526	645,526	645,526	451,417	645,526	(0)	0.0%	645,526	0	0.0%
Commercial paper interest	280,669	280,669	280,669	0	511,760	231,091	82.3%	149,056	131,613	46.9%
Total Debt Service Requirements	205,123,180	205,123,180	205,123,180	17,876,262	205,397,286	274,106	0.1%	205,111,341	11,839	0.0%

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

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE	YEAR-END ESTIMATE	YEAR-END VARIANCE	YEAR-END %
TRANSFERS OUT										
Trf to General Fund	42,876,568	42,876,568	42,876,568	3,565,000	42,876,568	0	0.0%	42,876,568	(0)	0.0%
Trf to Wastewater CIP Fund	29,200,000	29,200,000	29,200,000	2,541,000	29,200,000	0	0.0%	29,200,000	0	0.0%
Trf to Water CIP Fund	22,000,000	22,000,000	22,000,000	2,611,000	22,000,000	0	0.0%	22,000,000	0	0.0%
TRF CRF to Debt Defeasance	15,000,000	22,000,000	22,000,000	0	22,000,000	0	0.0%	22,000,000	0	0.0%
Administrative Support	12,485,620	12,485,620	12,485,620	1,031,010	12,485,620	0	0.0%	12,485,620	0	0.0%
Trf to Water Revenue Stab Rsv	9,295,119	9,295,119	9,295,119	774,897	9,381,380	86,261	0.9%	9,362,261	(67,142)	-0.7%
CTM Support	4,127,580	4,127,580	4,127,580	343,735	4,127,580	0	0.0%	4,127,580	0	0.0%
Trf to Reclaimed Water Fund	3,400,000	3,400,000	3,400,000	283,335	3,400,000	0	0.0%	3,400,000	0	0.0%
Trf to Economic Development	2,928,899	2,928,899	2,928,899	243,105	2,928,899	0	0.0%	2,928,899	0	0.0%
Trf to Reclaimed Water CIP Fnd	2,000,000	2,000,000	2,000,000	0	1,000,000	(1,000,000)	-50.0%	1,000,000	1,000,000	50.0%
Trf to CIP Mgm - CPM (5460)	1,813,549	1,813,549	1,813,549	148,045	1,813,549	0	0.0%	1,813,549	0	0.0%
Workers' Compensation	1,213,237	1,213,237	1,213,237	101,102	1,213,237	0	0.0%	1,213,237	0	0.0%
Regional Radio System	253,605	253,605	253,605	21,135	253,605	0	0.0%	253,605	0	0.0%
CTECC Support	10,622	10,622	10,622	0	10,622	0	0.0%	10,622	0	0.0%
Total Transfers Out	146,604,799	153,604,799	153,604,799	11,663,364	152,691,060	(913,739)	-0.6%	152,671,941	932,858	0.6%
TOTAL REQUIREMENTS	571,397,826	579,247,826	579,247,826	45,500,399	567,358,419	(11,889,407)	-2.1%	576,705,479	2,542,347	0.4%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	32,740,870	26,726,870	26,726,870	14,484,914	72,939,648	46,212,778	172.9%	44,302,621	17,575,751	65.8%
ENDING BALANCE	167,401,881	161,387,881	161,387,881		212,328,316	50,940,435	31.6%	183,691,289	22,303,408	13.8%

Note: Numbers may not add due to rounding.

DEBT SERVICE COVERAGE RATIO	1.70	1.69			1.87			1.75		
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City of Austin, Texas  
Austin Water  
FUND SUMMARY - WATER  
As of September 2017

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE	YEAR-END ESTIMATE	YEAR-END VARIANCE	YEAR-END % VARIANCE
BEGINNING BALANCE	62,508,631	62,508,631	62,508,631	-	63,985,103	1,476,472	2.4%	63,985,104	1,476,473	2.4%
REVENUE										
Water Revenue	291,381,890	291,381,890	291,381,890	33,315,502	311,556,317	20,174,427	6.9%	302,519,664	11,137,774	3.8%
Reserve Fund Surcharge	7,295,119	7,295,119	7,295,119	774,897	7,381,380	86,261	1.2%	7,295,119	0	0.0%
Other Revenue	2,344,036	2,344,036	2,344,036	(287,619)	2,862,373	518,337	22.1%	3,844,172	1,500,136	64.0%
Other Fines	371,200	371,200	371,200	66,125	706,700	335,500	90.4%	548,464	177,264	47.8%
Interest	305,258	305,258	305,258	216,472	1,188,165	882,907	289.2%	305,258	0	0.0%
Miscellaneous Franchise Fees	107,300	107,300	107,300	93,333	442,569	335,269	312.5%	87,627	(19,673)	-18.3%
Land & Infrastructure Rental/Lease	68,500	68,500	68,500	5,500	60,500	(8,000)	-11.7%	67,664	(836)	-1.2%
Building Rental/Lease	63,400	63,400	63,400	0	61,535	(1,865)	-2.9%	57,348	(6,052)	-9.5%
Public Health Licenses, Permits, Inspections	26,800	26,800	26,800	5,285	60,290	33,490	125.0%	37,304	10,504	39.2%
Scrap Sales	23,500	23,500	23,500	3,119	29,275	5,775	24.6%	22,944	(556)	-2.4%
Property Sales	0	0	0	0	0	0	0.0%	0	0	0.0%
Development Fees	0	0	0	96,719	1,319,746	1,319,746	0.0%	0	0	0.0%
Parking Revenue	0	0	0	0	4,105	4,105	0.0%	0	0	0.0%
Total Revenue	301,987,003	301,987,003	301,987,003	34,289,335	325,672,954	23,685,951	7.8%	314,785,564	12,798,561	4.2%
TRANSFERS IN										
CIP	14,914,000	16,271,970	17,428,571	0	23,760,754	6,332,183	36.3%	19,205,000	1,776,429	10.2%
Support Services/Infrastructure Funds	150,291	150,291	150,291	0	150,291	0	0.0%	150,291	0	0.0%
General Fund	0	0	0	0	0	0	0.0%	0	0	0.0%
Total Transfers In	15,064,291	16,422,261	17,578,862	0	23,911,045	6,332,183	36.0%	19,355,291	1,776,429	10.1%
TOTAL AVAILABLE FUNDS	317,051,294	318,409,264	319,565,865	34,289,335	349,583,999	30,018,134	9.4%	334,140,855	14,574,990	4.6%
PROGRAM REQUIREMENTS										
Treatment	38,063,429	38,063,429	38,063,429	3,426,776	37,059,339	1,004,090	2.6%	38,063,429	0	0.0%
Pipeline Operations	25,877,347	25,877,347	25,877,347	2,320,039	26,845,405	(968,058)	-3.7%	25,877,347	0	0.0%
Support Services	13,002,785	13,002,785	13,002,785	813,207	13,131,524	(128,739)	-1.0%	13,002,785	0	0.0%
Environmental Affairs & Conservation	9,022,829	9,022,829	9,022,829	(1,328,390)	7,412,302	1,610,527	17.8%	9,022,829	0	0.0%
Other Utility Program Requirements	8,548,898	9,058,898	9,058,898	398,907	4,332,142	4,726,756	52.2%	9,058,898	0	0.0%
Engineering Services	4,912,562	4,912,562	4,912,562	335,446	4,686,516	226,046	4.6%	4,912,562	0	0.0%
Water Resources Management	4,031,644	4,031,644	4,031,644	396,196	3,619,110	412,534	10.2%	4,031,644	0	0.0%
One Stop Shop	250,758	250,758	250,758	31,338	292,122	(41,364)	-16.5%	250,758	0	0.0%
Total Program Requirements	103,710,252	104,220,252	104,220,252	6,393,519	97,378,461	6,841,791	6.6%	104,220,252	0	0.0%
OTHER REQUIREMENTS										
Utility Billing System Support	12,854,313	12,854,313	12,854,313	930,897	11,612,187	1,242,126	9.7%	11,614,758	1,239,555	9.6%
Market Study Adjustment	987,309	987,309	987,309	0	0	987,309	100.0%	987,309	0	0.0%
Accrued Payroll	182,510	182,510	182,510	174,364	174,364	8,146	4.5%	173,148	9,362	5.1%
Interdepartmental Charges	84,595	84,595	84,595	7,050	84,595	0	0.0%	84,595	0	0.0%
Trf to PID Fund	37,500	37,500	37,500	3,125	37,500	0	0.0%	37,500	0	0.0%
Services-PID contract expense	0	0	0	0	0	0	0.0%	0	0	0.0%
Total Other Requirements	14,146,227	14,146,227	14,146,227	1,115,435	11,908,646	2,237,581	15.8%	12,897,310	1,248,917	8.8%
DEBT SERVICE REQUIREMENTS										
Trf to Util D/S Separate Lien	84,097,430	84,097,430	84,097,430	8,913,354	83,318,248	779,182	0.9%	83,568,330	529,100	0.6%
Tfr to Utility D/S Prior Lien	18,082,574	18,082,574	18,082,574	101,244	18,082,584	(10)	0.0%	18,082,574	(0)	0.0%
Tfr to Utility D/S Sub Lien	4,912,497	4,912,497	4,912,497	56,191	4,912,524	(27)	0.0%	4,912,497	0	0.0%
Trf to GO Debt Service	1,643,406	1,643,406	1,643,406	0	1,643,408	(2)	0.0%	1,643,406	(0)	0.0%
Tfr to Util D/S Tax/Rev Bonds	238,871	238,871	238,871	167,043	238,871	0	0.0%	238,871	0	0.0%
Commercial paper interest	138,030	138,030	138,030	0	198,274	(60,244)	-43.6%	55,448	82,582	59.8%
Total Debt Service Requirements	109,112,808	109,112,808	109,112,808	9,237,831	108,393,909	718,899	0.7%	108,501,126	611,682	0.6%



City of Austin, Texas  
Austin Water  
FUND SUMMARY - WATER  
As of September 2017

	2016-17	2016-17	BUDGET	MTD ACTUAL	YTD ACTUAL	YTD		YEAR-END	YEAR-END	YEAR-END
	APPROVED	AMENDED	ALLOTMENT	W/ ENCUMB	W/ ENCUMB	VARIANCE	% VARIANCE	ESTIMATE	VARIANCE	% VARIANCE
TRANSFERS OUT										
Trf to General Fund	22,587,681	22,587,681	22,587,681	1,882,300	22,587,681	0	0.0%	22,587,681	0	0.0%
Trf to Water CIP Fund	22,000,000	22,000,000	22,000,000	2,611,000	22,000,000	0	0.0%	22,000,000	0	0.0%
TRF CRF to Debt Defeasance	9,750,000	17,429,000	17,428,571	0	17,428,571	0	0.0%	17,429,000	(429)	0.0%
Trf to Water Revenue Stab Rsv	9,295,119	9,295,119	9,295,119	774,897	9,381,380	(86,261)	-0.9%	9,362,261	(67,142)	-0.7%
Administrative Support	7,264,361	7,264,361	7,264,361	605,365	7,264,361	0	0.0%	7,264,361	0	0.0%
CTM Support	2,071,106	2,071,106	2,071,106	172,595	2,071,106	0	0.0%	2,071,106	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	1,700,000	141,670	1,700,000	0	0.0%	1,700,000	0	0.0%
Trf to Economic Development	1,549,387	1,549,387	1,549,387	129,120	1,549,387	0	0.0%	1,549,387	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,173,937	1,173,937	1,173,937	97,830	1,173,937	0	0.0%	1,173,937	0	0.0%
Workers' Compensation	606,619	606,619	606,619	50,550	606,619	0	0.0%	606,619	0	0.0%
Regional Radio System	253,605	253,605	253,605	(105,667)	126,803	126,802	50.0%	253,605	0	0.0%
CTECC Support	5,311	5,311	5,311	0	5,311	0	0.0%	5,311	0	0.0%
Total Transfers Out	78,257,126	85,936,126	85,935,697	6,359,660	85,895,156	40,541	0.0%	86,003,268	(67,571)	-0.1%
TOTAL REQUIREMENTS	305,226,413	313,415,413	313,414,984	23,106,445	303,576,171	9,838,813	3.1%	311,621,956	1,793,028	0.6%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	11,824,881	4,993,851	6,150,881	11,182,890	46,007,828	39,856,947	648.0%	22,518,899	16,368,018	266.1%
ADJUSTMENT TO GAAP	0	0	0	0	0	0	0.0%	0	0	0.0%
ENDING BALANCE	74,333,512	67,502,482	68,659,512		109,992,931	41,333,419	60.2%	86,504,003	17,844,491	26.0%
Note: Numbers may not add due to rounding.										
DEBT SERVICE COVERAGE RATIO	1.61	1.61			1.93			1.75		

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

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE	YEAR-END ESTIMATE	YEAR-END VARIANCE	YEAR-END %
<b>BEGINNING BALANCE</b>	71,459,834	71,459,834	71,459,834	-	75,021,210	3,561,376	5.0%	75,021,209	3,561,375	5.0%
<b>REVENUE</b>										
Wastewater Revenue	271,521,805	271,521,805	271,521,805	24,698,839	271,588,891	67,086	0.0%	270,225,877	(1,295,928)	-0.5%
Other Revenue	3,127,788	3,127,788	3,127,788	242,496	2,764,646	(363,142)	-11.6%	3,166,679	38,891	1.2%
Public Health Licenses, Permits, Inspections	529,500	529,500	529,500	45,124	588,740	59,240	11.2%	586,459	56,959	10.8%
Interest	346,402	346,402	346,402	202,048	1,327,810	981,408	283.3%	346,402	0	0.0%
Building Rental/Lease	64,300	64,300	64,300	0	60,335	(3,965)	-6.2%	57,948	(6,352)	-9.9%
Miscellaneous Franchise Fees	40,000	40,000	40,000	0	59,822	19,822	49.6%	26,664	(13,336)	-33.3%
Scrap Sales	16,400	16,400	16,400	3,119	29,275	12,875	78.5%	14,693	(1,707)	-10.4%
Development Fees	0	0	0	1,228	6,240	6,240	0.0%	672	672	0.0%
<b>Total Revenue</b>	<b>275,646,195</b>	<b>275,646,195</b>	<b>275,646,195</b>	<b>25,192,854</b>	<b>276,425,758</b>	<b>779,563</b>	<b>0.3%</b>	<b>274,425,394</b>	<b>(1,220,801)</b>	<b>-0.4%</b>
<b>TRANSFERS IN</b>										
CIP	5,250,000	5,728,030	4,571,429	0	9,193,498	4,622,069	101.1%	7,308,000	2,736,571	59.9%
Support Services/Infrastructure Funds	150,291	150,291	150,291	0	150,291	0	0.0%	150,291	0	0.0%
Austin Resource Recovery Fund	130,431	130,431	130,431	0	0	(130,431)	-100.0%	130,431	0	0.0%
<b>Total Transfers In</b>	<b>5,530,722</b>	<b>6,008,752</b>	<b>4,852,151</b>	<b>0</b>	<b>9,343,789</b>	<b>4,491,638</b>	<b>92.6%</b>	<b>7,588,722</b>	<b>2,736,571</b>	<b>56.4%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>281,176,917</b>	<b>281,654,947</b>	<b>280,498,346</b>	<b>25,192,854</b>	<b>285,769,548</b>	<b>5,271,202</b>	<b>1.9%</b>	<b>282,014,116</b>	<b>1,515,770</b>	<b>0.5%</b>
<b>PROGRAM REQUIREMENTS</b>										
Treatment	39,653,089	39,653,089	39,653,089	3,500,315	41,209,538	(1,556,449)	-3.9%	39,653,089	0	0.0%
Pipeline Operations	18,688,829	18,688,829	18,688,829	1,555,878	18,921,935	(233,106)	-1.2%	18,688,829	0	0.0%
Support Services	12,833,279	12,833,279	12,833,279	822,820	13,151,840	(318,561)	-2.5%	12,833,279	0	0.0%
Engineering Services	6,952,209	6,952,209	6,952,209	623,950	7,160,118	(207,909)	-3.0%	6,952,209	0	0.0%
Other Utility Program Requirements	6,912,334	7,252,334	7,252,334	437,968	4,205,090	3,047,244	42.0%	7,252,334	0	0.0%
Water Resources Management	4,559,967	4,559,967	4,559,967	426,678	4,212,443	347,524	7.6%	4,559,967	0	0.0%
Environmental Affairs & Conservation	2,986,624	2,986,624	2,986,624	217,981	2,847,906	138,718	4.6%	2,986,624	0	0.0%
One Stop Shop	472,876	472,876	472,876	61,787	437,652	35,224	7.4%	472,876	0	0.0%
<b>Total Program Requirements</b>	<b>93,059,207</b>	<b>93,399,207</b>	<b>93,399,207</b>	<b>7,647,376</b>	<b>92,146,523</b>	<b>1,252,684</b>	<b>1.3%</b>	<b>93,399,207</b>	<b>0</b>	<b>0.0%</b>
<b>OTHER REQUIREMENTS</b>										
Utility Billing System Support	7,547,142	7,547,142	7,547,142	591,025	7,202,594	344,548	4.6%	7,202,166	344,976	4.6%
Market Study Adjustment	508,330	508,330	508,330	0	0	508,330	100.0%	508,330	0	0.0%
Accrued Payroll	135,091	135,091	135,091	143,449	143,449	(8,358)	-6.2%	131,334	3,757	2.8%
Interdepartmental Charges	84,595	84,595	84,595	7,050	84,595	0	0.0%	84,595	0	0.0%
Trf to PID Fund	37,500	37,500	37,500	3,125	37,500	0	0.0%	37,500	0	0.0%
<b>Total Other Requirements</b>	<b>8,312,658</b>	<b>8,312,658</b>	<b>8,312,658</b>	<b>744,648</b>	<b>7,468,138</b>	<b>844,520</b>	<b>10.2%</b>	<b>7,963,925</b>	<b>348,733</b>	<b>4.2%</b>
<b>DEBT SERVICE REQUIREMENTS</b>										
Trf to Util D/S Separate Lien	66,691,606	66,691,606	66,691,606	7,322,214	67,090,288	(398,682)	-0.6%	66,839,999	(148,393)	-0.2%
Tfr to Utility D/S Prior Lien	20,719,981	20,719,981	20,719,981	348,182	20,720,390	(409)	0.0%	20,719,981	(0)	0.0%
Tfr to Utility D/S Sub Lien	3,895,019	3,895,019	3,895,019	60,004	3,894,997	22	0.0%	3,895,019	0	0.0%
Trf to GO Debt Service	1,976,736	1,976,736	1,976,736	0	1,976,736	(0)	0.0%	1,976,736	(0)	0.0%
Tfr to Util D/S Tax/Rev Bonds	406,655	406,655	406,655	284,374	406,655	0	0.0%	406,655	0	0.0%
Commercial paper interest	115,350	115,350	115,350	0	157,065	(41,715)	-36.2%	53,290	62,060	53.8%
<b>Total Debt Service Requirements</b>	<b>93,805,347</b>	<b>93,805,347</b>	<b>93,805,347</b>	<b>8,014,774</b>	<b>94,246,132</b>	<b>(440,784)</b>	<b>-0.5%</b>	<b>93,891,681</b>	<b>(86,334)</b>	<b>-0.1%</b>

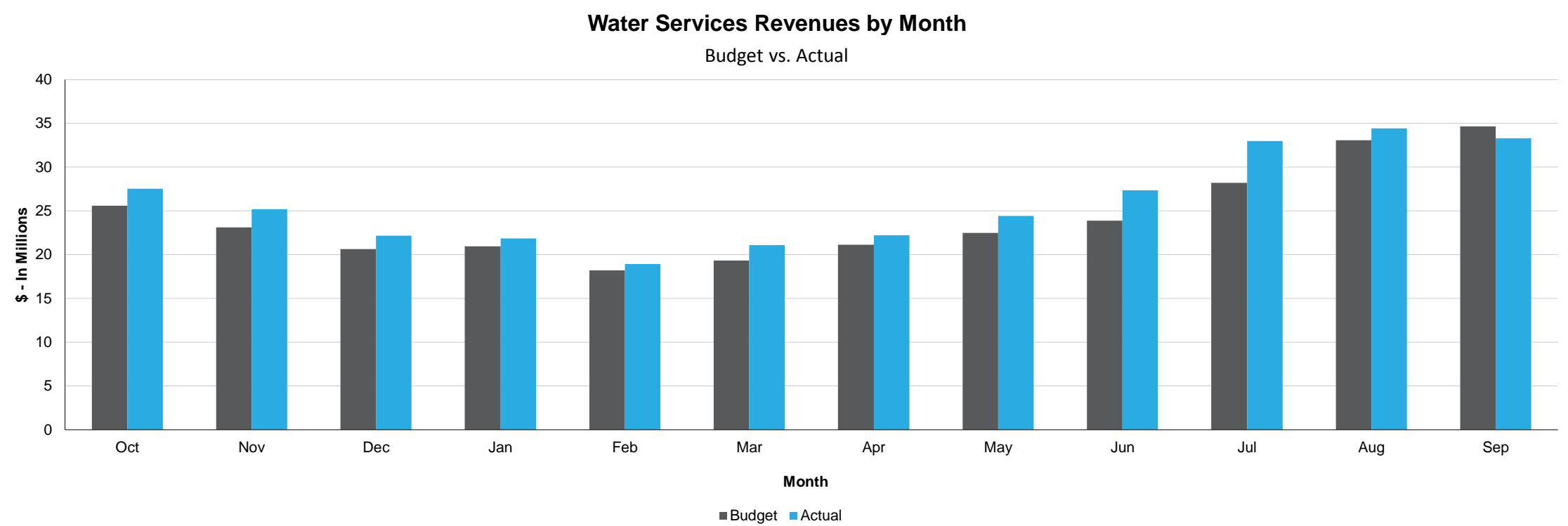
**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - WASTEWATER**  
**As of September 2017**

	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE	YEAR-END ESTIMATE	YEAR-END VARIANCE	YEAR-END %
<b>TRANSFERS OUT</b>										
Trf to Wastewater CIP Fund	29,200,000	29,200,000	29,200,000	2,541,000	29,200,000	0	0.0%	29,200,000	0	0.0%
Trf to General Fund	20,192,004	20,192,004	20,192,004	1,682,700	20,192,004	0	0.0%	20,192,004	(0)	0.0%
TRF CRF to Debt Defeasance	5,250,000	4,571,000	4,571,429	0	4,571,429	0	0.0%	4,571,000	429	0.0%
Administrative Support	5,107,753	5,107,753	5,107,753	425,645	5,107,753	0	0.0%	5,107,753	0	0.0%
CTM Support	2,053,685	2,053,685	2,053,685	171,140	2,053,685	0	0.0%	2,053,685	0	0.0%
Trf to Reclaimed Water Fund	1,700,000	1,700,000	1,700,000	141,665	1,700,000	0	0.0%	1,700,000	0	0.0%
Trf to Economic Development	1,367,796	1,367,796	1,367,796	113,985	1,367,796	0	0.0%	1,367,796	0	0.0%
Workers' Compensation	606,618	606,618	606,618	50,552	606,618	0	0.0%	606,618	0	0.0%
Trf to CIP Mgm - CPM (5460)	602,536	602,536	602,536	50,215	602,536	0	0.0%	602,536	0	0.0%
CTECC Support	5,311	5,311	5,311	0	5,311	0	0.0%	5,311	0	0.0%
Regional Radio System	0	0	0	126,802	126,802	(126,802)	0.0%	0	0	0.0%
<b>Total Transfers Out</b>	<b>66,085,703</b>	<b>65,406,703</b>	<b>65,407,132</b>	<b>5,303,704</b>	<b>65,533,934</b>	<b>(126,802)</b>	<b>-0.2%</b>	<b>65,406,703</b>	<b>429</b>	<b>0.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>261,262,915</b>	<b>260,923,915</b>	<b>260,924,344</b>	<b>21,710,503</b>	<b>259,394,725.83</b>	<b>1,529,618</b>	<b>0.6%</b>	<b>260,661,516</b>	<b>262,828</b>	<b>0.1%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	19,914,002	20,731,032	19,574,002	3,482,351	26,374,822	6,800,820	34.7%	21,352,600	1,778,598	9.1%
<b>ENDING BALANCE</b>	<b>91,373,836</b>	<b>92,190,866</b>	<b>91,033,836</b>		<b>101,396,032</b>	<b>10,362,196</b>	<b>11.4%</b>	<b>96,373,809</b>	<b>5,339,973</b>	<b>5.9%</b>
<i>Note: Numbers may not add due to rounding.</i>										
<b>DEBT SERVICE COVERAGE RATIO</b>	1.82	1.81			1.84			1.80		

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

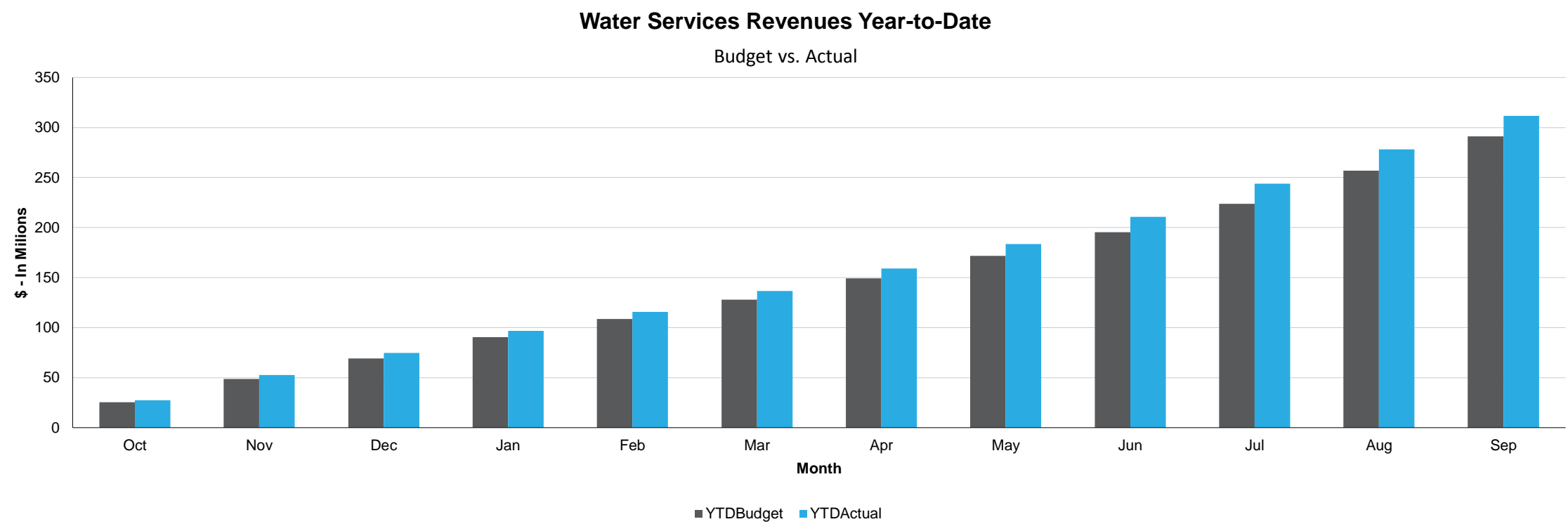
	2016-17 APPROVED	2016-17 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE	YEAR-END ESTIMATE	YEAR-END VARIANCE	YEAR-END % VARIANCE
BEGINNING BALANCE	692,546	692,546	692,546	0	382,355	(310,191)	-44.8%	382,355	(310,191)	-44.8%
REVENUE										
Reclaimed Services	2,505,414	2,505,414	2,505,414	220,282	1,515,417	(989,997)	-39.5%	1,448,058	(1,057,356)	-42.2%
Interest	5,071	5,071	5,071	4,773	34,369	29,298	577.8%	5,071	0	0.0%
Other Revenue	0	0	0	(5,266)	(5,266)	(5,266)	0.0%	0	0	0.0%
Total Revenue	2,510,485	2,510,485	2,510,485	219,789	1,544,520	(965,965)	-38.5%	1,453,129	(1,057,356)	-42.1%
TRANSFERS IN										
Austin Water Utility	3,400,000	3,400,000	3,400,000	283,335	3,400,000	0	0.0%	3,400,000	0	0.0%
Total Transfers In	3,400,000	3,400,000	3,400,000	283,335	3,400,000	0	0.0%	3,400,000	0	0.0%
TOTAL AVAILABLE FUNDS	5,910,485	5,910,485	5,910,485	503,124	4,944,520	(965,965)	-16.3%	4,853,129	(1,057,356)	-17.9%
PROGRAM REQUIREMENTS										
Reclaimed Water Services	416,789	416,789	416,789	46,878	328,429	88,360	21.2%	416,789	0	0.0%
Other Utility Program Requirements	23,768	23,768	23,768	4,708	31,669	(7,901)	-33.2%	23,768	0	0.0%
Total Program Requirements	440,557	440,557	440,557	51,586	360,098	80,459	18.3%	440,557	0	0.0%
OTHER REQUIREMENTS										
Accrued Payroll	946	946	946	8,208	8,208	(7,262)	-767.7%	946	0	0.0%
Total Other Requirements	946	946	946	8,208	8,208	(7,262)	-767.7%	946	0	0.0%
DEBT SERVICE REQUIREMENTS										
Trf to Util D/S Separate Lien	2,177,736	2,177,736	2,177,736	623,657	2,600,825	(423,089)	-19.4%	2,678,216	(500,480)	-23.0%
Commercial paper interest	27,289	27,289	27,289	0	156,420	(129,131)	-473.2%	40,318	(13,029)	-47.7%
Total Debt Service Requirements	2,205,025	2,205,025	2,205,025	623,657	2,757,246	(552,221)	-25.0%	2,718,534	(513,509)	-23.3%
TRANSFERS OUT										
Trf to Reclaimed Water CIP Fnd	2,000,000	2,000,000	2,000,000	0	1,000,000	1,000,000	50.0%	1,000,000	1,000,000	50.0%
Administrative Support	113,506	113,506	113,506	0	113,506	0	0.0%	113,506	0	0.0%
Trf to General Fund	96,883	96,883	96,883	0	96,883	0	0.0%	96,883	0	0.0%
Trf to CIP Mgm - CPM (5460)	37,076	37,076	37,076	0	37,076	0	0.0%	37,076	0	0.0%
Trf to Economic Development	11,716	11,716	11,716	0	11,716	0	0.0%	11,716	0	0.0%
CTM Support	2,789	2,789	2,789	0	2,789	0	0.0%	2,789	0	0.0%
Total Transfers Out	2,261,970	2,261,970	2,261,970	0	1,261,970	1,000,000	44.2%	1,261,970	1,000,000	44.2%
TOTAL REQUIREMENTS	4,908,498	4,908,498	4,908,498	683,451	4,387,522	520,976	10.6%	4,422,007	486,491	9.9%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	1,001,987	1,001,987	1,001,987	(180,327)	556,998	(444,989)	-44.4%	431,122	(570,865)	-57.0%
ENDING BALANCE	1,694,533	1,694,533	1,694,533		939,353	(755,180)	-44.6%	813,477	(881,056)	-52.0%
Note: Numbers may not add due to rounding.										
DEBT SERVICE COVERAGE RATIO	0.88	0.88			0.39			0.32		

## **REVENUES**



**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	\$ 21.12	\$ 22.24	\$ 24.45	\$ 27.34	\$ 32.98	\$ 34.43	\$ 33.32
Variance	\$ 1.92	\$ 2.05	\$ 1.54	\$ 0.88	\$ 0.70	\$ 1.76	\$ 1.11	\$ 1.97	\$ 3.45	\$ 4.77	\$ 1.33	\$ (1.33)
Variance %	7.5%	8.9%	7.5%	4.2%	3.9%	9.1%	5.3%	8.8%	14.4%	16.9%	4.0%	-3.9%



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

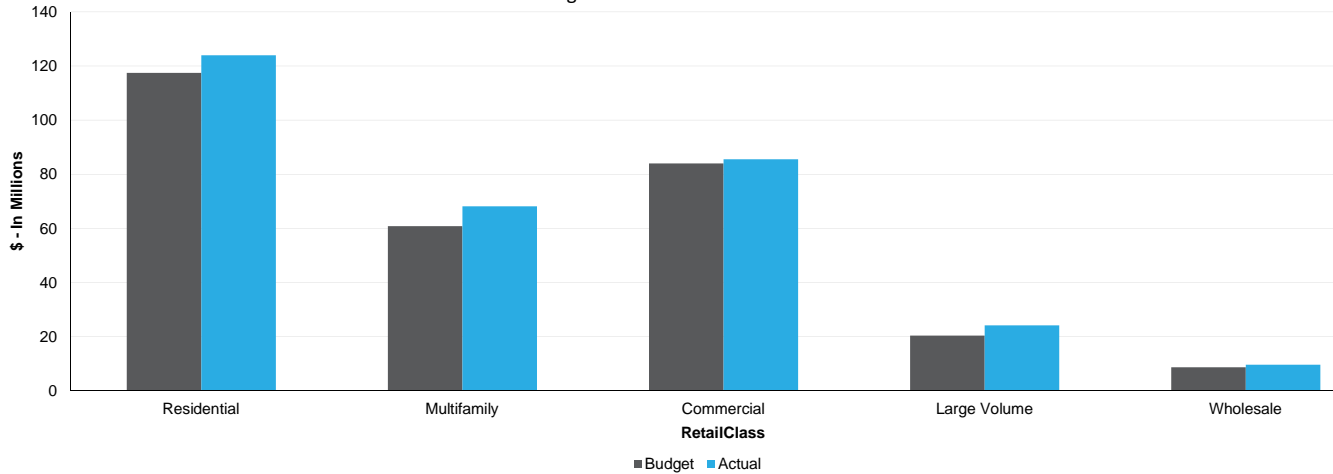
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	\$ 25.62	\$ 48.76	\$ 69.38	\$ 90.34	\$ 108.57	\$ 127.93	\$ 149.06	\$ 171.53	\$ 195.42	\$ 223.63	\$ 256.73	\$ 291.38
YTD Actual	\$ 27.54	\$ 52.73	\$ 74.90	\$ 96.74	\$ 115.68	\$ 136.79	\$ 159.03	\$ 183.48	\$ 210.83	\$ 243.81	\$ 278.24	\$ 311.56
Variance	\$ 1.92	\$ 3.97	\$ 5.52	\$ 6.40	\$ 7.10	\$ 8.86	\$ 9.98	\$ 11.95	\$ 15.40	\$ 20.18	\$ 21.51	\$ 20.17
Variance %	7.5%	8.1%	7.9%	7.1%	6.5%	6.9%	6.7%	7.0%	7.9%	9.0%	8.4%	6.9%

Water service revenues for September 2017 totaled \$33.32 million. This is \$1.33 million, or 3.9%, less than the budget allotment for the month. For the fiscal year, water service revenues totaled \$311.56 million, which is \$20.17 million, or 6.9%, more than the budget allotment.

Billed water consumption for September 2017 totaled 4.13 billion gallons (BG). This was 0.32 BG, or 7.2%, fewer than projected for the month. For the fiscal year, billed water consumption totaled 41.42 BG. This was 1.92 BG, or 4.9%, more than projected.

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

Budget vs. Actual



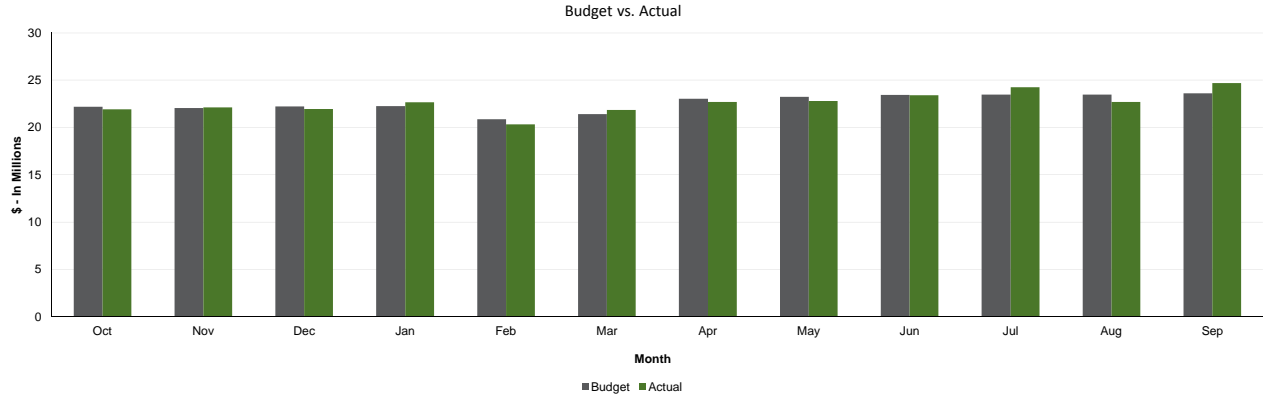
### FY 2016 - 2017 Year-to-Date Water Service Revenues by Customer Class With Variances (Millions)

	Residential		Multifamily		Commercial		Large Volume		Wholesale		Total
<b>Budget</b>	\$	117.56	\$	60.79	\$	84.02	\$	20.33	\$	8.69	291.38
<b>Actual</b>	\$	124.07	\$	68.18	\$	85.56	\$	24.12	\$	9.62	311.56
<b>Variance</b>	\$	6.51	\$	7.39	\$	1.54	\$	3.80	\$	0.93	20.17
<b>Variance %</b>		5.5%		12.2%		1.8%		18.7%		10.7%	6.9%

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 September, before any accounts receivable adjustments.

All customer classes are above projections, with Residential and Multifamily classes significantly above by 5.5% and 12.2%, respectively. Overall, water revenues are 6.9% higher than projected.

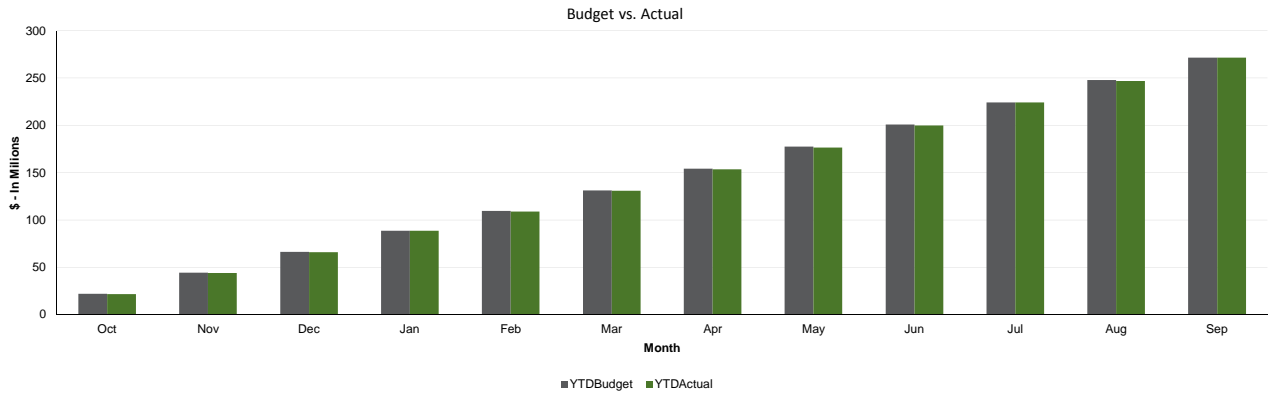
### Wastewater Services Revenues by Month



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	\$ 21.87	\$ 22.70	\$ 22.82	\$ 23.42	\$ 24.26	\$ 22.71	\$ 24.70
Variance \$	\$ (0.29)	\$ 0.07	\$ (0.27)	\$ 0.40	\$ (0.53)	\$ 0.45	\$ (0.36)	\$ (0.42)	\$ (0.04)	\$ 0.77	\$ (0.77)	\$ 1.06
Variance %	-1.3%	0.3%	-1.2%	1.8%	-2.5%	2.1%	-1.6%	-1.8%	-0.2%	3.3%	-3.3%	4.5%

### Wastewater Services Revenues Year-to-Date



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

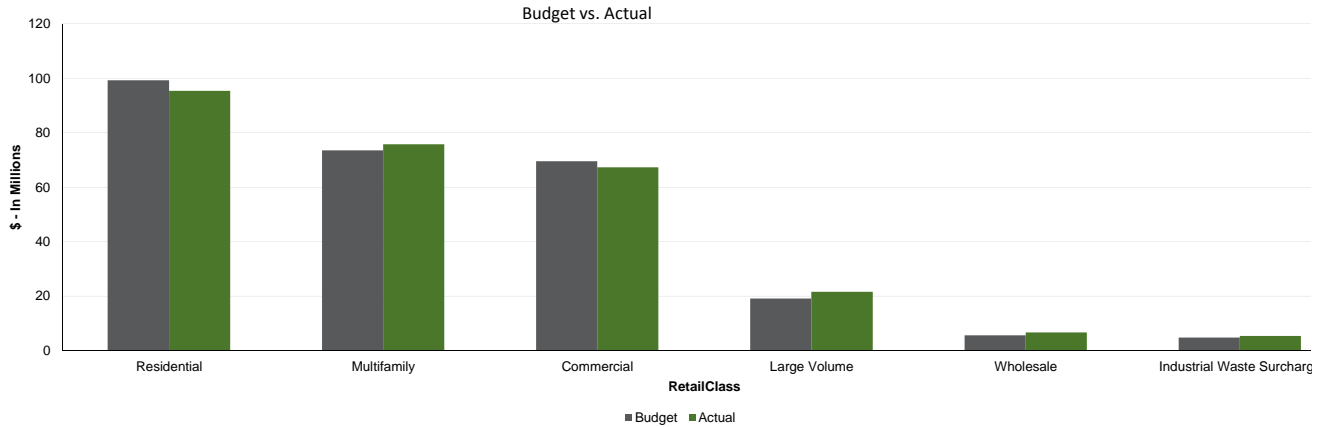
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	\$ 22.22	\$ 44.31	\$ 66.56	\$ 88.83	\$ 109.73	\$ 131.15	\$ 154.21	\$ 177.46	\$ 200.92	\$ 224.40	\$ 247.88	\$ 271.52
YTD Actual	\$ 21.93	\$ 44.09	\$ 66.07	\$ 88.74	\$ 109.11	\$ 130.98	\$ 153.68	\$ 176.50	\$ 199.92	\$ 224.18	\$ 246.89	\$ 271.59
Variance	\$ (0.29)	\$ (0.22)	\$ (0.49)	\$ (0.09)	\$ (0.62)	\$ (0.17)	\$ (0.53)	\$ (0.96)	\$ (1.00)	\$ (0.23)	\$ (0.99)	\$ 0.07
Variance %	-1.3%	-0.5%	-0.7%	-0.1%	-0.6%	-0.1%	-0.3%	-0.5%	-0.5%	-0.1%	-0.4%	0.0%

Wastewater service revenues for September 2017 totaled \$24.70 million. This is \$1.06 million, or 4.5%, more than the budget allotment for the month. For the fiscal year, wastewater service revenues totaled \$271.59 million. This is \$0.07 million greater 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)

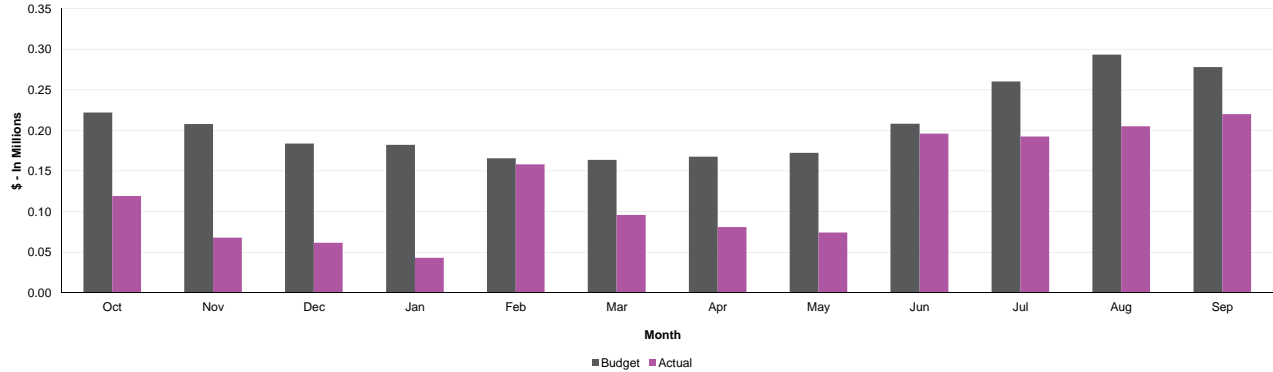
	Residential	Multifamily	Commercial	Large Volume	Wholesale	Industrial Waste Surcharge	Total
Budget	\$ 99.22	\$ 73.51	\$ 69.52	\$ 19.03	\$ 5.48	\$ 4.76	\$ 271.52
Actual	\$ 95.28	\$ 75.73	\$ 67.20	\$ 21.53	\$ 6.57	\$ 5.27	\$ 271.59
Variance	\$ (3.94)	\$ 2.22	\$ (2.32)	\$ 2.50	\$ 1.09	\$ 0.51	\$ 0.07
Variance %	-4.0%	3.0%	-3.3%	13.2%	19.9%	10.7%	0.0%

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 September before any accounts receivable adjustments.

Four customer classes are above projections, with Large Volume and Multifamily showing the largest dollar increase of \$2.50 million and \$2.22 million, respectively above budget. This is partially offset by decreases in the Residential and Commercial classes which are below projections by \$3.94 million and \$2.32 million, respectively. Overall, wastewater revenues are \$0.07 million greater than projected.

### Reclaimed Services Revenues by Month

Budget vs. Actual

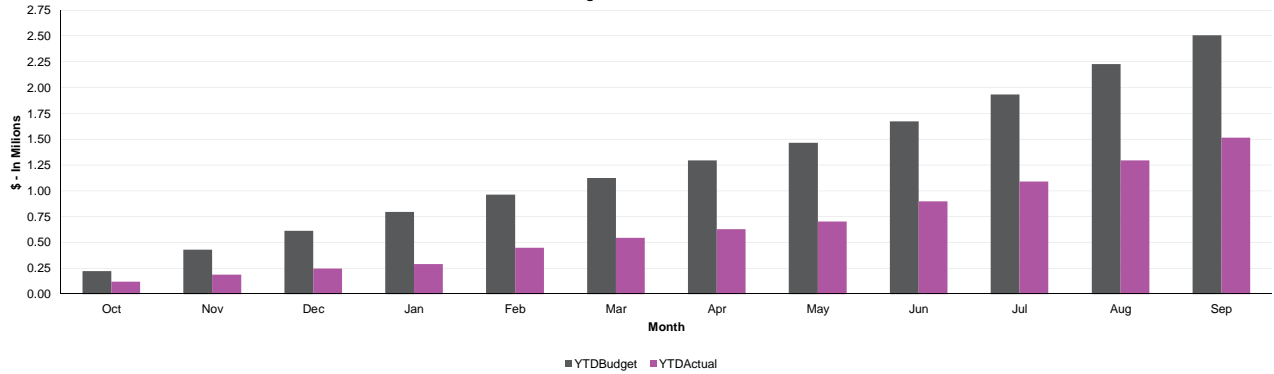


### FY 2016 - 2017 Reclaimed Service Revenues by Month With Variances (Millions)

	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	\$ 0.10	\$ 0.08	\$ 0.07	\$ 0.20	\$ 0.19	\$ 0.20	\$ 0.22
Variance	\$ (0.10)	\$ (0.14)	\$ (0.12)	\$ (0.14)	\$ (0.01)	\$ (0.07)	\$ (0.09)	\$ (0.10)	\$ (0.01)	\$ (0.07)	\$ (0.09)	\$ (0.06)
Variance %	-46.3%	-67.4%	-66.4%	-76.5%	-4.4%	-41.4%	-51.7%	-56.8%	-5.7%	-26.1%	-30.1%	-20.8%

### Reclaimed Services Revenues Year-to-Date

Budget vs. Actual



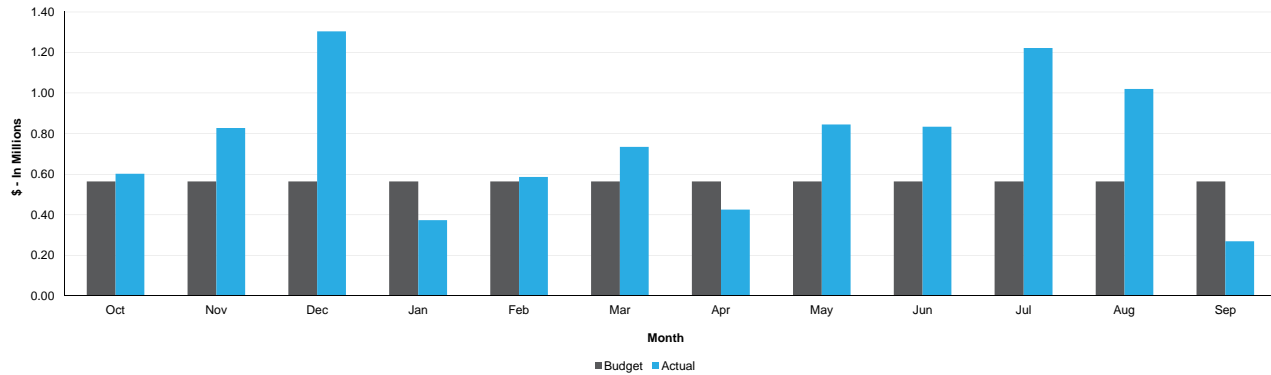
### FY 2016 - 2017 Reclaimed Service Revenues by Year-to-Date With Variances (Millions)

	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	\$ 0.55	\$ 0.63	\$ 0.70	\$ 0.90	\$ 1.09	\$ 1.30	\$ 1.52
Variance	\$ (0.10)	\$ (0.24)	\$ (0.36)	\$ (0.50)	\$ (0.51)	\$ (0.58)	\$ (0.67)	\$ (0.76)	\$ (0.78)	\$ (0.84)	\$ (0.93)	\$ (0.99)
Variance %	-46.3%	-56.5%	-59.5%	-63.4%	-53.2%	-51.5%	-51.5%	-52.1%	-46.4%	-43.6%	-41.9%	-39.5%

Reclaimed service revenues for September 2017 totaled \$0.22 million. This is \$0.06 million or 20.8% less than the budget allotment for the month. For the fiscal year, Reclaimed service revenues totaled \$1.52 million. This is \$0.99 million or 39.5% less than the budget allotment.

### Miscellaneous Revenues by Month

Budget vs. Actual

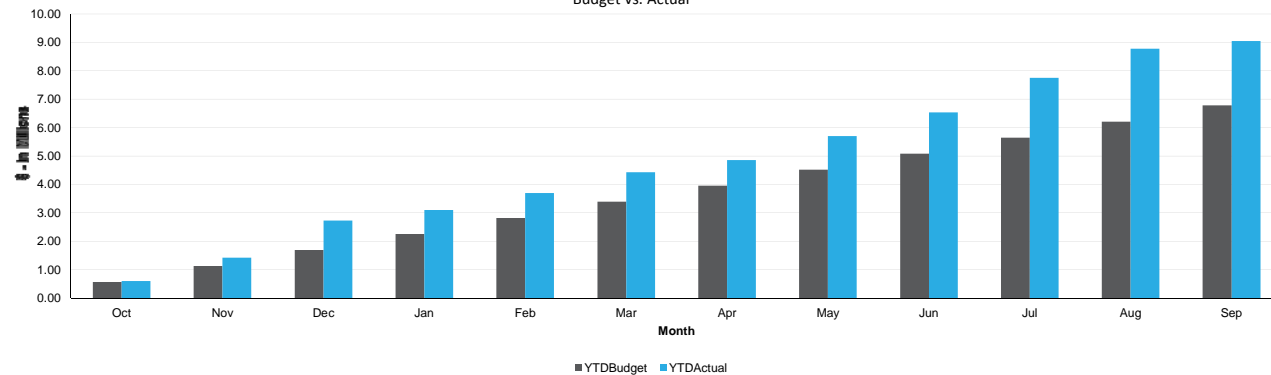


### FY 2016 - 2017 Miscellaneous Revenues by Month With Variances (Millions)

	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	\$ 0.74	\$ 0.43	\$ 0.85	\$ 0.83	\$ 1.22	\$ 1.02	\$ 0.27
Variance	\$ 0.04	\$ 0.26	\$ 0.74	\$ (0.19)	\$ 0.02	\$ 0.17	\$ (0.14)	\$ 0.28	\$ 0.27	\$ 0.66	\$ 0.46	\$ (0.30)
Variance %	6.5%	46.5%	130.7%	-33.8%	3.8%	30.2%	-24.5%	49.7%	47.6%	116.2%	80.7%	-52.3%

### Miscellaneous Revenues Year-to-Date

Budget vs. Actual



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

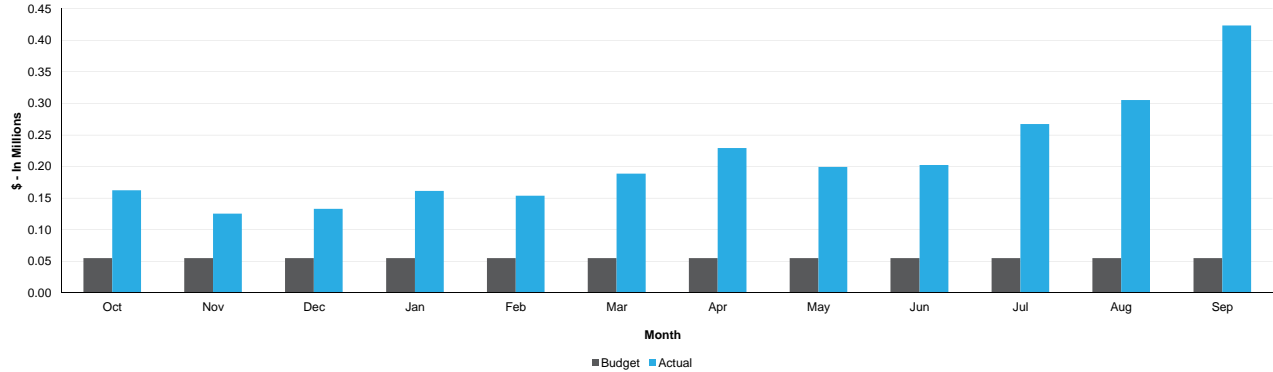
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	\$ 0.57	\$ 1.13	\$ 1.70	\$ 2.26	\$ 2.83	\$ 3.39	\$ 3.96	\$ 4.52	\$ 5.09	\$ 5.65	\$ 6.22	\$ 6.78
YTD Actual	\$ 0.60	\$ 1.43	\$ 2.73	\$ 3.11	\$ 3.70	\$ 4.43	\$ 4.86	\$ 5.70	\$ 6.54	\$ 7.76	\$ 8.78	\$ 9.05
Variance	\$ 0.04	\$ 0.30	\$ 1.04	\$ 0.85	\$ 0.87	\$ 1.04	\$ 0.90	\$ 1.18	\$ 1.45	\$ 2.11	\$ 2.56	\$ 2.27
Variance %	6.5%	26.5%	61.3%	37.5%	30.8%	30.7%	22.8%	26.1%	28.5%	37.3%	41.2%	33.4%

Miscellaneous revenues include revenue from sources other than water and wastewater services, such as late fees, fines and special billings. Miscellaneous revenues for September 2017 totaled \$0.27 million. This is 52.3% below the budget allotment for the month.

The combined miscellaneous revenues for the fiscal year totaled \$9.06 million. This is \$2.27 million, or 33.4%, more than the budget allotment.

### Interest Income by Month

Budget vs. Actual

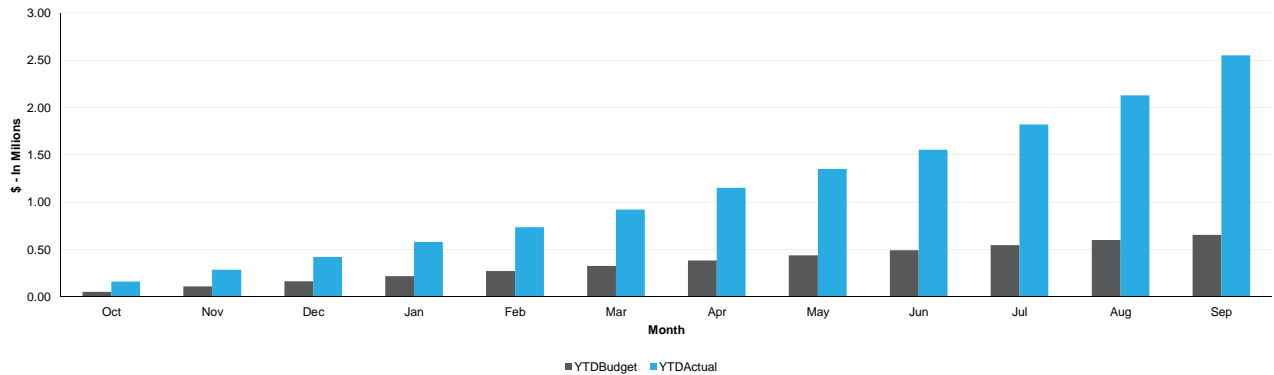


### FY 2016 - 2017 Interest Income by Month With Variances (Millions)

	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	\$ 0.19	\$ 0.23	\$ 0.20	\$ 0.20	\$ 0.27	\$ 0.31	\$ 0.42
Variance	\$ 0.11	\$ 0.08	\$ 0.09	\$ 0.12	\$ 0.11	\$ 0.14	\$ 0.18	\$ 0.15	\$ 0.16	\$ 0.22	\$ 0.26	\$ 0.37
Variance %	196.9%	146.9%	160.9%	212.6%	198.8%	262.8%	337.1%	282.8%	287.8%	406.9%	475.8%	673.4%

### Interest Income Year-to-Date

Budget vs. Actual



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

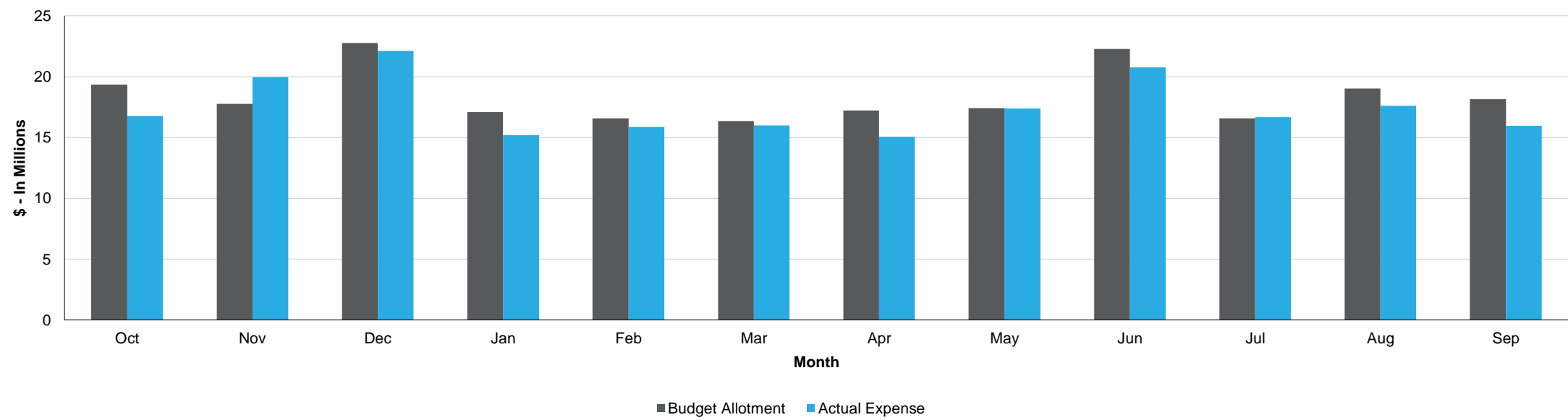
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
YTD Budget	\$ 0.05	\$ 0.11	\$ 0.16	\$ 0.22	\$ 0.27	\$ 0.33	\$ 0.38	\$ 0.44	\$ 0.49	\$ 0.55	\$ 0.60	\$ 0.66
YTD Actual	\$ 0.16	\$ 0.29	\$ 0.42	\$ 0.58	\$ 0.73	\$ 0.92	\$ 1.15	\$ 1.35	\$ 1.55	\$ 1.82	\$ 2.13	\$ 2.55
Variance	\$ 0.11	\$ 0.18	\$ 0.26	\$ 0.36	\$ 0.46	\$ 0.60	\$ 0.77	\$ 0.91	\$ 1.06	\$ 1.27	\$ 1.53	\$ 1.89
Variance %	196.9%	162.8%	156.1%	165.6%	168.6%	181.3%	200.9%	208.9%	215.6%	232.9%	253.3%	288.3%

Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income for September 2017 totaled \$0.42 million. This is \$0.37 million more than the budget allotment for the month.

Interest income for the fiscal year totaled \$2.55 million. This total is \$1.89 million more than the budget allotment of \$0.66 million and results from an increase in the balance of cash on hand.

## **OPERATING REQUIREMENTS**

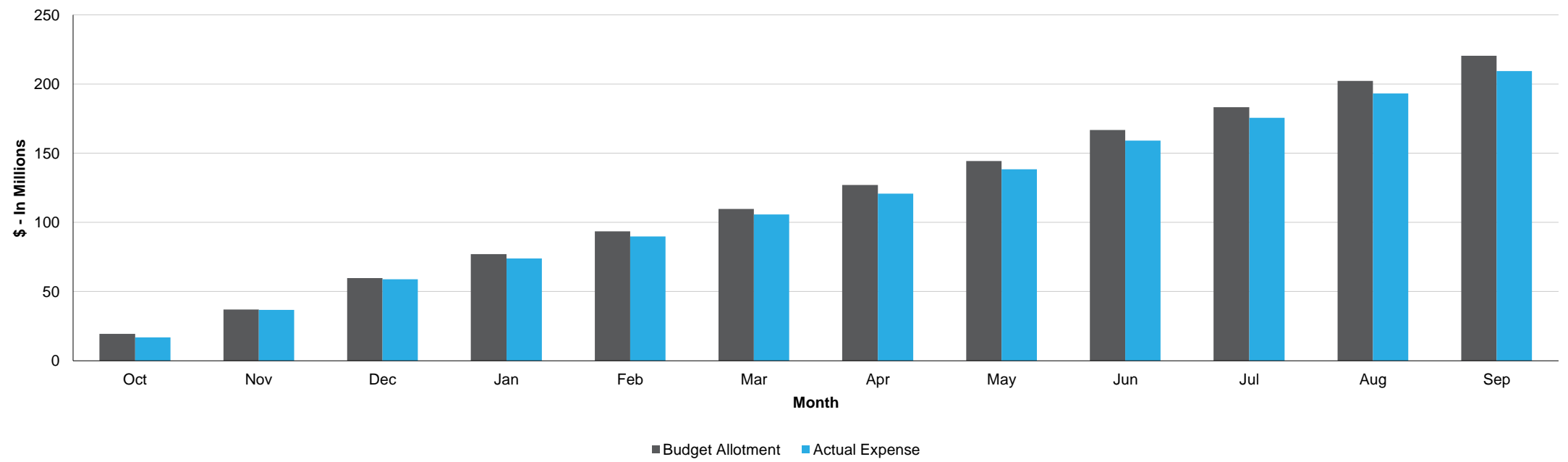
Program Operating and Other Requirements by Month  
Budget vs Actual



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	\$ 17.39	\$ 22.26	\$ 16.58	\$ 19.03	\$ 18.16
Actual Expense	\$ 16.78	\$ 19.95	\$ 22.10	\$ 15.18	\$ 15.85	\$ 15.99	\$ 15.06	\$ 17.37	\$ 20.76	\$ 16.68	\$ 17.60	\$ 15.96
Variance	\$ 2.57	\$ (2.19)	\$ 0.65	\$ 1.91	\$ 0.74	\$ 0.35	\$ 2.15	\$ 0.03	\$ 1.50	\$ (0.09)	\$ 1.43	\$ 2.20
Variance %	13.3%	-12.3%	0.0%	11.2%	4.4%	2.2%	12.5%	0.1%	6.8%	-0.6%	7.5%	12.1%

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

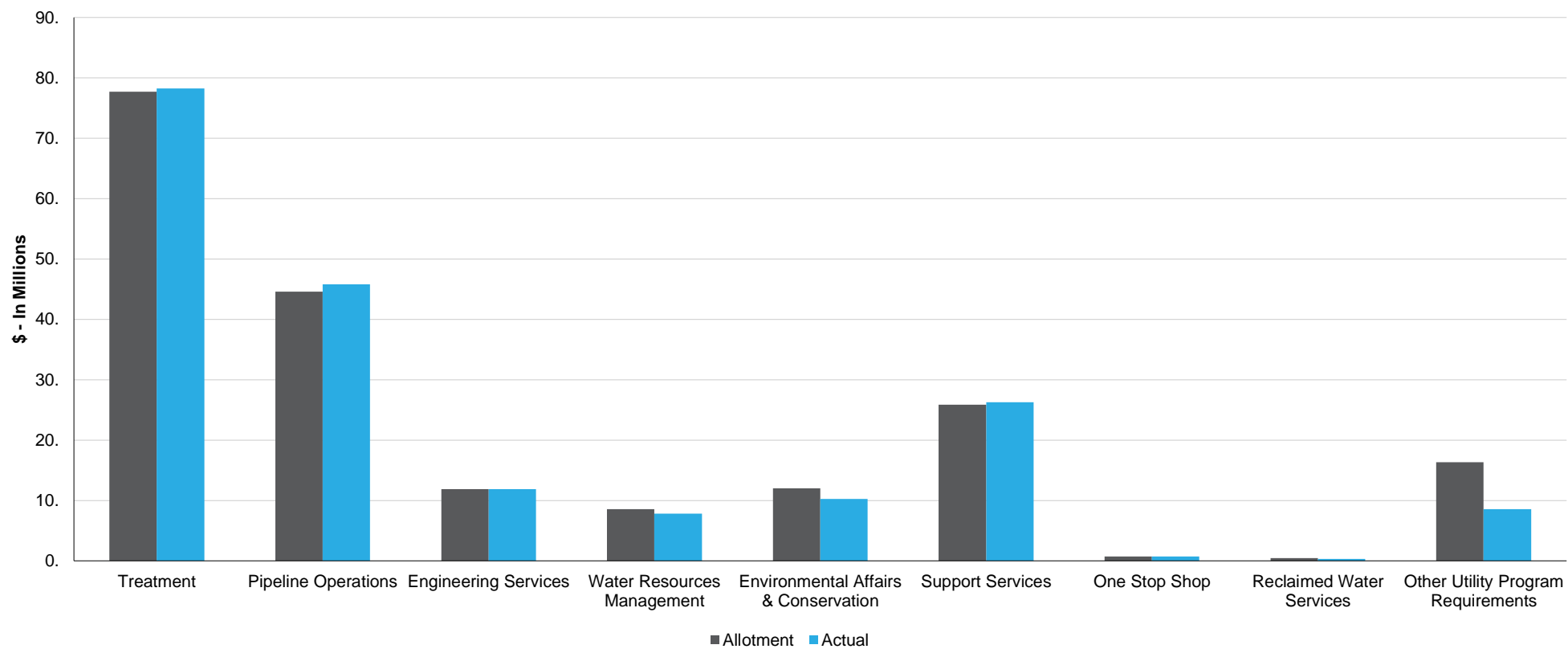


FY 2016 - 2017 Program Operating and Other Requirements by Year-to-Date With Variances (Millions)

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	\$ 144.48	\$ 166.74	\$ 183.33	\$ 202.36	\$ 220.52
Actual Expense	\$ 16.78	\$ 36.73	\$ 58.83	\$ 74.01	\$ 89.85	\$ 105.83	\$ 120.90	\$ 138.27	\$ 159.03	\$ 175.71	\$ 193.31	\$ 209.27
Variance \$	\$ 2.57	\$ 0.37	\$ 1.02	\$ 2.93	\$ 3.67	\$ 4.04	\$ 6.19	\$ 6.21	\$ 7.71	\$ 7.62	\$ 9.05	\$ 11.25
Variance %	13.3%	1.0%	1.7%	3.8%	3.9%	3.7%	4.9%	4.3%	4.6%	4.2%	4.5%	5.1%

Total Program Operating and Other Requirements for the fiscal year through September 2017 were \$109.29 million for water, \$99.61 million for wastewater, and \$0.37 million for reclaimed water. The combined Program Operating and Other Requirements of \$209.27 million were \$11.25 million, or 5.1%, 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	\$ 77.72	\$ 44.57	\$ 11.86	\$ 8.59	\$ 12.01	\$ 25.84	\$ 0.72	\$ 0.42	\$ 16.34	\$ 198.06
Actual	\$ 78.27	\$ 45.77	\$ 11.85	\$ 7.83	\$ 10.26	\$ 26.28	\$ 0.73	\$ 0.33	\$ 8.57	\$ 189.89
Variance \$	\$ (0.55)	\$ (1.20)	\$ 0.02	\$ 0.76	\$ 1.75	\$ (0.45)	\$ (0.01)	\$ 0.09	\$ 7.77	\$ 8.17
Variance %	-0.7%	-2.7%	0.2%	8.8%	14.6%	-1.7%	-0.8%	21.2%	47.5%	4.1%

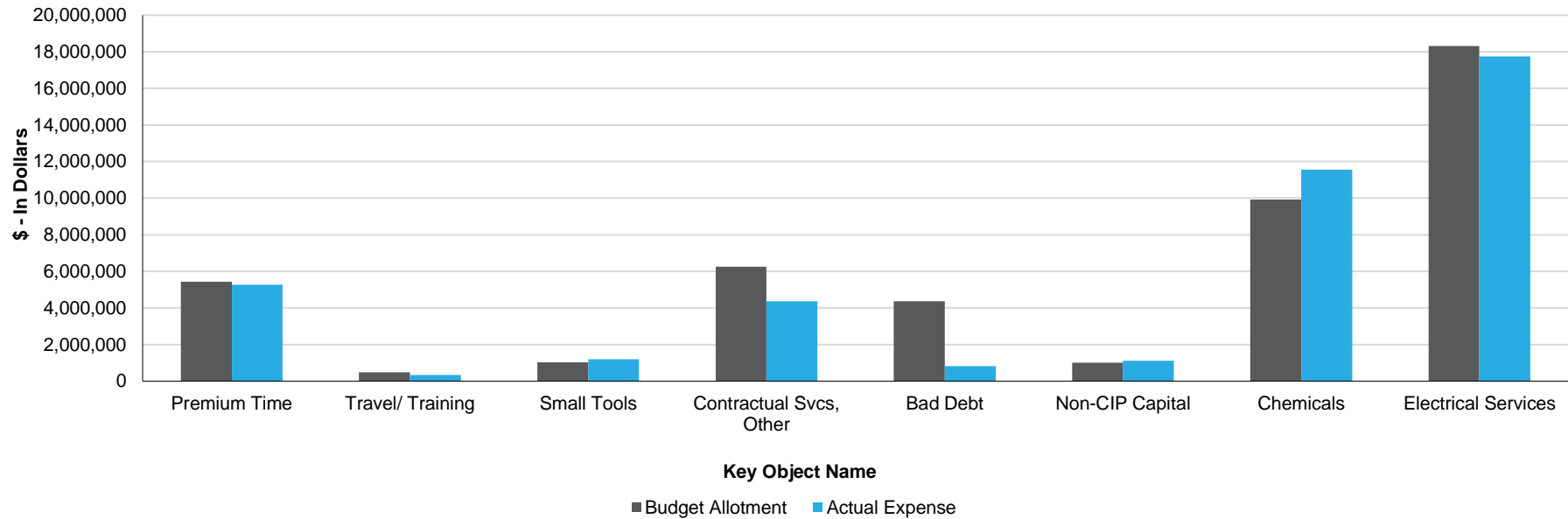
Total Operating Program Requirements as of September 30, 2017 were \$97.38 million for Water, \$92.15 million for Wastewater, and \$0.36 million for Reclaimed Water. The combined Program Operating Requirements of \$189.89 million were \$8.17 million or 4.1% below allotment.

Environmental Affairs and Conservation was \$1.75 million or 14.6% below allotment mainly due to lower than estimated spending on Water Conservation Rebate programs, advertising and publication, contractual services, and vacant positions.

Reclaimed Water Services was \$0.09 million or 21.2% below allotment mainly due to vacant positions.

Other Utility Program Requirements was \$7.77 million or 47.5% below allotment due to lower than estimated spending on bad debt expense, compensation adjustment, contractual services, insurance, software, and copy machines rentals.

### 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 Svcs, Other	Bad Debt	Non-CIP Capital	Chemicals	Electrical Services	Total
Budget Allotment	\$ 5,443,790	\$ 475,657	\$ 1,026,553	\$ 6,250,520	\$ 4,359,281	\$ 1,003,436	\$ 9,913,422	\$ 18,319,711	\$ 46,792,370
Actual Expense	\$ 5,269,551	\$ 334,105	\$ 1,205,189	\$ 4,355,876	\$ 815,144	\$ 1,118,682	\$ 11,554,099	\$ 17,737,466	\$ 42,390,114
Variance \$	\$ 174,239	\$ 141,552	\$ (178,636)	\$ 1,894,644	\$ 3,544,137	\$ (115,246)	\$ (1,640,677)	\$ 582,245	\$ 4,402,256
Variance %	3.2%	29.8%	-17.4%	30.3%	81.3%	-11.5%	-16.6%	3.2%	9.4%

Travel and Training was \$141,552 or 29.8% below allotment due to lower than anticipated expenses.

Small Tools were \$178,636 or 17.4% above allotment due to higher than estimated spending in Lift Station and Remote Facilities, Wastewater Treatment, Distribution System Maintenance, and Construction and Rehabilitation Services.

Other Contractual Services were \$1,894,644 or 30.3% below allotment due to lower than estimated spending in the Utility Development Services, Collection System Engineering, and Water Conservation Divisions, as well as lower than estimated spending for emergency service contracts for the Utility as a whole.

Bad Debt was \$3,544,137 or 81.3% below allotment primarily due to reaching pre-conversion bad debt rates through stabilization of collections, and the 2015 Payment Arrangement ordinance.

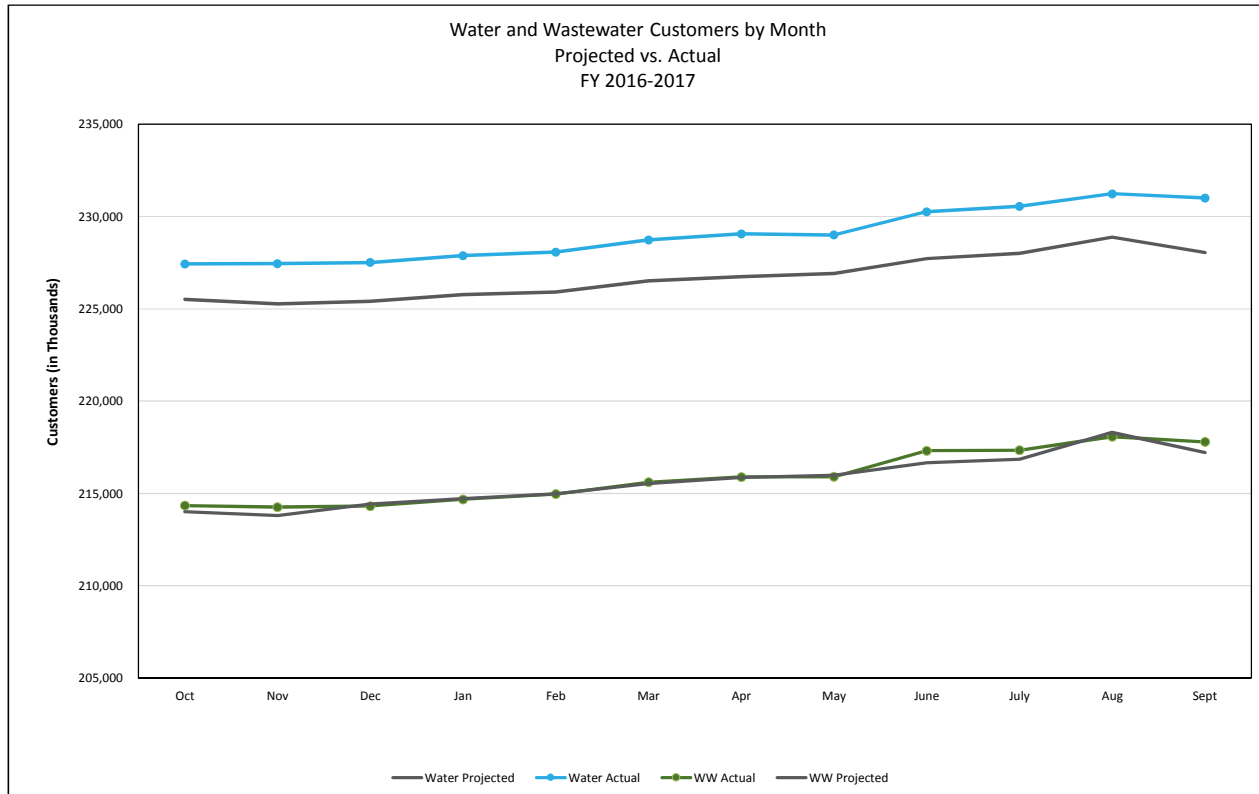
Non-CIP Capital was \$115,246 or 11.5% above allotment due to higher than estimated spending in Wastewater Treatment, Process Engineering, Lift Station and Remote Facilities, and Distribution System Maintenance Divisions.

Chemicals were \$1,640,677 or 16.6% above allotment due to higher than estimated spending in the Wastewater Treatment, Water Treatment, Lift Station and Remote Facilities, and Laboratory Services Divisions.



## **CUSTOMER DEMAND CHARACTERISTICS**

## Number of Customers



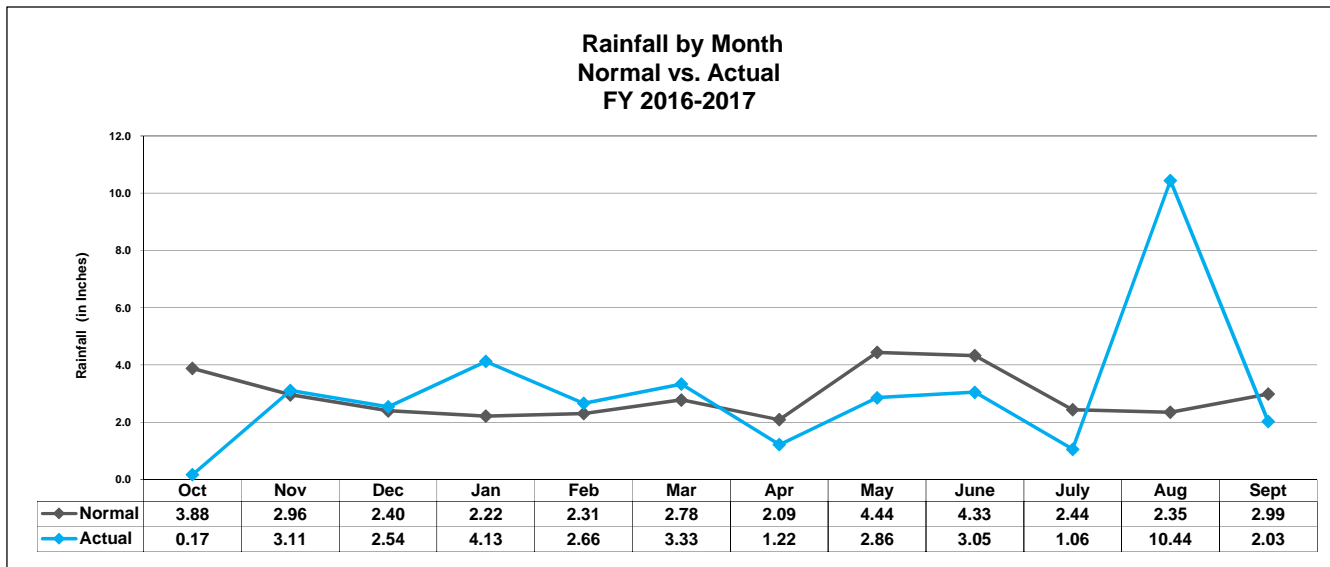
Customers	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Water Projected	225,510	225,273	225,416	225,776	225,914	226,514	226,748	226,926	227,718	228,011	228,879	228,040
Water Actual	227,441	227,449	227,517	227,885	228,080	228,737	229,069	229,008	230,270	230,562	231,239	231,014
Variance	1,931	2,176	2,101	2,109	2,166	2,223	2,321	2,082	2,552	2,551	2,360	2,974
Monthly Change	9	8	68	368	195	657	332	(61)	1,262	292	677	(225)
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	215,613	215,901	215,906	217,312	217,346	218,079	217,794
Variance	333	460	(100)	(23)	(6)	72	41	(74)	653	487	(226)	574
Monthly Change	(26)	(81)	55	370	280	643	288	5	1,406	34	733	(285)

The actual number of water customers as of September 30, 2017, was 231,014. This was 225 fewer customers than last month, and 2,974 more customers than projected for this date. There were 227,432 water customers as of September 30, 2016.

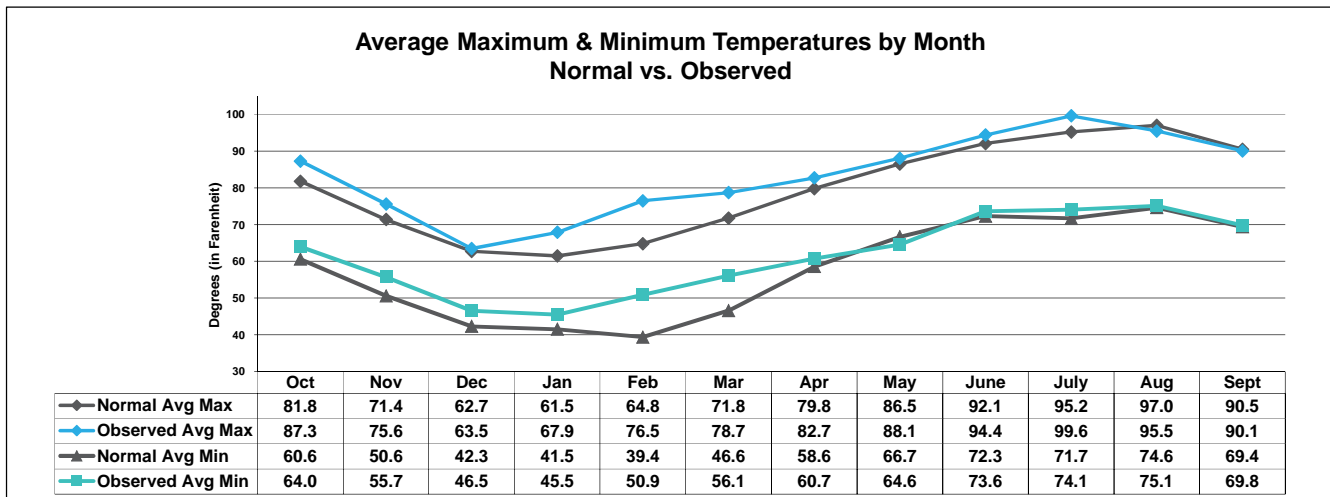
The actual number of wastewater customers as of September 30, 2017, was 217,794. This was 285 fewer customers than last month, and 574 more customers than projected for this date. There were 214,373 wastewater customers as of September 30, 2016.

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 September, 2.03 inches of rain fell, 0.96 inches below normal for the month. For the fiscal year to date, rainfall has totaled 36.60 inches, 4.0% more than the normal amount of 35.19 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.

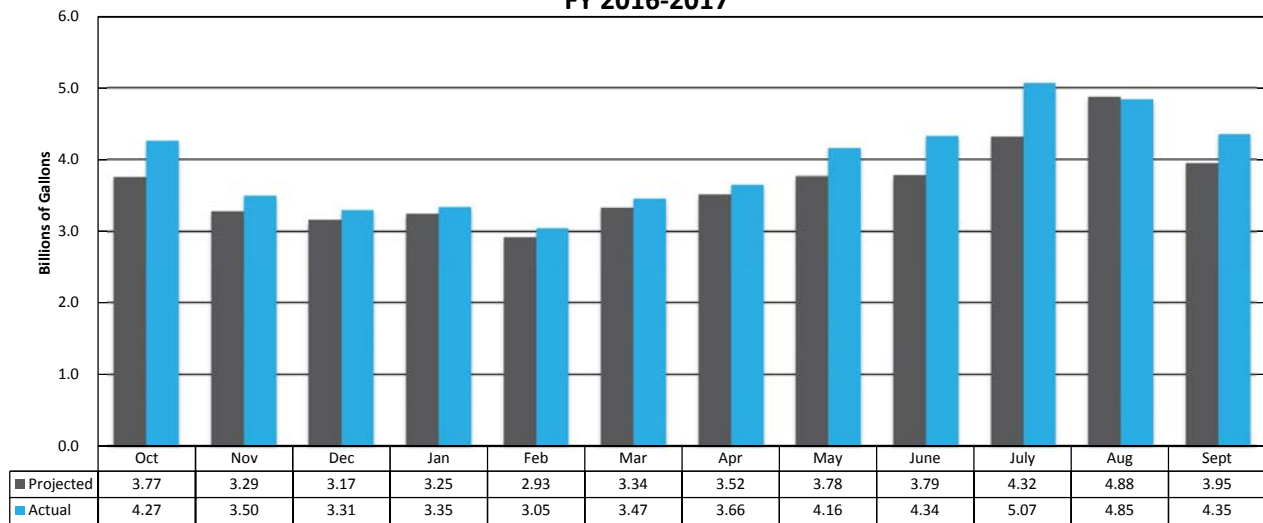


Monthly average maximum and minimum temperatures are reported by the National Weather Service for Austin-Camp Mabry. This fiscal year temperatures have been largely warmer than historic norms. In September, the average high temperature was 0.4 degrees lower than the historical normal value and the average low temperature was 0.4 degrees higher than the historical normal value.

The combined storage capacity in the Highland Lakes' two water storage reservoirs, Travis and Buchanan, is at 88% as of September 2017.

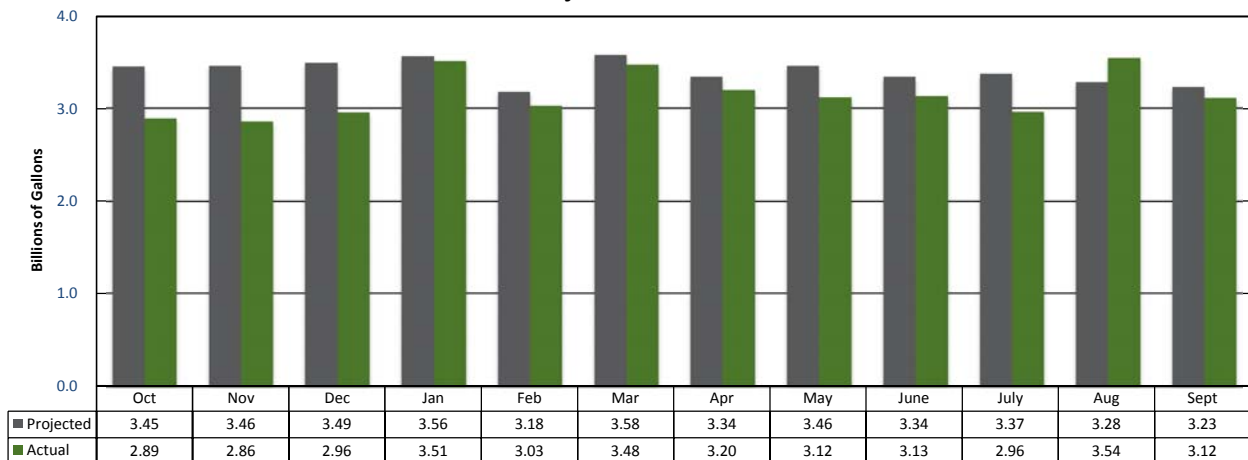
## Water Pumpage and Wastewater Influent Flow by Month

**Water Pumpage by Month (Billions of Gallons)  
Projected vs. Actual  
FY 2016-2017**



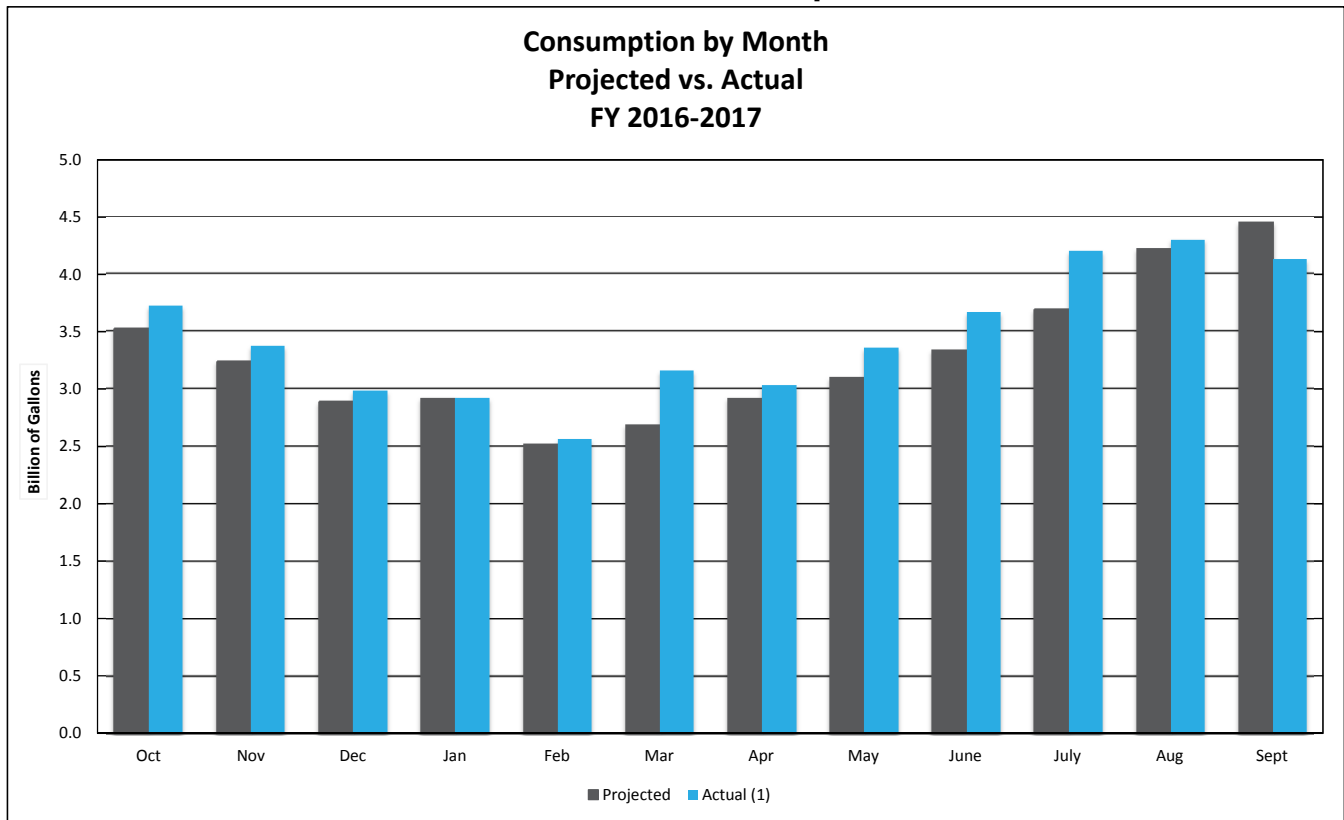
Pumpage during September 2017 averaged 145.14 MGD for a total of 4.35 BG for the month. This compares to a daily average of 129.79 MGD for this fiscal year, and a daily average of 122.03 MGD for fiscal year 2015–16.

**Wastewater Influent Flow by Month  
Projected vs. Actual**



Influent during September 2017 averaged 103.84 MGD for a total of 3.12 BG for the month. This compares to a daily average of 103.59 MGD for this fiscal year and an average of 113.87 MGD for fiscal year 2015–16.

## Billed Water Consumption



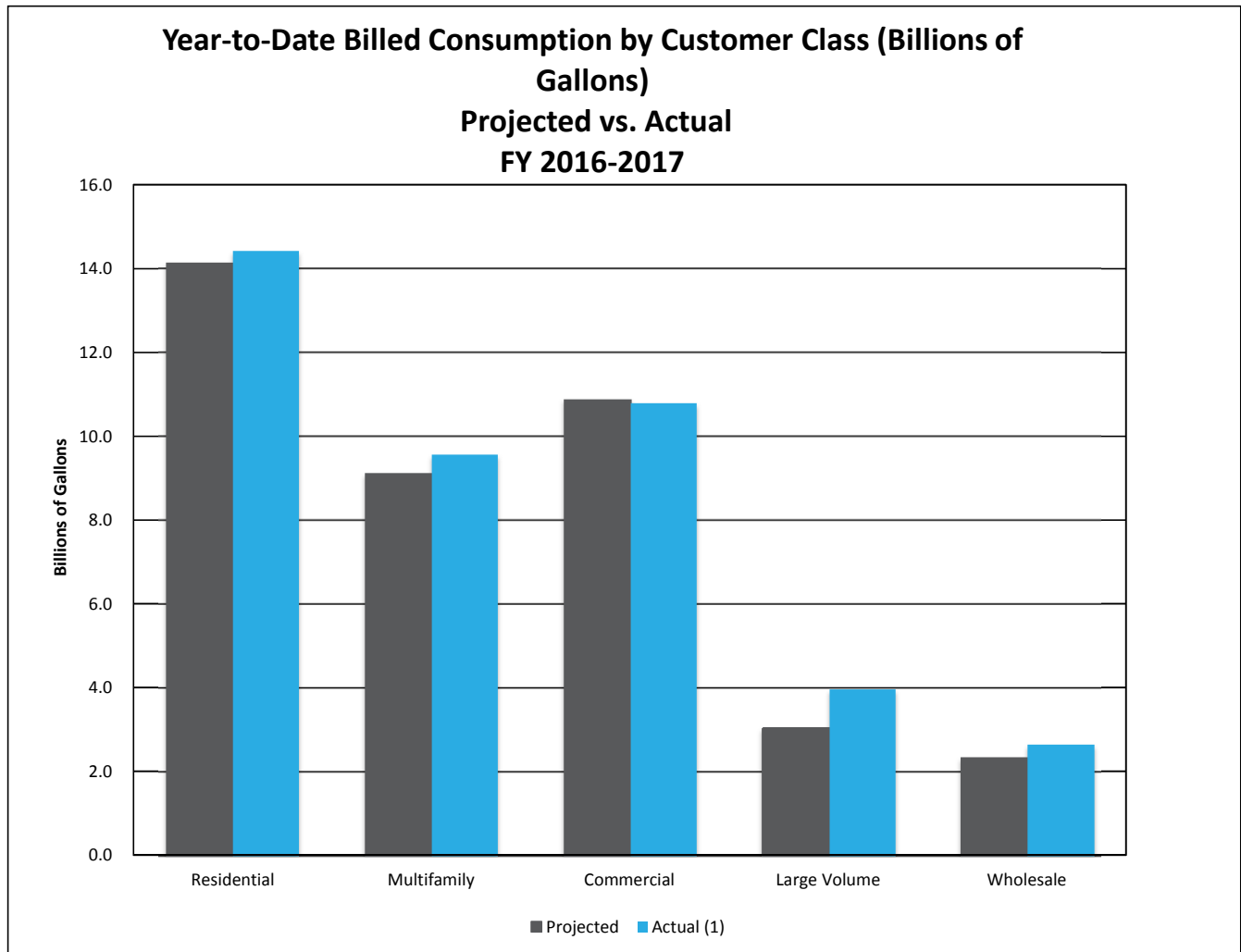
**FY 2016-17 Billed Consumption by Month and Year-to-Date (Billion of Gallons)**

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	3.10	3.34	3.69	4.22	4.45
Actual (1)	3.72	3.37	2.99	2.92	2.57	3.16	3.03	3.36	3.67	4.20	4.30	4.13
Variance	0.19	0.13	0.10	0.00	0.047	0.47	0.11	0.26	0.33	0.51	0.08	-0.32
Variance %	5.4%	4.2%	3.4%	0.0%	1.9%	17.6%	3.9%	8.3%	9.8%	13.8%	1.9%	-7.2%
<b>YTD</b>												
Projected	3.53	6.76	9.65	12.57	15.09	17.77	20.69	23.80	27.13	30.83	35.05	39.50
Actual (1)	3.72	7.10	10.08	13.00	15.57	18.74	21.77	25.13	28.79	32.99	37.29	41.42
Variance	0.19	0.34	0.43	0.43	0.48	0.97	1.08	1.33	1.66	2.16	2.24	1.92
Variance %	5.4%	5.0%	4.5%	3.5%	3.2%	5.4%	5.2%	5.6%	6.1%	7.0%	6.4%	4.9%

Actual billed water consumption for September 2017 was 4.13 BG. This was 0.32 BG, or 7.2%, fewer than projected for the month. For the fiscal year, actual billed water consumption was 41.42 BG. This was 1.92 BG, or 4.9%, more than projected for the period.

(1) Please note that a restatement has been made to the Actual consumption data to reflect final adjustments made subsequent to close.

## Billed Water Consumption (continued)

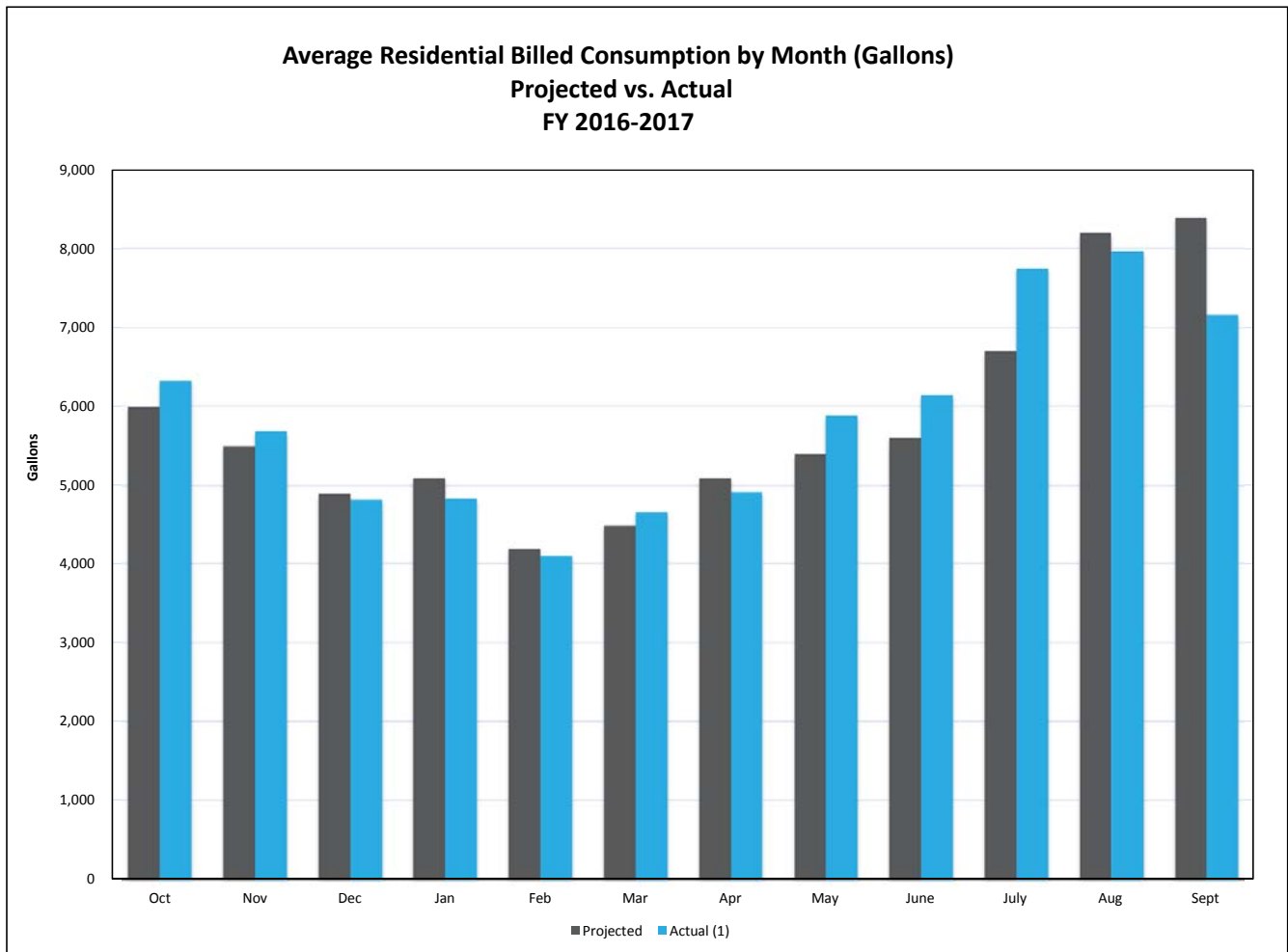


Class	Residential	Multifamily	Commercial	Large Volume	Wholesale
Projected	14.13	9.11	10.88	3.05	2.34
Actual (1)	14.43	9.57	10.79	3.98	2.66
Variance	0.30	0.46	-0.09	0.93	0.32
Variance %	2.1%	5.0%	-0.8%	30.5%	13.7%

For the fiscal year through September 2017, billed water consumption was 41.42 BG. This was 1.92 BG, or 4.9%, more than projected for all customer classes combined. Residential, Multifamily, Large Volume, and Wholesale classes were each above projections for the year.

(1) Please note that a restatement has been made to the Actual consumption data to reflect final adjustments made subsequent to close

## Billed Water Consumption (continued)

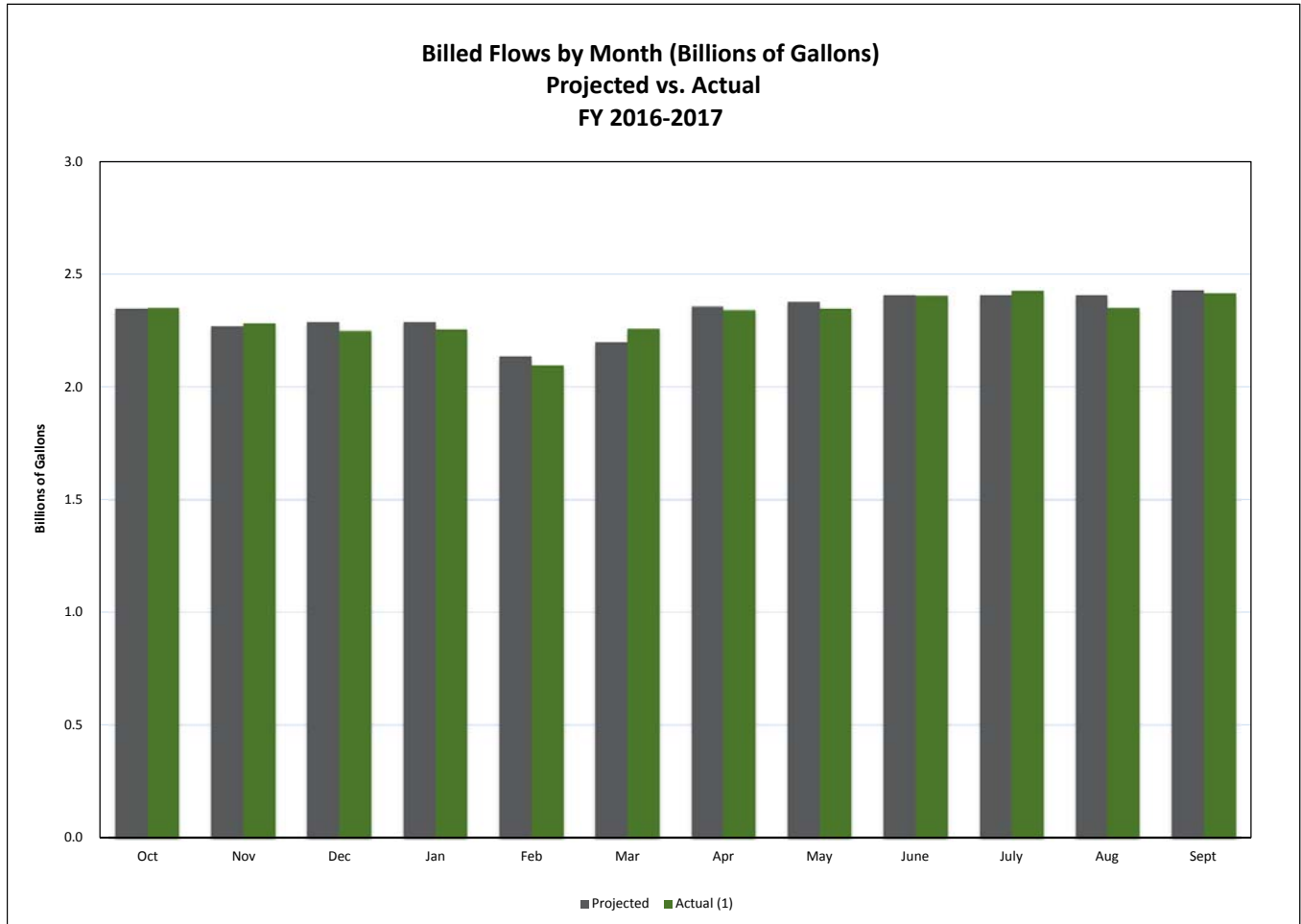


Average Residential Water Consumption	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Projected	6,000	5,500	4,900	5,100	4,200	4,500	5,100	5,400	5,600	6,700	8,200	8,400
Actual (1)	6,333	5,689	4,829	4,837	4,103	4,663	4,913	5,886	6,144	7,749	7,973	7,166
Variance	333	189	(71)	(263)	(97)	163	(187)	486	544	1,049	(227)	(1,234)
Variance %	5.6%	3.4%	-1.5%	-5.2%	-2.3%	3.6%	-3.7%	9.0%	9.7%	15.6%	-2.8%	-14.7%

Average Residential billed consumption for September 2017 was 7,166 gallons. This was 1,234 gallons, or 14.7%, less than projected for the month.

(1) Please note that a restatement has been made to the Actual consumption data to reflect final adjustments made subsequent to close.

## 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 (1)	2.35	2.28	2.25	2.26	2.10	2.26	2.34	2.35	2.41	2.43	2.35	2.42
Variance	0.00	0.01	-0.04	-0.03	-0.04	0.06	-0.02	-0.03	0.00	0.02	-0.06	-0.01
Variance %	0.1%	0.6%	-1.7%	-1.4%	-1.9%	2.8%	-0.7%	-1.3%	-0.1%	0.6%	-2.3%	-0.5%
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 (1)	2.35	4.64	6.89	9.15	11.24	13.51	15.85	18.20	20.61	23.03	25.38	27.80
Variance	0.00	0.02	-0.01	-0.04	-0.09	-0.02	-0.04	-0.07	-0.07	-0.06	-0.11	-0.12
Variance %	0.1%	0.3%	-0.2%	-0.5%	-0.8%	-0.2%	-0.3%	-0.4%	-0.4%	-0.3%	-0.4%	-0.4%

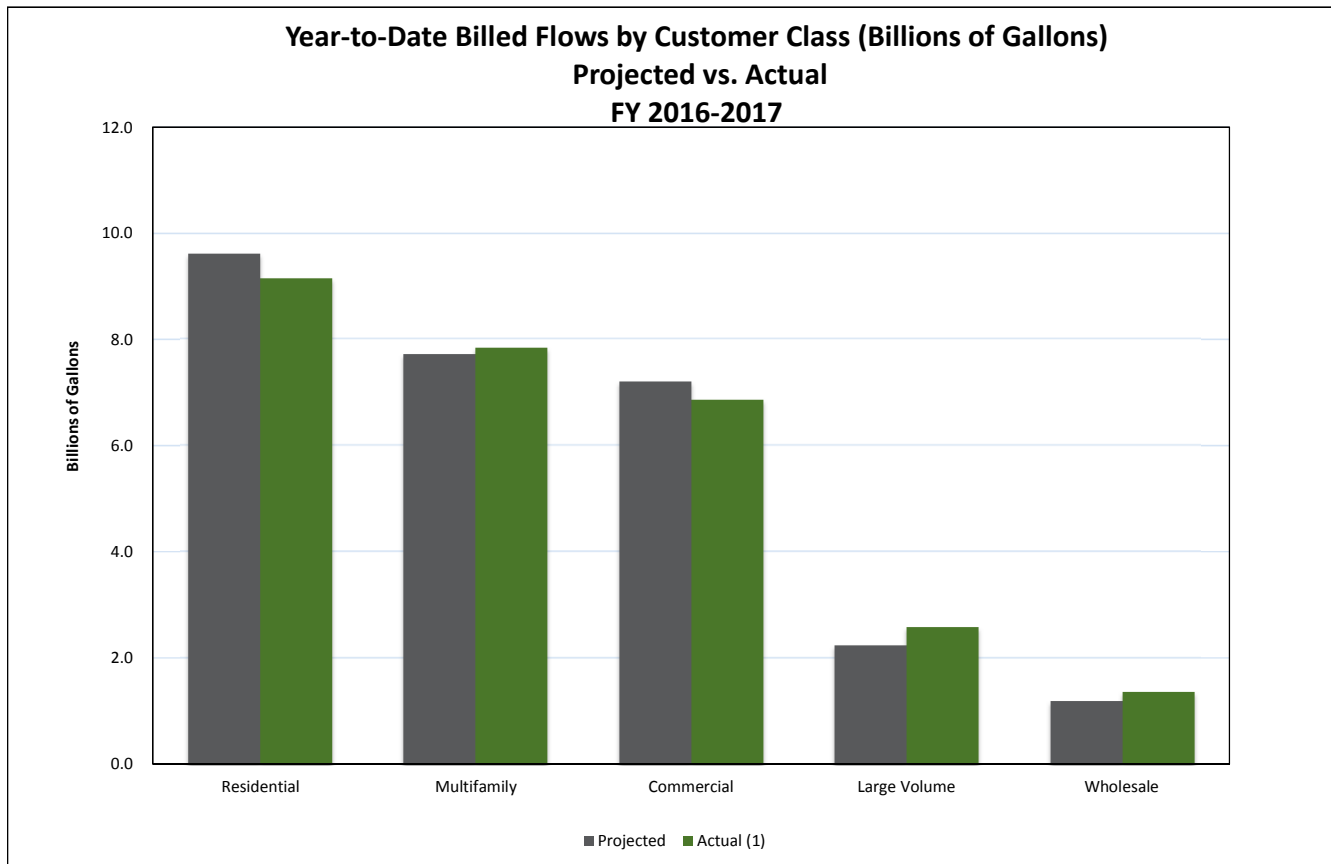
Actual billed flows for September 2017 were 2.42 BG. This was 0.01 BG, or 0.5% below the projection for the month. For the fiscal year, actual billed flows were 27.80 BG. This was 0.12 BG, or 0.4% less than the projection for the fiscal year.

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.

(1) Please note that a restatement has been made to the Actual flow data to reflect final adjustments made subsequent to close.



## Billed Wastewater Flows (continued)

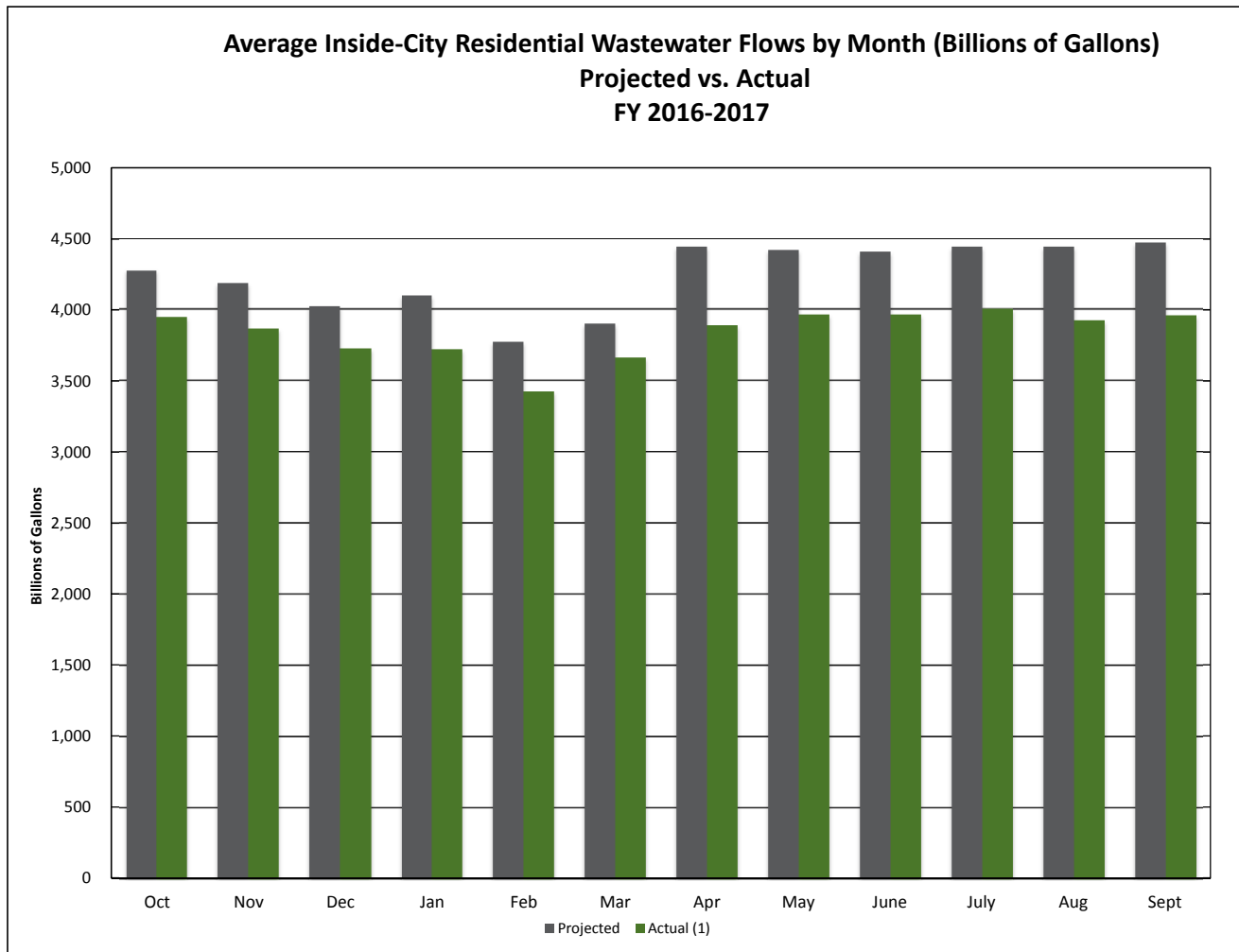


Class	Residential	Multifamily	Commercial	Large Volume	Wholesale
Projected	9.59	7.71	7.19	2.24	1.19
Actual (1)	9.14	7.84	6.86	2.59	1.37
Variance	-0.45	0.13	-0.33	0.35	0.18
Variance %	-4.7%	1.7%	-4.6%	15.6%	15.1%

Overall, billed wastewater flows were 27.80 BG for the fiscal year through September 2017. This was 0.12 BG, or 0.4% less, than the projection for all customer classes combined. As shown in the table above, billed wastewater flows were below projections by 4.7% and 4.6%, respectively, in the Residential and Commercial classes and offset the higher billed flows in the other classes.

(1) Please note that a restatement has been made to the Actual flow data to reflect final adjustments made subsequent to close. z

## Billed Wastewater Flows (continued)



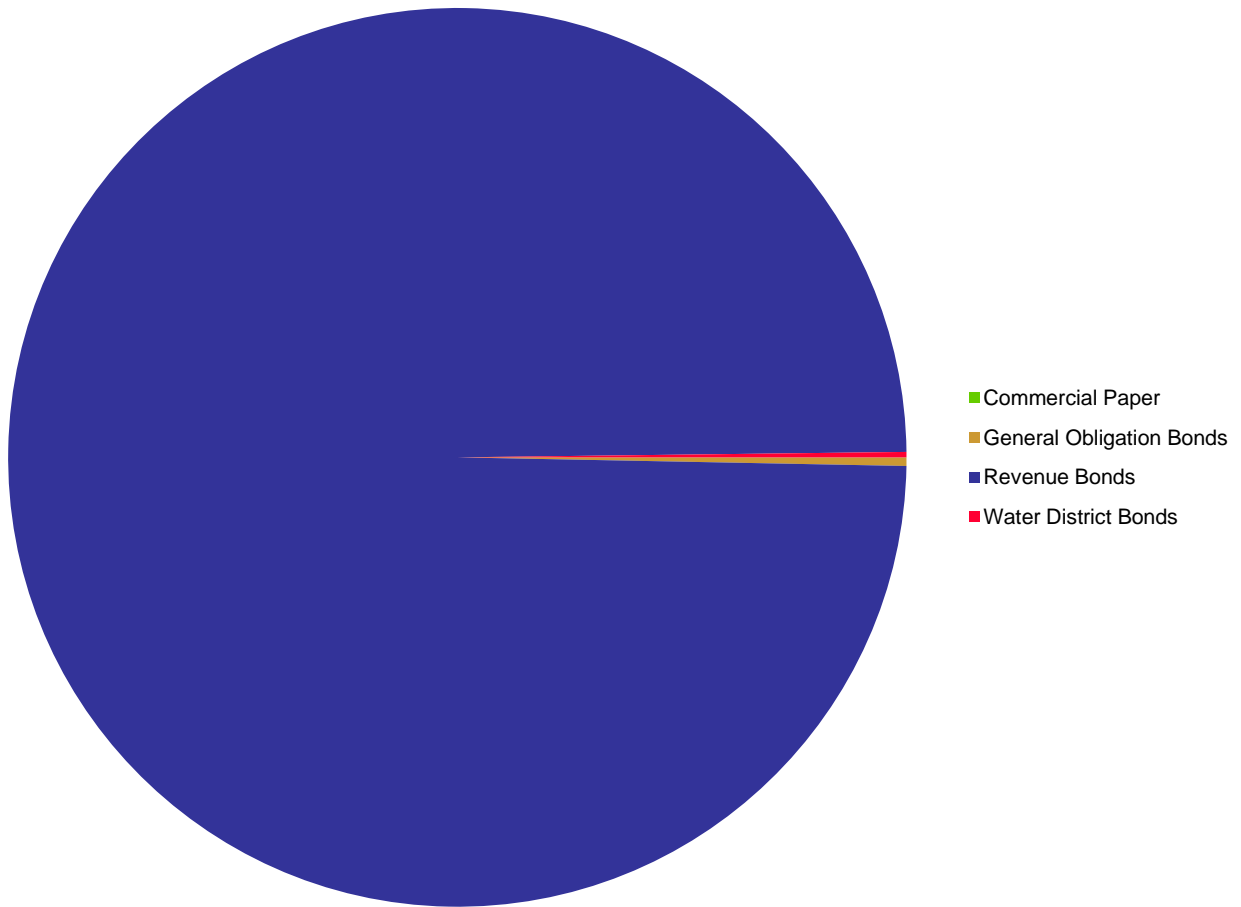
Average Inside City Residential Flows	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Projected	4,275	4,185	4,024	4,099	3,775	3,902	4,444	4,417	4,407	4,441	4,442	4,469
Actual (1)	3,949	3,865	3,728	3,720	3,424	3,663	3,889	3,966	3,964	4,005	3,924	3,958
Variance	(327)	(319)	(296)	(379)	(351)	(239)	(555)	(451)	(444)	(436)	(518)	(511)
Variance %	-7.6%	-7.6%	-7.4%	-9.2%	-9.3%	-6.1%	-12.5%	-10.2%	-10.1%	-9.8%	-11.7%	-11.4%

The average Residential billed flow for September 2017 was 3,958 gallons. This was 511 gallons, or 11.4%, less than projected for the month.

(1) Please note that a restatement has been made to the Actual flow data to reflect final adjustments made subsequent to close.

## **DEBT OUTSTANDING & DEBT SERVICE**

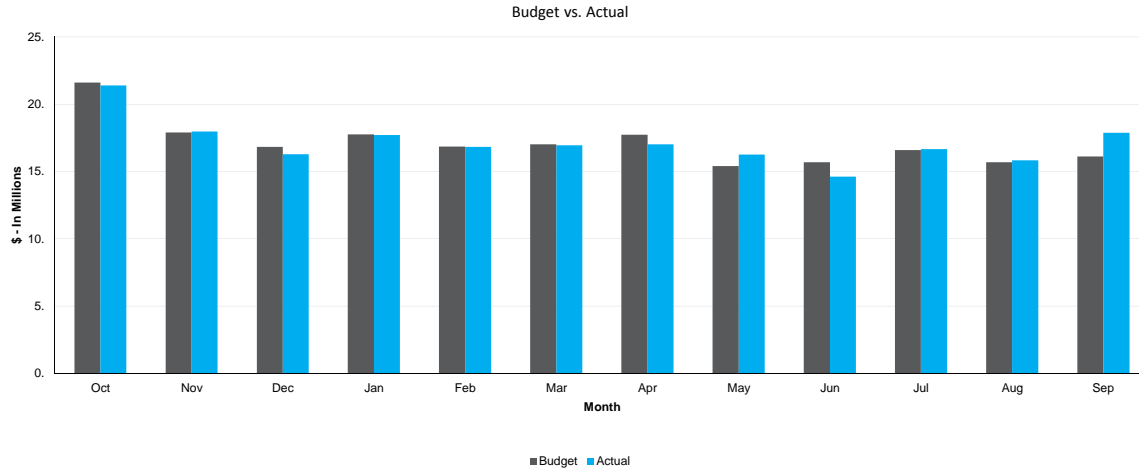
### Total Debt Outstanding By Type as of September 2017



	Debt Outstanding	% Outstanding
Commercial Paper	\$ -	0.0%
General Obligation Bonds	7,170,250	0.3%
Revenue Bonds	2,307,234,030	99.5%
Water District Bonds	4,555,772	0.2%
<b>Total</b>	<b>\$ 2,318,960,052</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	10,038.18

### Combined Debt Service by Month (Millions)

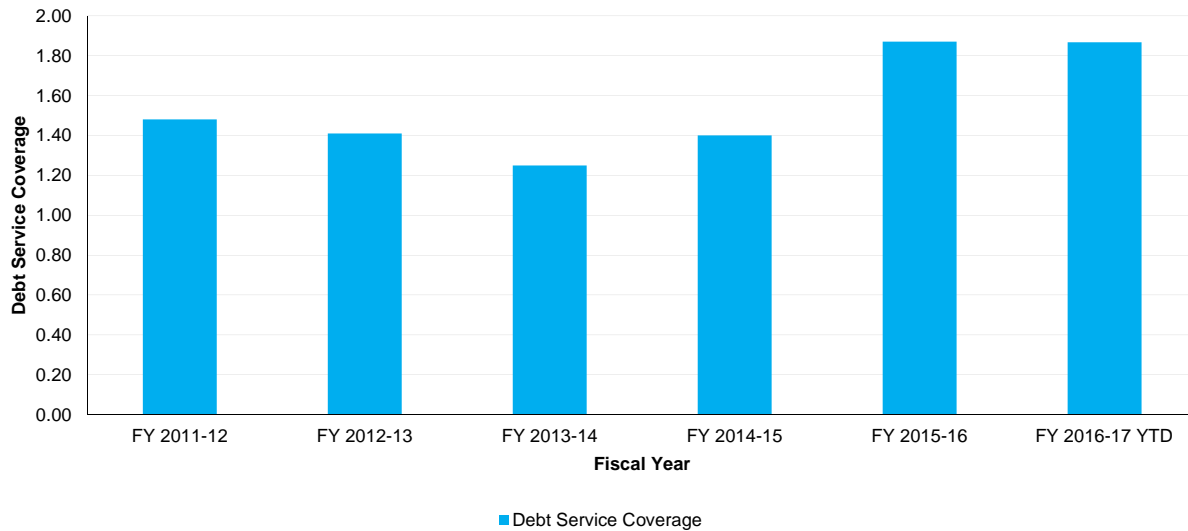


### FY 2016 - 2017 Combined Debt Service by Month With Variances (Millions)

	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	\$ 16.95	\$ 17.02	\$ 16.25	\$ 14.62	\$ 16.67	\$ 15.83	\$ 17.88	\$ 205.40
Variance	\$ 0.21	\$ (0.08)	\$ 0.55	\$ 0.03	\$ 0.01	\$ 0.07	\$ 0.72	\$ (0.86)	\$ 1.07	\$ (0.08)	\$ (0.15)	\$ (1.75)	
Variance %	1.0%	-0.4%	3.3%	0.2%	0.1%	0.4%	4.0%	-5.6%	6.8%	-0.5%	-0.9%	-10.9%	

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 September 2017 was \$17.88 million, \$1.75 million more than projected for the month. Combined debt service for the fiscal year was \$205.40 million or \$0.27 million more than projected.

### Debt Service Coverage



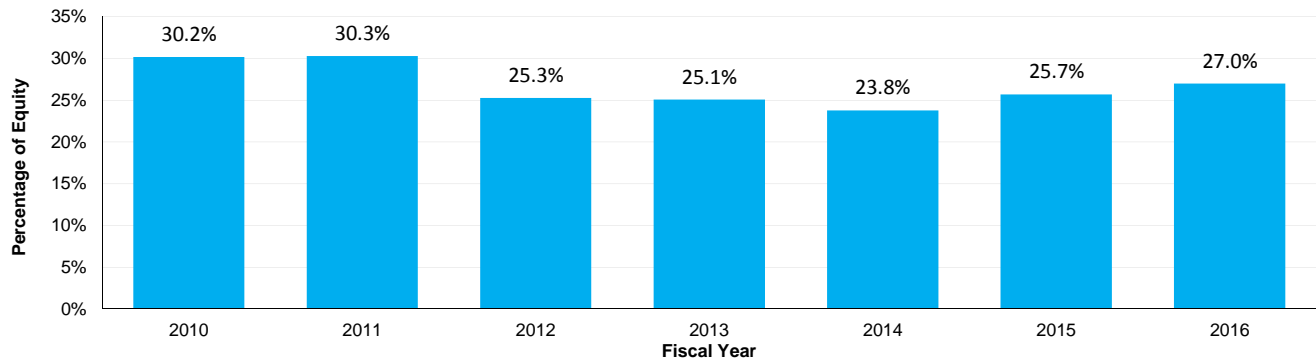
DebtServiceCoverage	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 YTD
Debt Service Coverage	1.48	1.41	1.25	1.40	1.87	1.87

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 FY15-16 are audited, as reflected in the City's Comprehensive Annual Financial Report (CAFR).

## Percent of Equity in Utility Systems

FY 2010 through FY 2016



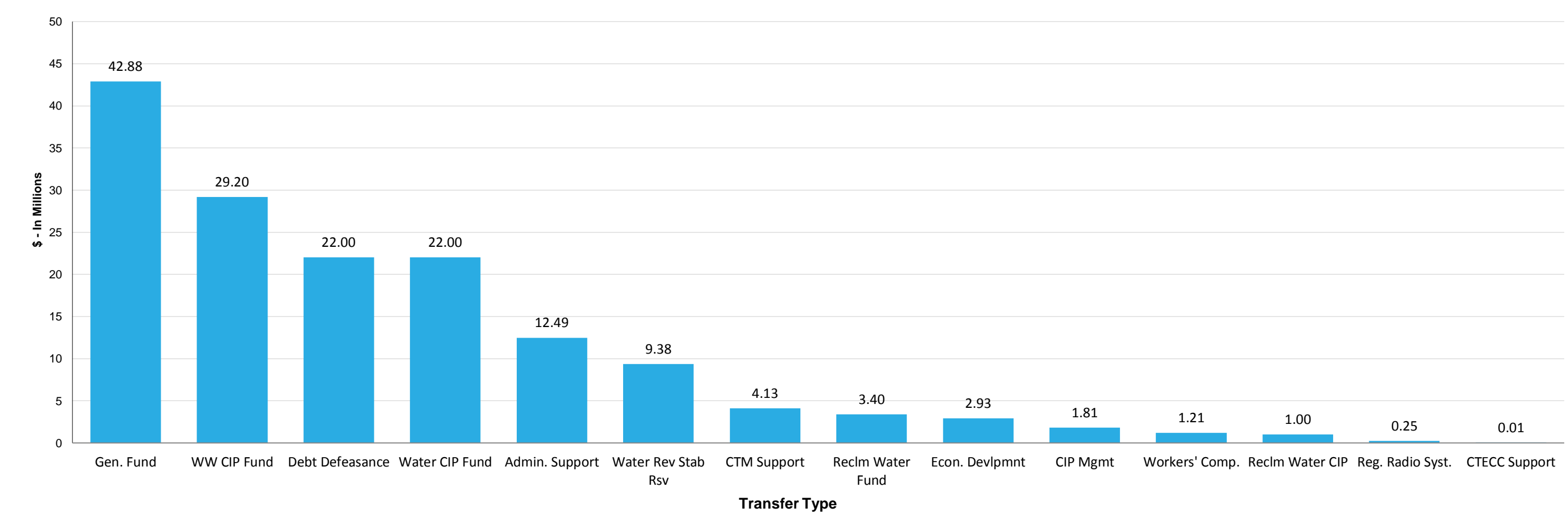
Percentage of Equity	2010	2011	2012	2013	2014	2015	2016
Percent of Equity	30.2%	30.3%	25.3%	25.1%	23.8%	25.7%	27.0%

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 based upon the audited financials from the Controller's Office.

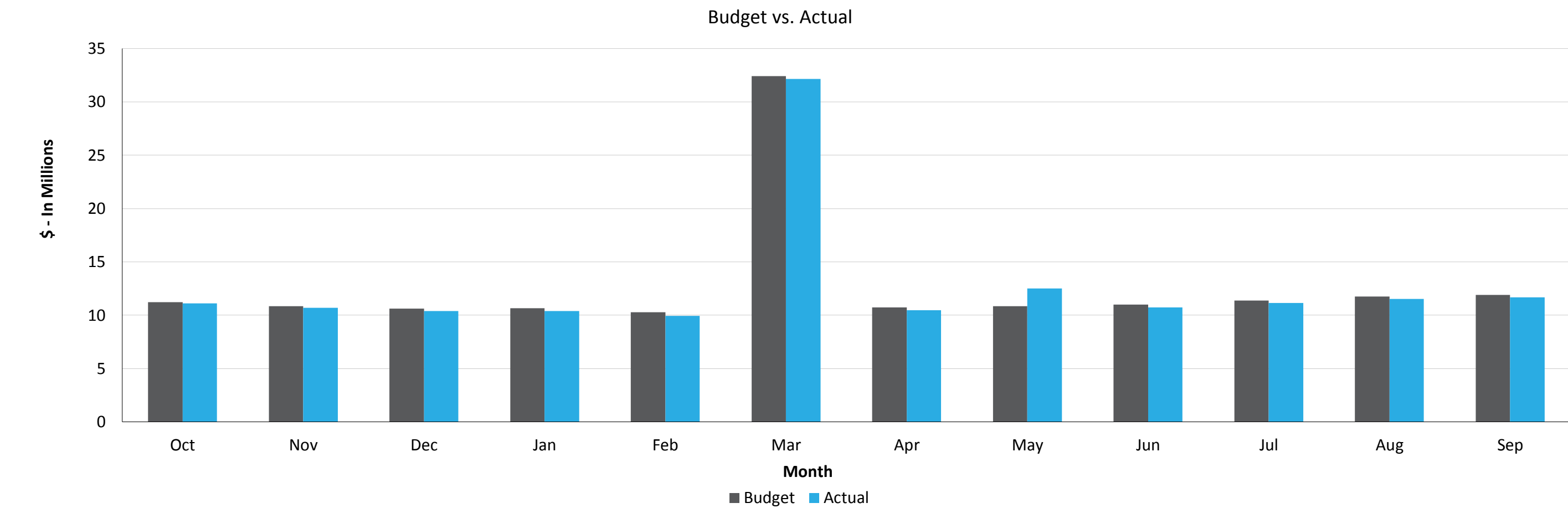
## **OTHER REPORTING**



Transfers Out by Type  
Actual Year-to-Date



Total Transfers Out by Month Year-to-Date



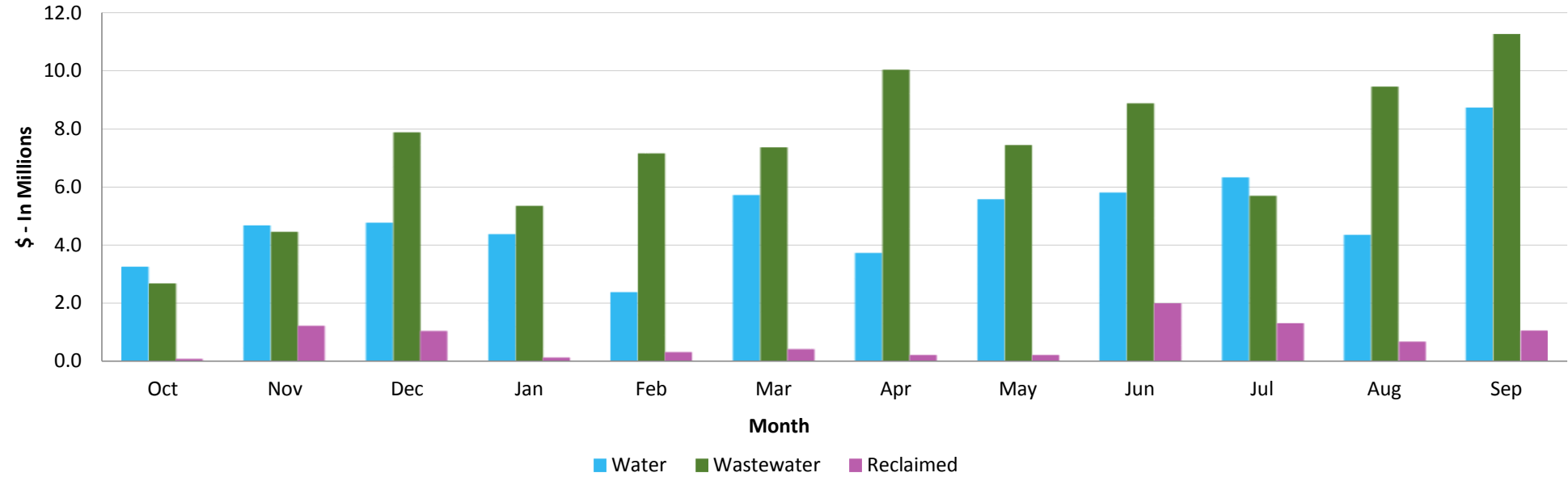
FY 2016 - 2017 Total Transfers Out by Month With Variances (Millions)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Budget	\$ 11.23	\$ 10.85	\$ 10.61	\$ 10.64	\$ 10.27	\$ 32.41	\$ 10.72	\$ 10.85	\$ 11.01	\$ 11.37	\$ 11.77	\$ 11.89	\$ 153.61
Actual	\$ 11.11	\$ 10.67	\$ 10.38	\$ 10.40	\$ 9.95	\$ 32.15	\$ 10.46	\$ 12.52	\$ 10.73	\$ 11.14	\$ 11.52	\$ 11.66	\$ 152.69
Variance	\$ 0.12	\$ 0.18	\$ 0.23	\$ 0.24	\$ 0.32	\$ 0.25	\$ 0.26	\$ (1.68)	\$ 0.28	\$ 0.23	\$ 0.25	\$ 0.22	\$ 0.92
Variance %	1.1%	1.7%	2.1%	2.2%	3.1%	0.8%	2.5%	-15.5%	2.5%	2.0%	2.1%	1.9%	0.6%

Transfers Out for the fiscal year through September 2017 totaled \$152.69 million. This was \$0.92 million less than the budget allotment for the year.

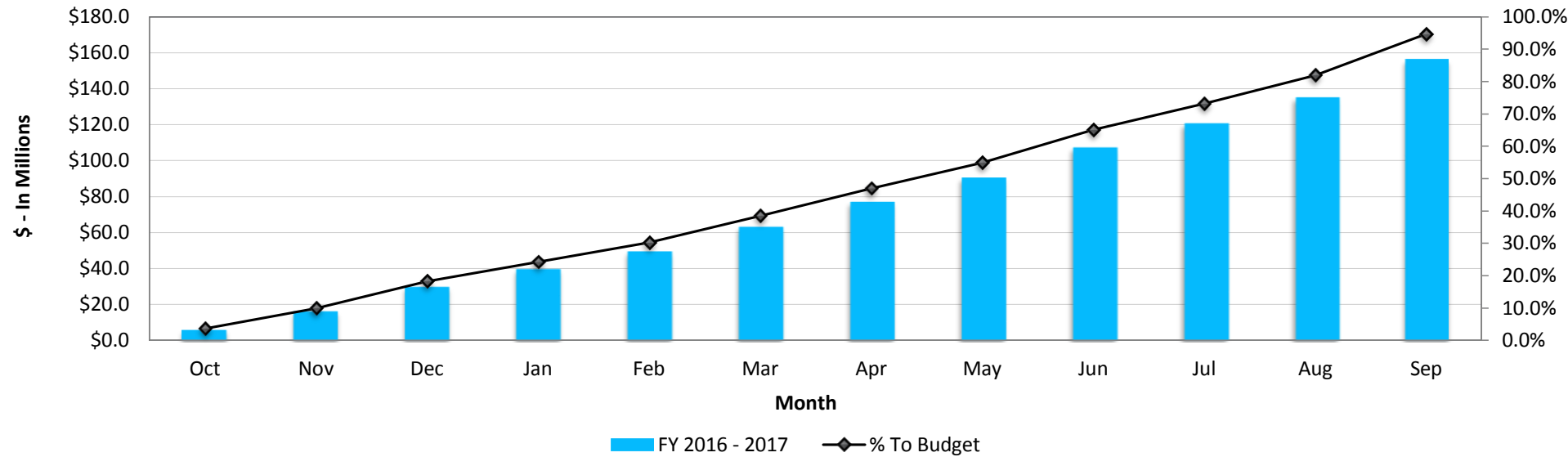
Transfers Out includes transfers for General Fund, Capital Improvement Program, Administrative Support, Water Revenue Stability Reserve Fund, Communication and Technology Management Fund (CTM), Reclaimed Water Fund, Economic Development Fund, Workers' Compensation Fund, Regional Radio System, and Emergency 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	\$ 5.72	\$ 3.74	\$ 5.59	\$ 5.81	\$ 6.33	\$ 4.36	\$ 8.72	\$ 59.78
Wastewater	2.70	4.46	7.86	5.35	7.16	7.35	10.01	7.44	8.86	5.70	9.43	11.24	87.55
Reclaimed	0.09	1.21	1.04	0.14	0.32	0.41	0.22	0.22	1.98	1.30	0.68	1.05	8.67
Total	\$ 6.06	\$ 10.36	\$ 13.67	\$ 9.88	\$ 9.87	\$ 13.49	\$ 13.97	\$ 13.25	\$ 16.65	\$ 13.33	\$ 14.47	\$ 21.00	\$ 156.00

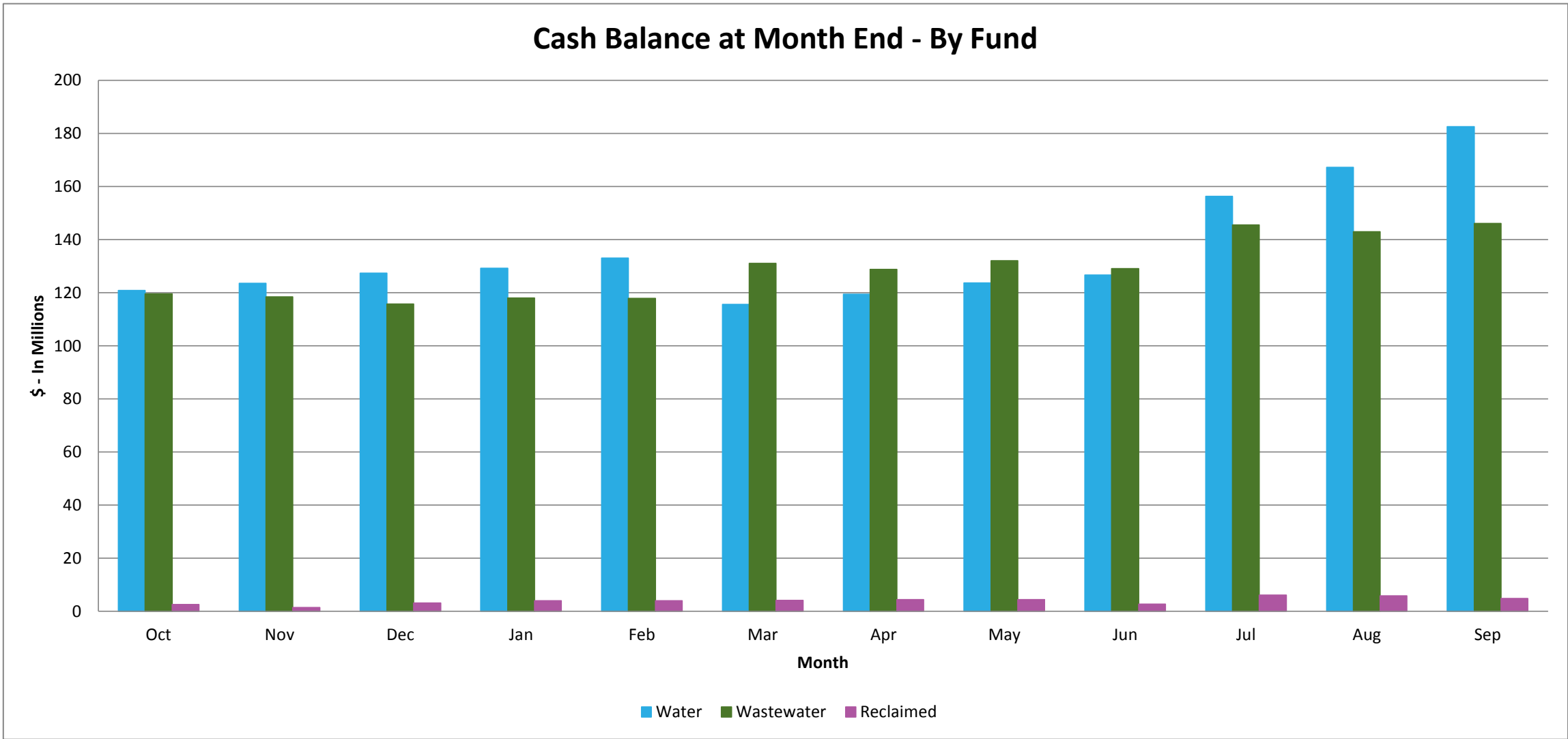
Year-to-Date Cumulative CIP Expenditures (Millions)



CIP	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2016 - 2017	\$ 6.06	\$ 16.42	\$ 30.09	\$ 39.97	\$ 49.84	\$ 63.33	\$ 77.30	\$ 90.55	\$ 107.19	\$ 120.52	\$ 134.99	\$ 156.00
% To Budget	3.67%	9.96%	18.25%	24.24%	30.22%	38.40%	46.88%	54.91%	65.00%	73.09%	81.86%	94.60%

CIP expenditures for the fiscal year through September 2017 totaled \$59.78 million for water, \$87.55 million for wastewater, and \$8.67 million for reclaimed, for a combined total of \$156.00 million, or 94.60% 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
Water	\$ 120.85	\$ 123.55	\$ 127.36	\$ 129.28	\$ 133.00	\$ 115.66	\$ 119.46	\$ 123.74	\$ 126.72	\$ 156.36	\$ 167.24	\$ 182.48
Wastewater	\$ 119.52	\$ 118.50	\$ 115.83	\$ 118.04	\$ 117.89	\$ 131.05	\$ 128.78	\$ 132.08	\$ 129.08	\$ 145.59	\$ 143.02	\$ 146.17
Reclaimed	\$ 2.65	\$ 1.47	\$ 3.24	\$ 4.04	\$ 4.08	\$ 4.17	\$ 4.45	\$ 4.50	\$ 2.76	\$ 6.21	\$ 5.86	\$ 4.94
<b>Total Cash Balance</b>	<b>\$ 243.02</b>	<b>\$ 243.52</b>	<b>\$ 246.42</b>	<b>\$ 251.37</b>	<b>\$ 254.98</b>	<b>\$ 250.88</b>	<b>\$ 252.70</b>	<b>\$ 260.32</b>	<b>\$ 258.56</b>	<b>\$ 308.16</b>	<b>\$ 316.13</b>	<b>\$ 333.59</b>

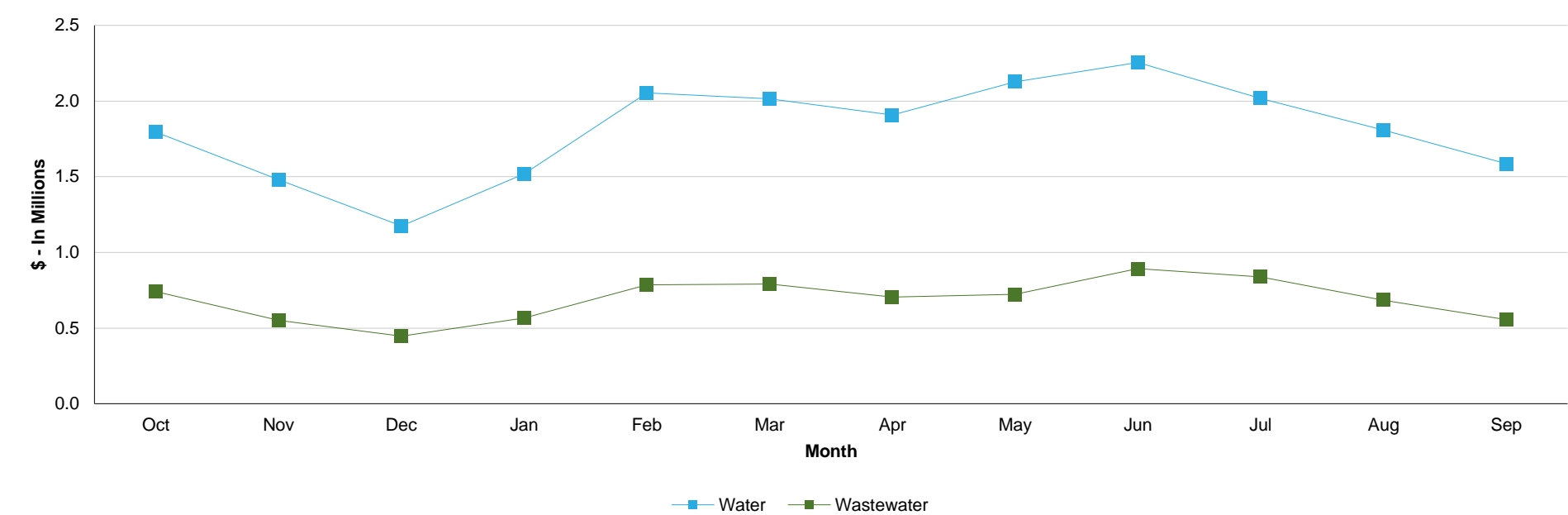
Ending Balance	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Operating	\$ 120.83	\$ 124.39	\$ 124.95	\$ 124.95	\$ 126.05	\$ 128.42	\$ 140.57	\$ 145.14	\$ 152.40	\$ 161.20	\$ 177.13	\$ 202.92
Capital Recovery Fee	26.53	28.56	30.18	32.27	35.11	15.91	18.52	21.34	24.48	27.35	29.85	31.99
CIP	66.97	61.28	61.44	63.73	62.94	75.13	61.62	59.25	46.40	83.55	72.30	61.03
Revenue Stability Reserve Fund	28.68	29.29	29.85	30.41	30.88	31.41	31.98	34.59	35.28	36.06	36.85	37.65
<b>Total Cash Balance</b>	<b>\$ 243.02</b>	<b>\$ 243.52</b>	<b>\$ 246.42</b>	<b>\$ 251.37</b>	<b>\$ 254.98</b>	<b>\$ 250.88</b>	<b>\$ 252.70</b>	<b>\$ 260.32</b>	<b>\$ 258.56</b>	<b>\$ 308.16</b>	<b>\$ 316.13</b>	<b>\$ 333.59</b>

Combined cash balances for Water, Wastewater, and Reclaimed for the month of September 2017 totaled \$333.59 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 \$253.72 million at the end of September.

Combined Operating Cash Balances totaled \$202.92 million. Combined CIP Cash Balances totaled \$61.03 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 \$37.65 million.

Capital Recovery Fee (CRF) Cash Balances totaled \$31.99 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)

ActualRevenue	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Water	\$ 1.80	\$ 1.48	\$ 1.17	\$ 1.52	\$ 2.05	\$ 2.02	\$ 1.91	\$ 2.13	\$ 2.25	\$ 2.02	\$ 1.81	\$ 1.59	\$ 21.74
Wastewater	0.74	0.55	0.45	0.57	0.79	0.79	0.70	0.72	0.89	0.84	0.68	0.55	8.27
Combined Total	\$ 2.54	\$ 2.03	\$ 1.62	\$ 2.09	\$ 2.84	\$ 2.81	\$ 2.61	\$ 2.85	\$ 3.15	\$ 2.86	\$ 2.49	\$ 2.14	\$ 30.01

Capital Recovery Fee (CRF) collections and interest for the month of September 2017 were \$1.59 million for Water and \$0.55 million for Wastewater for a total of \$2.14 million. For the fiscal year, a total of \$30.01 million in CRFs and interest has been collected.