



# FINANCIAL STATUS REPORT

For the Period Ending June 30, 2018





## MEMORANDUM

**To:** Greg Meszaros, Director, Austin Water  
**From:** David Anders, Assistant Director, Austin Water  
**Date:** July 13, 2018  
**Subject:** Financial Status Report for the Period Ended June 30, 2018

Attached is Austin Water's Financial Status Report. The combined fund balance at the end of June was \$166.55 million, or \$25.95 million more than projected, as detailed in the Executive Summary. The beginning balance was \$14.51 million more than projected, fiscal year requirements were \$11.12 million below budget, and revenues and transfers in were \$0.33 million above projections.

The Buchanan and Travis lake system are now 76% full at the end of June. The City remains in Conservation Stage water restrictions to conserve availability and protect the integrity of water supply. Water service revenues are \$2.95 million above projections, and wastewater service revenues are \$0.25 million above projections this fiscal year. The Executive Summary includes more discussion of revenue and requirements highlights.

Actual spending for operating requirements was below budget by \$6.58 million and spending for other requirements were below budget by \$0.03 million. Payments for debt service requirements were below budget by \$3.62 million and transfers out were below budget by \$0.88 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  
Elaine Hart, Chief Financial Officer  
Assistant Directors, Austin Water  
Division Managers, Austin Water



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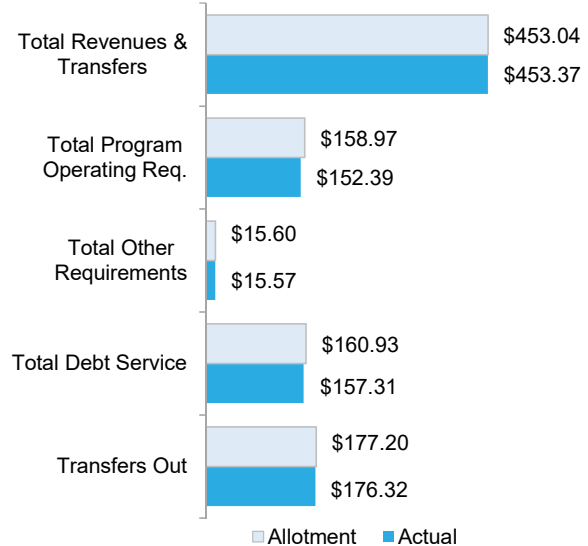
## Executive Summary

The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of June 30, 2018, was \$166.55 million. The combined balance was \$25.95 million more than projected for this date, as shown below:

	YTD Allotment	YTD Actual	Differ- ence
Beginning Balance	200.25	214.76	14.51
Water Services	199.01	201.96	2.95
Wastewater Services	198.19	198.44	0.25
Reclaimed Services	1.27	1.19	(0.08)
Reserve Fund Surcharge	5.11	4.23	(0.88)
Other Revenues	7.51	9.47	1.96
Transfers In	41.95	38.09	(3.86)
Total Revenues & Transfers	453.04	453.37	0.33
Program Operating Req.	158.97	152.39	6.58
Other Requirements	15.60	15.57	0.03
Debt Service	160.93	157.31	3.62
Transfers Out	177.20	176.32	0.88
Total Revenue Requirements	512.70	501.58	11.12
Ending Balance	140.60	166.55	25.95
Debt Service Coverage	1.40	1.50	

Note: Numbers may not add due to rounding.

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



## Revenue Highlights

Total revenues for the fiscal year were \$453.37 million, \$0.33 million (0.1%) greater than the allotment to date.

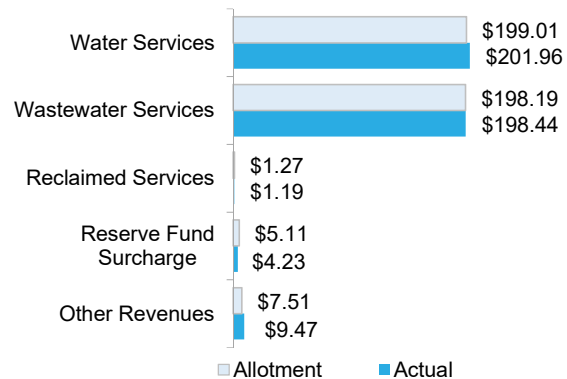
The following sources has exceeded projections:

- Water service totaled \$201.96 million (1.5% above)
- Wastewater service totaled \$198.44 million (0.1% above)
- Other revenues totaled \$9.47 million (26.2% above)

The following sources are below projections:

- Reclaimed service totaled \$1.19 million (6.3% below)
- Reserve fund surcharges totaled \$4.23 million (17.3% below)
- Transfers In totaled \$38.09 million (9.2% below)

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

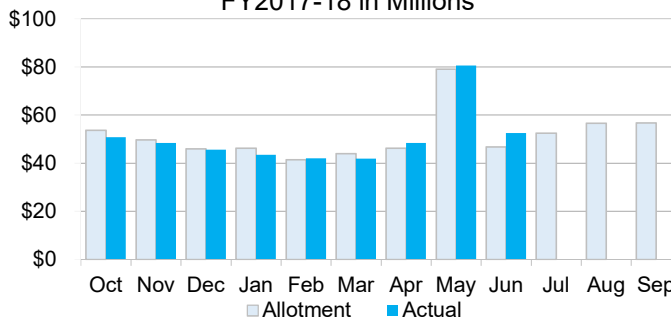


Water service revenue exceeded projections in the Wholesale, Large Volume, and Residential classes by 29.2%, 17.5%, and 4.5% respectively. Other classes fell below projections.

Wastewater service revenue exceeded projections in the Wholesale and Large Volume classes by 29.4% and 23.3%, respectively. Other customer classes fell below projections.

June's total revenue and Transfers In of \$52.46 million was above projections by 12.0%.

### Total Revenue by Month FY2017-18 in Millions



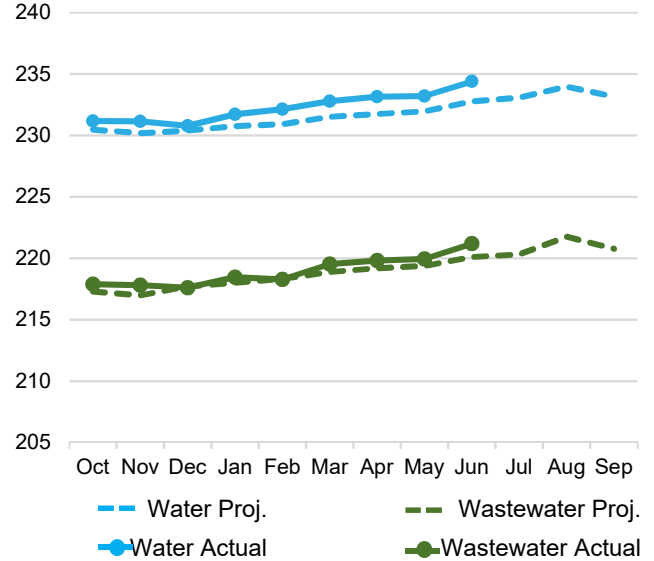
## User Characteristics

	Projected	Actual	Variance
Water Customers	232,767	234,397	1,630
Wastewater Customers	220,095	221,187	1,092
Monthly Pumpage	3.92	4.54	0.62
YTD Pumpage	30.61	34.09	3.48
Monthly Billed Use	3.41	3.96	0.55
YTD Billed Use	28.29	28.75	0.46
Monthly Influent Flow	3.57	2.88	(0.69)
YTD Influent Flow	32.05	27.05	(5.00)
Monthly Billed Flow	2.35	2.42	0.07
YTD Billed Flow	20.81	20.72	(0.09)

(Above in Billions of Gallons)

Avg. Residential Use (gal)	5,700	7,071	1,371
Avg. Residential Flow (gal)	4,267	3,958	(309)

## Number of Customers by Month FY 2017-18 in Thousands



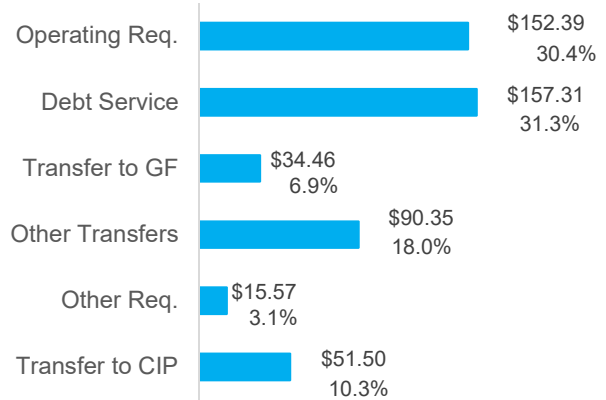
## Requirement Highlights

Total requirements for the fiscal year were \$501.58 million, \$11.12 million (2.2%) less than the allotment to date.

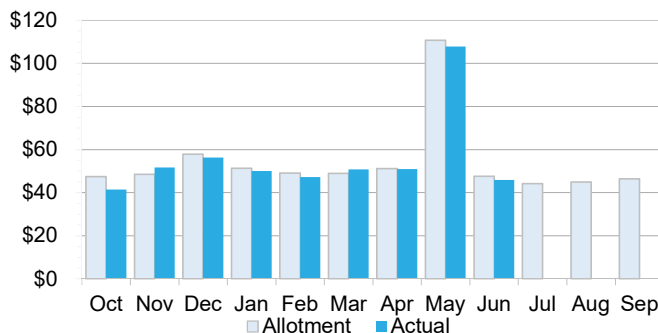
The following uses are below projections:

- Program operating requirements totaled \$152.39 million (4.1% below)
- Other requirements totaled \$15.57 million (0.2% below)
- Debt service requirements totaled \$157.31 million (2.3% below)
- Transfers out to Capital Improvement Projects, the General Fund, Debt Defeasances, and Other Uses totaled \$176.32 million (0.5% below)

## Total Requirements by Type FY 2017-18 in Millions



## Total Requirements by Month FY 2017-18 in Millions



There were lower than projected expenditures in all Program Requirement areas, resulting in \$6.6 million or 4.1% lower than budget allotment.

Pages 17 and 18 provide details on variances in spending by program area and object code.

Total Requirements of \$45.83 million for the month were \$1.78 million, or 3.7% lower than the budget allotment.

**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - COMBINED**  
**As of June 2018**

	2017-18 APPROVED	2017-18 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>	200,254,074	200,254,074	200,254,074	0	214,760,138	14,506,064	7.2%	214,760,138	14,506,064	7.2%
<b>REVENUE</b>										
Water Revenue	297,299,813	290,198,285	199,013,428	27,401,454	201,955,439	2,942,011	1.5%	289,492,395	(705,890)	-0.2%
Wastewater Revenue	269,302,437	264,760,610	198,194,969	23,323,607	198,439,841	244,872	0.1%	263,851,253	(909,358)	-0.3%
Reserve Fund Surcharge	7,385,497	7,385,497	5,112,045	194,104	4,225,631	(886,414)	-17.3%	3,853,297	(3,532,200)	-47.8%
Other Revenue	6,043,360	6,043,360	4,535,676	472,715	3,603,028	(932,648)	-20.6%	4,807,601	(1,235,759)	-20.4%
Reclaimed Revenue	1,895,166	1,895,166	1,265,853	210,985	1,186,014	(79,839)	-6.3%	1,780,250	(114,916)	-6.1%
Interest	1,127,380	1,127,380	845,532	347,195	3,667,267	2,821,735	333.7%	4,676,248	3,548,868	314.8%
Public Health Licenses, Permits, Inspections	642,400	642,400	481,797	54,039	534,581	52,784	11.0%	696,633	54,233	8.4%
Other Fines	616,800	616,800	462,600	64,575	428,500	(34,100)	-7.4%	577,675	(39,125)	-6.3%
Miscellaneous Franchise Fees	93,000	93,000	69,750	0	85,092	15,342	22.0%	65,592	(27,408)	-29.5%
Building Rental/Lease	114,500	114,500	85,878	0	90,503	4,625	5.4%	117,585	3,085	2.7%
Land & Infrastructure Rental/Lease	67,000	67,000	50,247	0	44,000	(6,247)	-12.4%	72,000	5,000	7.5%
Scrap Sales	42,700	42,700	32,031	12,196	56,639	24,608	76.8%	45,834	3,134	7.3%
Development Fees	1,257,100	1,257,100	939,672	91,253	960,120	20,448	2.2%	1,272,863	15,763	1.3%
Parking Revenue	0	0	0	32	226	226	0.0%	0	0	0.0%
<b>Total Revenue</b>	<b>585,887,153</b>	<b>574,243,798</b>	<b>411,089,478</b>	<b>52,172,154</b>	<b>415,276,882</b>	<b>4,187,404</b>	<b>1.0%</b>	<b>571,309,226</b>	<b>(2,934,572)</b>	<b>-0.5%</b>
<b>TRANSFERS IN</b>										
CIP	27,573,000	34,000,000	34,000,000	0	34,000,000	0	0.0%	34,000,000	0	0.0%
Community Benefit Charge Transfer In	6,850,511	6,850,511	5,137,884	0	1,465,600	(3,672,284)	-71.5%	6,683,531	(166,980)	-2.4%
Austin Water Utility	3,400,000	3,400,000	2,549,998	283,335	2,549,995	(3)	0.0%	3,400,000	0	0.0%
Support Services/Infrastructure Funds	300,582	300,582	225,432	0	75,000	(150,432)	-66.7%	300,582	0	0.0%
Austin Resource Recovery Fund	53,334	53,334	40,002	0	0	(40,002)	-100.0%	53,334	0	0.0%
<b>Total Transfers In</b>	<b>38,177,427</b>	<b>44,604,427</b>	<b>41,953,316</b>	<b>283,335</b>	<b>38,090,595</b>	<b>(3,862,721)</b>	<b>-9.2%</b>	<b>44,437,447</b>	<b>(166,980)</b>	<b>-0.4%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>624,064,580</b>	<b>618,848,225</b>	<b>453,042,794</b>	<b>52,455,489</b>	<b>453,367,477</b>	<b>324,683</b>	<b>0.1%</b>	<b>615,746,673</b>	<b>(3,101,552)</b>	<b>-0.5%</b>
<b>PROGRAM REQUIREMENTS</b>										
Operations	134,746,425	134,745,105	100,545,184	13,810,308	98,161,874	2,383,310	2.4%	138,477,653	(3,732,548)	-2.8%
Support Services	29,241,114	29,272,434	22,614,693	2,427,898	21,834,745	779,949	3.4%	29,908,759	(636,325)	-2.2%
Other Utility Program Requirements	11,214,618	11,184,618	7,570,926	674,089	5,619,770	1,951,156	25.8%	8,189,979	2,994,639	26.8%
Environmental Affairs & Conservation	12,392,708	12,392,708	10,171,453	1,281,278	9,622,041	549,412	5.4%	11,988,835	403,873	3.3%
Engineering Services	12,943,002	12,943,002	10,570,542	2,114,323	10,528,452	42,089	0.4%	12,904,615	38,387	0.3%
Water Resources Management	9,129,340	9,129,340	7,040,954	883,079	6,209,818	831,136	11.8%	8,866,497	262,843	2.9%
Reclaimed Water Services	591,699	591,699	452,630	57,383	409,035	43,596	9.6%	604,094	(12,395)	-2.1%
<b>Total Program Requirements</b>	<b>210,258,906</b>	<b>210,258,906</b>	<b>158,966,383</b>	<b>21,248,357</b>	<b>152,385,735</b>	<b>6,580,648</b>	<b>4.1%</b>	<b>210,940,432</b>	<b>(681,526)</b>	<b>-0.3%</b>
<b>OTHER REQUIREMENTS</b>										
Utility Billing System Support	20,566,947	20,566,947	15,454,695	3,427,824	15,425,210	29,485	0.2%	21,824,227	(1,257,280)	-6.1%
Accrued Payroll	297,236	297,236	0	0	0	0	0.0%	291,207	6,029	2.0%
Interdepartmental Charges	112,760	112,760	84,563	9,400	84,560	3	0.0%	112,760	0	0.0%
Trf to PID Fund	75,000	75,000	56,250	6,250	56,250	0	0.0%	75,000	0	0.0%
Expense Refund - Insurance	0	0	0	0	0	0	0.0%	(1,066,500)	1,066,500	0.0%
<b>Total Other Requirements</b>	<b>21,051,943</b>	<b>21,051,943</b>	<b>15,595,508</b>	<b>3,443,474</b>	<b>15,566,020</b>	<b>29,488</b>	<b>0.2%</b>	<b>21,236,694</b>	<b>(184,751)</b>	<b>-0.9%</b>
<b>DEBT SERVICE REQUIREMENTS</b>										
Trf to Util D/S Separate Lien	132,503,838	129,525,425	93,086,708	8,820,003	89,321,335	3,765,373	4.0%	122,356,799	7,168,626	5.5%
Trf to Utility D/S Prior Lien	56,658,374	56,658,374	56,658,374	50	56,722,825	(64,451)	-0.1%	56,513,701	144,674	0.3%
Trf to Utility D/S Sub Lien	9,076,100	9,076,100	8,751,350	108,374	8,756,993	(5,643)	-0.1%	9,054,100	22,000	0.2%
Trf to GO Debt Service	2,868,844	2,868,844	2,151,632	0	2,156,148	(4,516)	-0.2%	2,868,844	0	0.0%
Trf to Util D/S Tax/Rev Bonds	648,483	648,483	190,820	0	208,360	(17,540)	-9.2%	1,159,476	(510,993)	-78.8%
Commercial paper interest	125,355	125,355	94,014	70,549	142,195	(48,181)	-51.2%	141,366	(16,011)	-12.8%
<b>Total Debt Service Requirements</b>	<b>201,880,994</b>	<b>198,902,581</b>	<b>160,932,898</b>	<b>8,998,976</b>	<b>157,307,857</b>	<b>3,625,040</b>	<b>2.3%</b>	<b>192,094,286</b>	<b>6,808,295</b>	<b>3.4%</b>

**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - COMBINED**  
**As of June 2018**

	2017-18 APPROVED	2017-18 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 General Fund	45,914,379	45,914,379	34,461,849	3,817,510	34,461,849	0	0.0%	45,914,379	0	0.0%
Trf to Wastewater CIP Fund	42,000,000	42,000,000	31,178,000	3,500,000	31,178,000	0	0.0%	42,000,000	0	0.0%
Trf to Water CIP Fund	29,000,000	29,000,000	19,650,000	2,339,000	19,650,000	0	0.0%	29,000,000	0	0.0%
TRF CRF to Debt Defeasance	27,573,000	30,000,000	30,000,000	0	30,000,000	0	0.0%	30,000,000	0	0.0%
TRF Operating to Debt Defeasance	0	34,000,000	34,000,000	0	34,000,000	0	0.0%	34,000,000	0	0.0%
Administrative Support	12,122,210	12,122,210	9,120,515	1,000,565	9,120,515	0	0.0%	12,122,210	0	0.0%
Trf to Water Revenue Stab Rsv	9,385,497	9,385,497	7,112,045	194,104	6,225,631	886,414	12.5%	5,853,297	3,532,200	37.6%
CTM Support	4,029,576	4,029,576	3,022,881	335,565	3,022,881	0	0.0%	4,029,576	0	0.0%
Trf to Reclaimed Water Fund	3,400,000	3,400,000	2,549,995	283,335	2,549,995	0	0.0%	3,400,000	0	0.0%
Trf to Economic Development	3,233,332	3,233,332	2,428,237	268,365	2,428,237	0	0.0%	3,233,332	0	0.0%
Trf to Reclaimed Water CIP Fnd	1,000,000	1,000,000	668,000	83,000	668,000	0	0.0%	1,000,000	0	0.0%
Trf to CIP Mgm - CPM (5460)	2,407,858	2,407,858	1,839,328	189,510	1,839,328	0	0.0%	2,407,858	0	0.0%
Workers' Compensation	1,254,566	1,254,566	940,916	104,550	940,916	0	0.0%	1,254,566	0	0.0%
Regional Radio System	293,217	293,217	219,912	24,435	219,913	(1)	0.0%	293,217	0	0.0%
CTECC Support	11,774	11,774	11,774	0	11,774	0	0.0%	11,774	0	0.0%
<b>Total Transfers Out</b>	<b>181,625,409</b>	<b>218,052,409</b>	<b>177,203,452</b>	<b>12,139,939</b>	<b>176,317,039</b>	<b>886,413</b>	<b>0.5%</b>	<b>214,520,209</b>	<b>3,532,200</b>	<b>1.6%</b>
<b>TOTAL REQUIREMENTS</b>										
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	<b>9,247,328</b>	<b>(29,417,614)</b>	<b>(59,655,446)</b>	<b>6,624,743</b>	<b>(48,209,175)</b>	<b>11,446,271</b>	<b>19.2%</b>	<b>(23,044,948)</b>	<b>6,372,666</b>	<b>21.7%</b>
<b>ADJUSTMENT TO GAAP</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>ENDING BALANCE</b>	<b>209,501,402</b>	<b>170,836,460</b>	<b>140,598,628</b>		<b>166,550,963</b>	<b>25,952,335</b>	<b>18.5%</b>	<b>191,715,190</b>	<b>20,876,730</b>	<b>12.2%</b>

Note: Numbers may not add due to rounding.

**DEBT SERVICE COVERAGE RATIO**

1.69	1.65	1.40	1.50	1.69
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**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - WATER**  
**As of June 2018**

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE	YEAR-END ESTIMATE	YEAR-END VARIANCE	YEAR-END % VARIANCE
<b>BEGINNING BALANCE</b>	98,407,343	98,407,343	98,407,343	-	111,644,872	13,237,529	13.5%	111,644,872	13,237,529	13.5%
<b>REVENUE</b>										
Water Revenue	297,299,813	290,198,285	199,013,428	27,401,454	201,955,439	2,942,011	1.5%	289,492,395	(705,890)	-0.2%
Reserve Fund Surcharge	7,385,497	7,385,497	5,112,045	194,104	4,225,631	(886,414)	-17.3%	3,853,297	(3,532,200)	-47.8%
Other Revenue	3,063,512	3,063,512	2,297,637	262,644	1,520,198	(777,439)	-33.8%	1,916,502	(1,147,010)	-37.4%
Development Fees	1,252,900	1,252,900	939,672	90,455	957,085	17,413	1.9%	1,269,324	16,424	1.3%
Other Fines	616,800	616,800	462,600	64,575	428,500	(34,100)	-7.4%	577,675	(39,125)	-6.3%
Interest	492,028	492,028	369,018	179,820	1,870,602	1,501,584	406.9%	2,374,024	1,881,996	382.5%
Miscellaneous Franchise Fees	76,300	76,300	57,222	0	85,092	27,870	48.7%	57,242	(19,058)	-25.0%
Land & Infrastructure Rental/Lease	67,000	67,000	50,247	0	44,000	(6,247)	-12.4%	72,000	5,000	7.5%
Building Rental/Lease	57,500	57,500	43,128	0	45,251	2,123	4.9%	58,918	1,418	2.5%
Public Health Licenses, Permits, Inspections	46,400	46,400	34,803	5,857	50,336	15,533	44.6%	54,561	8,161	17.6%
Scrap Sales	27,200	27,200	20,403	6,098	28,320	7,917	38.8%	25,862	(1,338)	-4.9%
Parking Revenue	0	0	0	32	226	226	0.0%	0	0	0.0%
<b>Total Revenue</b>	<b>310,384,950</b>	<b>303,283,422</b>	<b>208,400,203</b>	<b>28,205,039</b>	<b>211,210,681</b>	<b>2,810,478</b>	<b>1.3%</b>	<b>299,751,799</b>	<b>(3,531,623)</b>	<b>-1.2%</b>
<b>TRANSFERS IN</b>										
CIP	19,973,000	20,000,000	20,000,000	0	20,000,000	0	0.0%	20,000,000	0	0.0%
Community Benefit Charge Transfer In	4,048,009	4,048,009	3,036,006	0	789,300	(2,246,706)	-74.0%	3,993,469	(54,540)	-1.3%
Support Services/Infrastructure Funds	150,291	150,291	112,716	0	37,500	(75,216)	-66.7%	150,291	0	0.0%
General Fund	0	0	0	0	0	0	0.0%	0	0	0.0%
<b>Total Transfers In</b>	<b>24,171,300</b>	<b>24,198,300</b>	<b>23,148,722</b>	<b>0</b>	<b>20,826,800</b>	<b>(2,321,922)</b>	<b>-10.0%</b>	<b>24,143,760</b>	<b>(54,540)</b>	<b>-0.2%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>334,556,250</b>	<b>327,481,722</b>	<b>231,548,925</b>	<b>28,205,039</b>	<b>232,037,481</b>	<b>488,556</b>	<b>0.2%</b>	<b>323,895,559</b>	<b>(3,586,163)</b>	<b>-1.1%</b>
<b>PROGRAM REQUIREMENTS</b>										
Operations	71,523,429	71,507,723	53,291,155	6,676,068	50,315,416	2,975,739	5.6%	72,430,045	(922,322)	-1.3%
Support Services	14,781,305	14,797,625	11,386,446	1,205,592	10,927,519	458,927	4.0%	15,173,256	(375,631)	-2.5%
Environmental Affairs & Conservation	9,055,473	9,055,473	7,521,403	945,420	7,271,501	249,902	3.3%	8,636,858	418,615	4.6%
Other Utility Program Requirements	5,828,252	5,813,252	3,657,807	381,625	2,932,159	725,648	19.8%	4,174,488	1,638,764	28.2%
Engineering Services	5,050,457	5,050,457	4,272,037	1,355,618	3,880,483	391,553	9.2%	4,990,926	59,531	1.2%
Water Resources Management	4,273,293	4,273,293	3,283,019	407,859	2,864,746	418,273	12.7%	4,142,323	130,970	3.1%
<b>Total Program Requirements</b>	<b>110,512,209</b>	<b>110,497,823</b>	<b>83,411,867</b>	<b>10,972,183</b>	<b>78,191,824</b>	<b>5,220,043</b>	<b>6.3%</b>	<b>109,547,896</b>	<b>949,927</b>	<b>0.9%</b>
<b>OTHER REQUIREMENTS</b>										
Utility Billing System Support	12,953,273	12,953,273	9,738,430	2,158,879	9,714,955	23,475	0.2%	13,561,264	(607,991)	-4.7%
Accrued Payroll	151,150	151,150	0	0	0	0	0.0%	145,664	5,486	3.6%
Interdepartmental Charges	56,380	56,380	42,281	4,700	42,280	1	0.0%	56,380	0	0.0%
Trf to PID Fund	37,500	37,500	28,125	3,125	28,125	0	0.0%	37,500	0	0.0%
Expense Refund - Insurance	0	0	0	0	0	0	0.0%	(549,981)	549,981	0.0%
<b>Total Other Requirements</b>	<b>13,198,303</b>	<b>13,198,303</b>	<b>9,808,836</b>	<b>2,166,704</b>	<b>9,785,360</b>	<b>23,476</b>	<b>0.2%</b>	<b>13,250,827</b>	<b>(52,524)</b>	<b>-0.4%</b>
<b>DEBT SERVICE REQUIREMENTS</b>										
Trf to Util D/S Separate Lien	72,226,776	70,352,883	51,392,792	5,494,236	49,947,838	1,444,953	2.8%	68,164,400	2,188,483	3.1%
Trf to Utility D/S Prior Lien	27,248,800	27,248,800	27,248,800	24	27,279,752	(30,952)	-0.1%	27,179,600	69,200	0.3%
Trf to Utility D/S Sub Lien	5,075,700	5,075,700	4,918,600	52,384	4,921,744	(3,144)	-0.1%	5,063,300	12,400	0.2%
Trf to GO Debt Service	1,327,428	1,327,428	995,571	0	1,000,086	(4,515)	-0.5%	1,327,428	0	0.0%
Trf to Util D/S Tax/Rev Bonds	239,965	239,965	70,611	0	79,686	(9,075)	-12.9%	504,340	(264,375)	-110.2%
Commercial paper interest	69,423	69,423	52,065	33,665	65,916	(13,851)	-26.6%	91,068	(21,645)	-31.2%
<b>Total Debt Service Requirements</b>	<b>106,188,092</b>	<b>104,314,199</b>	<b>84,678,439</b>	<b>5,580,309</b>	<b>83,295,022</b>	<b>1,383,416</b>	<b>1.6%</b>	<b>102,330,136</b>	<b>1,984,063</b>	<b>1.9%</b>



**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - WATER**  
**As of June 2018**

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE	YEAR-END ESTIMATE	YEAR-END VARIANCE	YEAR-END % VARIANCE
<b>TRANSFERS OUT</b>										
Trf to Water CIP Fund	29,000,000	29,000,000	19,650,000	2,339,000	19,650,000	0	0.0%	29,000,000	0	0.0%
Trf to General Fund	24,538,645	24,538,645	18,403,975	2,044,890	18,403,975	0	0.0%	24,538,645	0	0.0%
TRF CRF to Debt Defeasance	19,973,000	20,000,000	20,000,000	0	20,000,000	0	0.0%	20,000,000	0	0.0%
TRF Operating to Debt Defeasance	0	6,825,455	6,825,455	0	6,825,455	0	0.0%	6,825,455	0	0.0%
Trf to Water Revenue Stab Rsv	9,385,497	9,385,497	7,112,045	194,104	6,225,631	886,414	12.5%	5,853,297	3,532,200	37.6%
Administrative Support	6,926,977	6,926,977	5,195,227	577,250	5,195,227	0	0.0%	6,926,977	0	0.0%
Trf to Reclaimed Water Fund	2,550,000	2,550,000	1,912,500	212,500	1,912,500	0	0.0%	2,550,000	0	0.0%
CTM Support	2,032,486	2,032,486	1,524,361	169,375	1,524,361	0	0.0%	2,032,486	0	0.0%
Trf to Economic Development	1,710,432	1,710,432	1,282,827	142,535	1,282,827	0	0.0%	1,710,432	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,123,401	1,123,401	842,556	93,615	842,556	0	0.0%	1,123,401	0	0.0%
Workers' Compensation	627,283	627,283	470,458	52,275	470,458	0	0.0%	627,283	0	0.0%
Regional Radio System	293,217	146,609	146,607	0	146,609	(2)	0.0%	146,609	0	0.0%
CTECC Support	5,887	5,887	5,887	0	5,887	0	0.0%	5,887	0	0.0%
<b>Total Transfers Out</b>	<b>98,166,825</b>	<b>104,872,672</b>	<b>83,371,898</b>	<b>5,825,544</b>	<b>82,485,486</b>	<b>886,412</b>	<b>1.1%</b>	<b>101,340,472</b>	<b>3,532,200</b>	<b>3.4%</b>
<b>TOTAL REQUIREMENTS</b>	<b>328,065,429</b>	<b>332,882,997</b>	<b>261,271,040</b>	<b>24,544,740</b>	<b>253,757,692</b>	<b>7,513,347</b>	<b>2.9%</b>	<b>326,469,331</b>	<b>6,413,666</b>	<b>1.9%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	6,490,821	(5,401,275)	(29,722,115)	3,660,299	(21,720,211)	8,001,904	26.9%	(2,573,772)	2,827,503	52.3%
<b>ADJUSTMENT TO GAAP</b>	0	0	0	0	0	0	0.0%	0	0	0.0%
<b>ENDING BALANCE</b>	<b>104,898,164</b>	<b>93,006,068</b>	<b>68,685,228</b>		<b>89,924,661</b>	<b>21,239,433</b>	<b>30.9%</b>	<b>109,071,100</b>	<b>16,065,032</b>	<b>17.3%</b>
<i>Note: Numbers may not add due to rounding.</i>										
<b>DEBT SERVICE COVERAGE RATIO</b>	1.68	1.64	1.28		1.40			1.65		

**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - WASTEWATER**  
**As of June 2018**

	2017-18 APPROVED	2017-18 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>	100,522,211	100,522,211	100,522,211	-	102,137,960	1,615,749	1.6%	102,137,960	1,615,749	1.6%
<b>REVENUE</b>										
Wastewater Revenue	269,302,437	264,760,610	198,194,969	23,323,607	198,439,841	244,872	0.1%	263,851,253	(909,358)	-0.5%
Other Revenue	2,979,848	2,979,848	2,238,039	210,070	2,082,829	(155,210)	-6.9%	2,891,099	(88,749)	-4.0%
Interest	618,454	618,454	463,842	168,291	1,758,885	1,295,043	279.2%	2,255,316	1,659,316	371.2%
Public Health Licenses, Permits, Inspections	596,000	596,000	446,994	48,182	484,245	37,251	8.3%	642,072	23,618	5.1%
Building Rental/Lease	57,000	57,000	42,750	0	45,251	2,501	5.9%	58,668	1,668	3.9%
Miscellaneous Franchise Fees	16,700	16,700	12,528	0	0	(12,528)	-100.0%	8,350	(8,350)	-66.7%
Scrap Sales	15,500	15,500	11,628	6,098	28,320	16,692	143.5%	19,972	4,472	38.5%
Development Fees	4,200	4,200	0	798	3,035	3,035	0.0%	3,539	(661)	0.0%
<b>Total Revenue</b>	<b>273,590,139</b>	<b>269,048,312</b>	<b>201,410,750</b>	<b>23,757,046</b>	<b>202,842,407</b>	<b>1,431,657</b>	<b>0.7%</b>	<b>269,730,269</b>	<b>681,957</b>	<b>0.3%</b>
<b>TRANSFERS IN</b>										
CIP	7,600,000	10,000,000	10,000,000	0	10,000,000	0	0.0%	10,000,000	0	0.0%
Community Benefit Charge Transfer In	2,802,502	2,802,502	2,101,878	0	676,300	(1,425,578)	-67.8%	2,690,062	(112,440)	-5.3%
Support Services/Infrastructure Funds	150,291	150,291	112,716	0	37,500	(75,216)	-66.7%	150,291	0	0.0%
Austin Resource Recovery Fund	53,334	53,334	40,002	0	0	(40,002)	-100.0%	53,334	0	0.0%
<b>Total Transfers In</b>	<b>10,606,127</b>	<b>13,006,127</b>	<b>12,254,596</b>	<b>0</b>	<b>10,713,800</b>	<b>(1,540,796)</b>	<b>-12.6%</b>	<b>12,893,687</b>	<b>(112,440)</b>	<b>-0.9%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>284,196,266</b>	<b>282,054,439</b>	<b>213,665,346</b>	<b>23,757,046</b>	<b>213,556,207</b>	<b>(109,139)</b>	<b>-0.1%</b>	<b>282,623,956</b>	<b>569,517</b>	<b>0.3%</b>
<b>PROGRAM REQUIREMENTS</b>										
Operations	63,222,996	63,237,382	47,254,029	7,134,239	47,846,458	(592,429)	-1.3%	66,047,608	(2,810,226)	-4.4%
Support Services	14,459,809	14,474,809	11,228,247	1,222,305	10,907,226	321,021	2.9%	14,735,503	(260,694)	-1.8%
Engineering Services	7,892,545	7,892,545	6,298,505	758,704	6,647,969	(349,464)	-5.5%	7,913,689	(21,144)	-0.3%
Other Utility Program Requirements	5,358,190	5,343,190	3,896,665	289,739	2,672,416	1,224,248	31.4%	3,991,116	1,352,074	25.3%
Water Resources Management	4,856,047	4,856,047	3,757,935	475,220	3,345,072	412,863	11.0%	4,724,174	131,873	2.7%
Environmental Affairs & Conservation	3,337,235	3,337,235	2,650,050	335,858	2,350,540	299,509	11.3%	3,351,977	(14,742)	-0.4%
<b>Total Program Requirements</b>	<b>99,126,822</b>	<b>99,141,208</b>	<b>75,085,430</b>	<b>10,216,066</b>	<b>73,769,681</b>	<b>1,315,749</b>	<b>1.8%</b>	<b>100,764,067</b>	<b>(1,622,859)</b>	<b>-2.2%</b>
<b>OTHER REQUIREMENTS</b>										
Utility Billing System Support	7,613,674	7,613,674	5,716,266	1,268,946	5,710,255	6,010	0.1%	8,262,963	(649,289)	-8.5%
Accrued Payroll	145,040	145,040	0	0	0	0	0.0%	141,700	3,340	2.3%
Interdepartmental Charges	56,380	56,380	42,281	4,700	42,280	1	0.0%	56,380	0	0.0%
Trf to PID Fund	37,500	37,500	28,125	3,125	28,125	0	0.0%	37,500	0	0.0%
Expense Refund - Insurance	0	0	0	0	0	0	0.0%	(512,919)	512,919	0.0%
<b>Total Other Requirements</b>	<b>7,852,594</b>	<b>7,852,594</b>	<b>5,786,672</b>	<b>1,276,771</b>	<b>5,780,660</b>	<b>6,012</b>	<b>0.1%</b>	<b>7,985,624</b>	<b>(133,030)</b>	<b>-2.3%</b>
<b>DEBT SERVICE REQUIREMENTS</b>										
Trf to Util D/S Separate Lien	58,254,809	57,150,289	40,190,902	3,013,468	37,005,892	3,185,010	7.9%	50,838,700	6,311,589	11.0%
Tfr to Utility D/S Prior Lien	29,409,574	29,409,574	29,409,574	26	29,443,073	(33,499)	-0.1%	29,334,100	75,474	0.3%
Tfr to Utility D/S Sub Lien	4,000,400	4,000,400	3,832,750	55,990	3,835,250	(2,500)	-0.1%	3,990,800	9,600	0.2%
Trf to GO Debt Service	1,541,416	1,541,416	1,156,061	0	1,156,062	(1)	0.0%	1,541,416	0	0.0%
Tfr to Util D/S Tax/Rev Bonds	408,518	408,518	120,209	0	128,674	(8,465)	-7.0%	655,136	(246,618)	-60.4%
Commercial paper interest	8,512	8,512	6,382	36,884	76,279	(69,897)	-1095.2%	39,884	(31,372)	-368.6%
<b>Total Debt Service Requirements</b>	<b>93,623,229</b>	<b>92,518,709</b>	<b>74,715,878</b>	<b>3,106,368</b>	<b>71,645,230</b>	<b>3,070,648</b>	<b>4.1%</b>	<b>86,400,036</b>	<b>6,118,673</b>	<b>8.2%</b>

**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - WASTEWATER**  
**As of June 2018**

	2017-18 APPROVED	2017-18 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	42,000,000	42,000,000	31,178,000	3,500,000	31,178,000	0	0.0%	42,000,000	0	0.0%
Trf to General Fund	21,271,435	21,271,435	15,953,575	1,772,620	15,953,575	0	0.0%	21,271,435	0	0.0%
TRF CRF to Debt Defeasance	7,600,000	10,000,000	10,000,000	0	10,000,000	0	0.0%	10,000,000	0	0.0%
TRF Operating to Debt Defeasance	0	23,174,545	23,174,545	0	23,174,545	0	0.0%	23,174,545	0	0.0%
Administrative Support	5,079,783	5,079,783	3,809,838	423,315	3,809,838	0	0.0%	5,079,783	0	0.0%
CTM Support	1,994,262	1,994,262	1,495,692	166,190	1,495,692	0	0.0%	1,994,262	0	0.0%
Trf to Economic Development	1,509,967	1,509,967	1,132,477	125,830	1,132,477	0	0.0%	1,509,967	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,150,750	1,150,750	863,065	95,895	863,065	0	0.0%	1,150,750	0	0.0%
Trf to Reclaimed Water Fund	850,000	850,000	637,495	70,835	637,495	0	0.0%	850,000	0	0.0%
Workers' Compensation	627,283	627,283	470,458	52,275	470,458	0	0.0%	627,283	0	0.0%
CTECC Support	5,887	5,887	5,887	0	5,887	0	0.0%	5,887	0	0.0%
Regional Radio System	0	146,608	73,305	24,435	73,304	1	0.0%	146,608	0	0.0%
<b>Total Transfers Out</b>	<b>82,089,367</b>	<b>107,810,520</b>	<b>88,794,337</b>	<b>6,231,395</b>	<b>88,794,336</b>	<b>1</b>	<b>0.0%</b>	<b>107,810,520</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>282,692,012</b>	<b>307,323,031</b>	<b>244,382,317</b>	<b>20,830,600</b>	<b>239,989,908</b>	<b>4,392,409</b>	<b>1.8%</b>	<b>302,960,247</b>	<b>4,362,784</b>	<b>1.8%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL</b>										
	1,504,254	(25,268,592)	(30,716,971)	2,926,446	(26,433,701)	4,283,270	13.9%	(20,336,291)	4,932,301	19.5%
<b>ADJUSTMENT TO GAAP</b>	0	0	0	0	0	0	0.0%	0	0	0.0%
<b>ENDING BALANCE</b>	<b>102,026,465</b>	<b>75,253,619</b>	<b>69,805,240</b>		<b>75,704,259</b>	<b>5,899,019</b>	<b>8.5%</b>	<b>81,801,669</b>	<b>11,996,429</b>	<b>17.2%</b>
<i>Note: Numbers may not add due to rounding.</i>										
<b>DEBT SERVICE COVERAGE RATIO</b>	1.72	1.69	1.55		1.66			1.81		

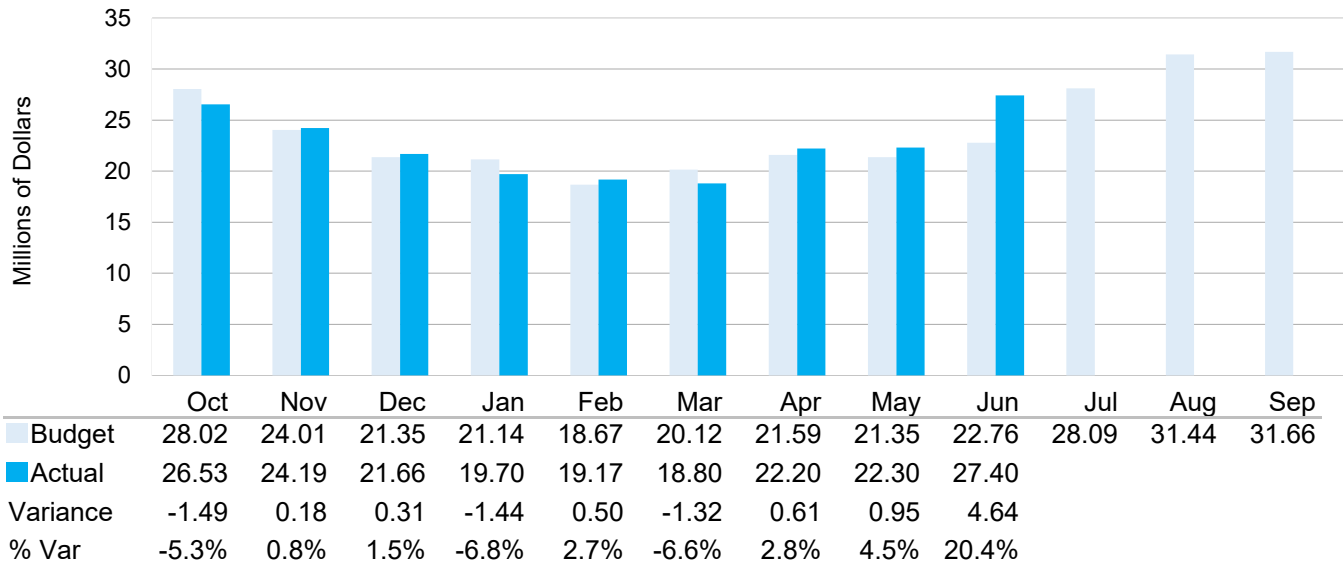
**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - RECLAIMED**  
**As of June 2018**

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE	YEAR-END ESTIMATE	YEAR-END VARIANCE	YEAR-END % VARIANCE
<b>BEGINNING BALANCE</b>	1,324,520	1,324,520	1,324,520	0	977,306	(347,214)	-26.2%	977,306	(347,214)	-26.2%
<b>REVENUE</b>										
Reclaimed Services	1,895,166	1,895,166	1,265,853	210,985	1,186,014	(79,839)	-6.3%	1,780,250	(114,916)	-9.1%
Interest	16,898	16,898	12,672	(916)	37,780	25,108	198.1%	46,908	30,010	236.8%
Other Revenue	0	0	0	0	0	0	0.0%	0	0	0.0%
<b>Total Revenue</b>	<b>1,912,064</b>	<b>1,912,064</b>	<b>1,278,525</b>	<b>210,069</b>	<b>1,223,794</b>	<b>(54,731)</b>	<b>-4.3%</b>	<b>1,827,158</b>	<b>(84,906)</b>	<b>-6.6%</b>
<b>TRANSFERS IN</b>										
CIP	0	4,000,000	4,000,000	0	4,000,000	0	0.0%	4,000,000	0	0.0%
Austin Water Utility	3,400,000	3,400,000	2,549,998	283,335	2,549,995	(3)	0.0%	3,400,000	0	0.0%
<b>Total Transfers In</b>	<b>3,400,000</b>	<b>7,400,000</b>	<b>6,549,998</b>	<b>283,335</b>	<b>6,549,995</b>	<b>(3)</b>	<b>0.0%</b>	<b>7,400,000</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>5,312,064</b>	<b>9,312,064</b>	<b>7,828,523</b>	<b>493,404</b>	<b>7,773,789</b>	<b>(54,734)</b>	<b>-0.7%</b>	<b>9,227,158</b>	<b>(84,906)</b>	<b>-1.1%</b>
<b>PROGRAM REQUIREMENTS</b>										
Reclaimed Water Services	591,699	591,699	452,630	57,383	409,035	43,596	9.6%	604,094	(12,395)	-2.1%
Other Utility Program Requirements	28,176	28,176	16,455	2,725	15,195	1,260	7.7%	24,375	3,801	13.5%
<b>Total Program Requirements</b>	<b>619,875</b>	<b>619,875</b>	<b>469,085</b>	<b>60,107</b>	<b>424,230</b>	<b>44,856</b>	<b>9.6%</b>	<b>628,469</b>	<b>(8,594)</b>	<b>-1.8%</b>
<b>OTHER REQUIREMENTS</b>										
Accrued Payroll	1,046	1,046	0	0	0	0	0.0%	3,843	(2,797)	-267.4%
Expense Refund - Insurance	0	0	0	0	0	0	0.0%	(3,600)	3,600	0.0%
<b>Total Other Requirements</b>	<b>1,046</b>	<b>1,046</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>243</b>	<b>803</b>	<b>76.8%</b>
<b>DEBT SERVICE REQUIREMENTS</b>										
Trf to Util D/S Separate Lien	2,022,253	2,022,253	1,503,014	312,299	2,367,605	(864,591)	-57.5%	3,353,700	(1,331,447)	-65.8%
Commercial paper interest	47,420	47,420	35,567	0	0	35,567	100.0%	10,414	37,006	78.0%
<b>Total Debt Service Requirements</b>	<b>2,069,673</b>	<b>2,069,673</b>	<b>1,538,581</b>	<b>312,299</b>	<b>2,367,605</b>	<b>(829,024)</b>	<b>-53.9%</b>	<b>3,364,114</b>	<b>(1,294,441)</b>	<b>-84.1%</b>
<b>TRANSFERS OUT</b>										
Trf to Reclaimed Water CIP Fnd	1,000,000	1,000,000	668,000	83,000	668,000	0	0.0%	1,000,000	0	0.0%
TRF Operating to Debt Defeasance	0	4,000,000	4,000,000	0	4,000,000	0	0.0%	4,000,000	0	0.0%
Administrative Support	115,450	115,450	115,450	0	115,450	0	0.0%	115,450	0	0.0%
Trf to General Fund	104,299	104,299	104,299	0	104,299	0	0.0%	104,299	0	0.0%
Trf to CIP Mgm - CPM (5460)	133,707	133,707	133,707	0	133,707	0	0.0%	133,707	0	0.0%
Trf to Economic Development	12,933	12,933	12,933	0	12,933	0	0.0%	12,933	0	0.0%
CTM Support	2,828	2,828	2,828	0	2,828	0	0.0%	2,828	0	0.0%
<b>Total Transfers Out</b>	<b>1,369,217</b>	<b>5,369,217</b>	<b>5,037,217</b>	<b>83,000</b>	<b>5,037,217</b>	<b>0</b>	<b>0.0%</b>	<b>5,369,217</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>4,059,811</b>	<b>8,059,811</b>	<b>7,044,883</b>	<b>455,407</b>	<b>7,829,052</b>	<b>(784,168)</b>	<b>-11.1%</b>	<b>9,362,043</b>	<b>(1,302,232)</b>	<b>-16.2%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	<b>1,252,253</b>	<b>1,252,253</b>	<b>783,640</b>	<b>37,997</b>	<b>(55,263)</b>	<b>(838,903)</b>	<b>-107.1%</b>	<b>(134,885)</b>	<b>(1,387,138)</b>	<b>-110.8%</b>
<b>ADJUSTMENT TO GAAP</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>ENDING BALANCE</b>	<b>2,576,773</b>	<b>2,576,773</b>	<b>2,108,160</b>		<b>922,043</b>	<b>(1,186,117)</b>	<b>-56.3%</b>	<b>842,421</b>	<b>(1,734,352)</b>	<b>-67.3%</b>
<i>Note: Numbers may not add due to rounding.</i>										
<b>DEBT SERVICE COVERAGE RATIO</b>	0.51	0.51	0.37		0.23			0.28		

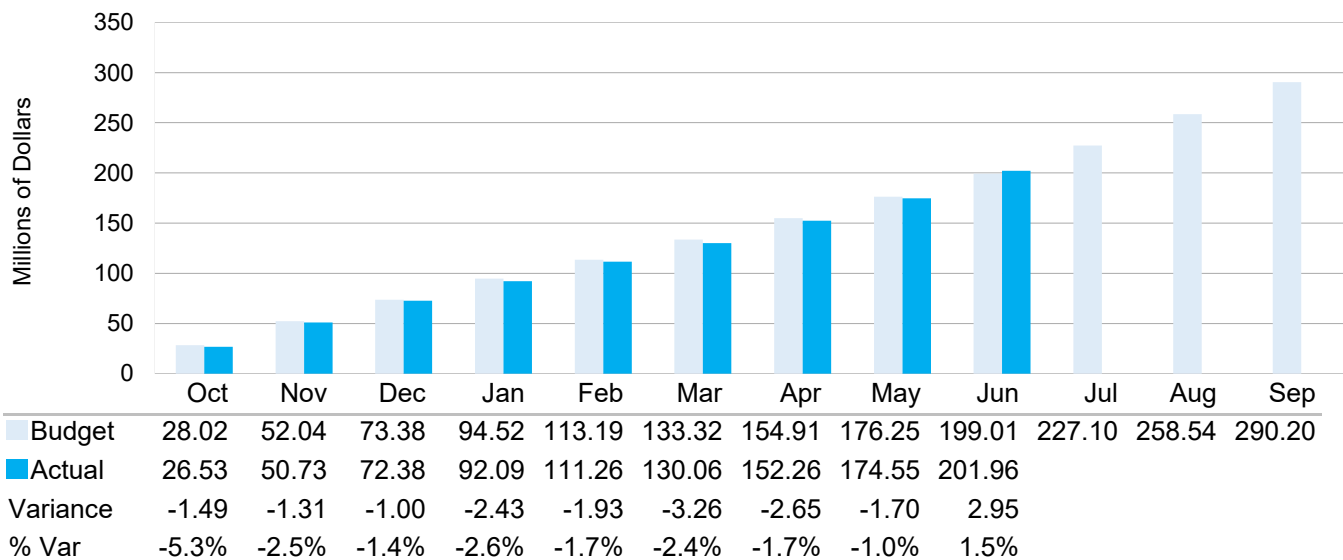
## **REVENUES**

# Water Service Revenue

## Monthly Actuals v. Budget



## Year-to-Date Actuals v. Budget

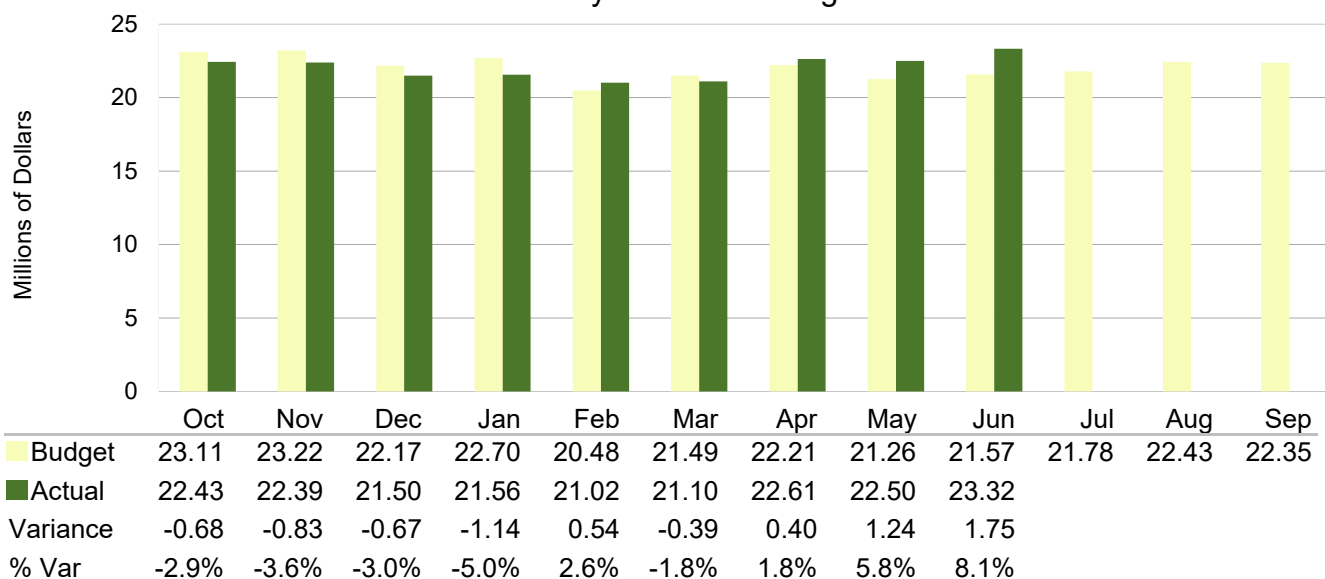


Water service revenues for June 2018 totaled \$27.40 million. This is \$4.64 million, or 20.4%, more than the budget allotment for the month. For the fiscal year, water service revenues totaled \$201.96 million, which is \$2.95 million, or 1.5% more than the budget allotment.

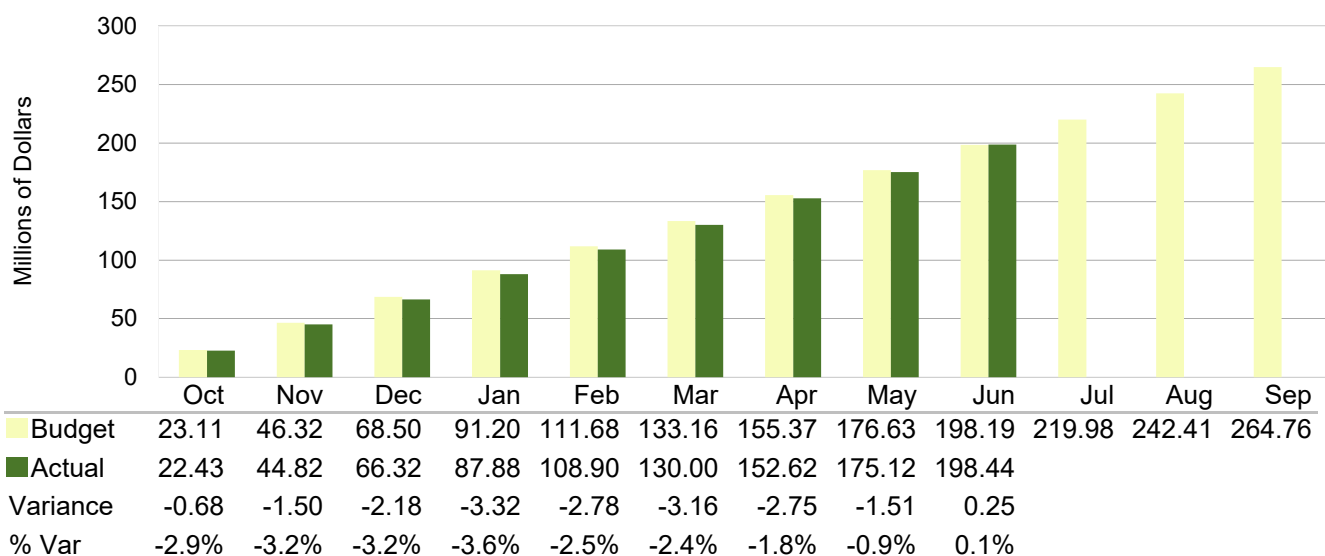
June 2018's billed water consumption totaled 3.96 BG, 0.55 BG (16.0%) greater than projected for the month. Year-to-date, billed water consumption of 28.75 BG is 0.46 BG (1.6%) greater than projected.

## Wastewater Service Revenue

### Monthly Actuals v. Budget



### Year-to-Date Actuals v. Budget

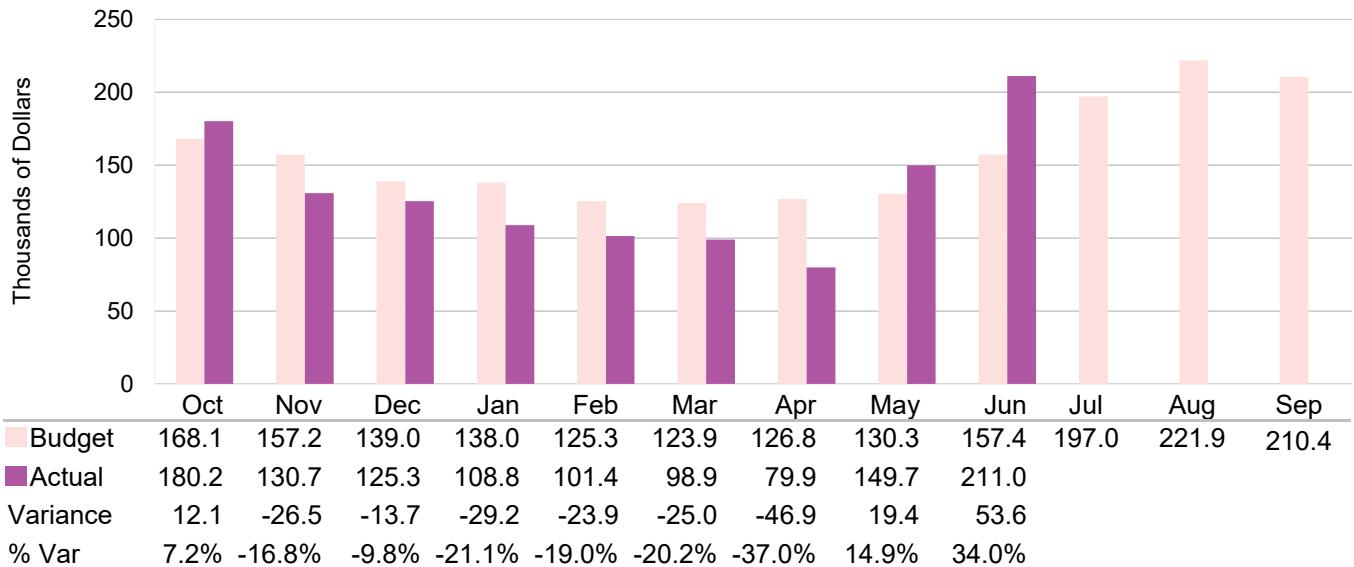


Wastewater service revenues for June 2018 totaled \$23.32 million. This is \$1.75 million, or 8.1% more than the budget allotment for the month. For the fiscal year, wastewater service revenues totaled \$198.44 million, which is \$0.25 million, or 0.1% more than the budget allotment.

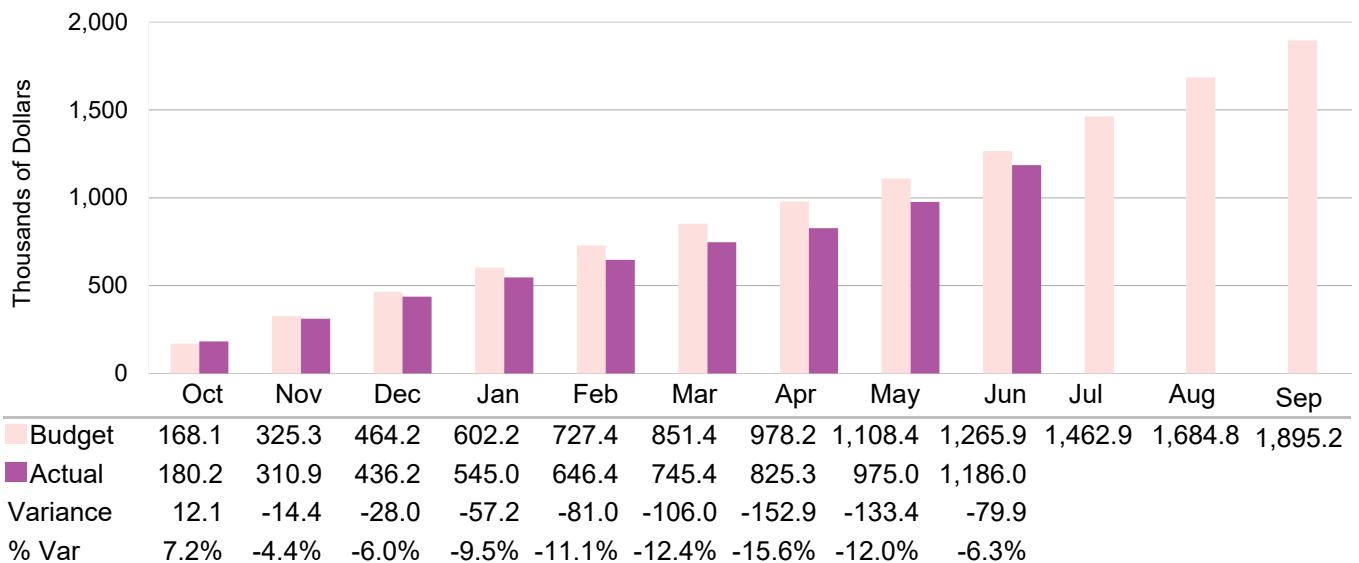
Wastewater bills are determined by each customer's actual water consumption for the month or wastewater winter average, whichever is lower, except for customers who have installed wastewater measuring devices.

## Reclaimed Water Service Revenue

### Monthly Actuals v. Budget



### Year-to-Date Actuals v. Budget

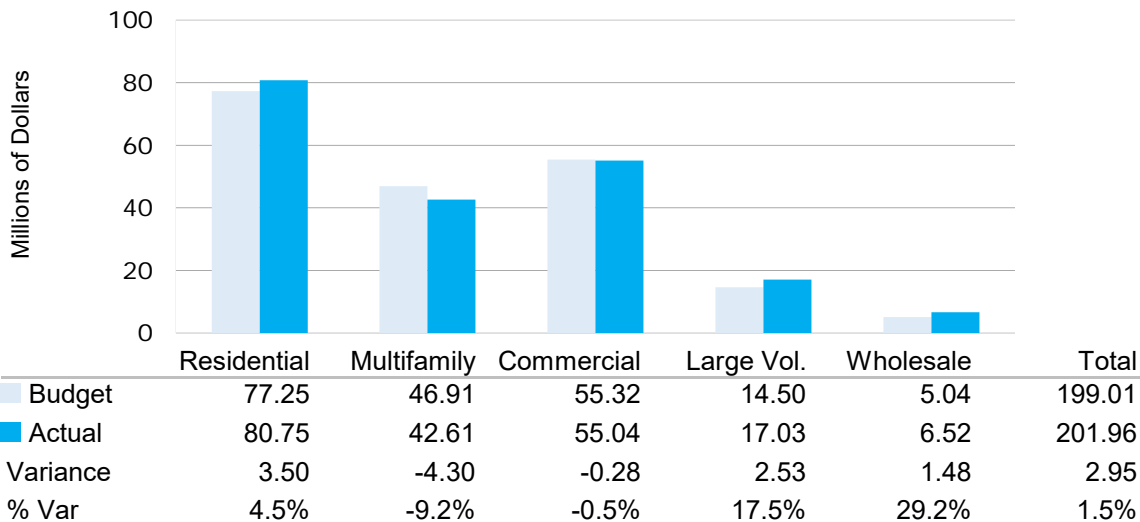


Reclaimed service revenues for June 2018 totaled \$211.0 thousand. This is \$54 thousand, or 34.0% more than the budget allotment for the month. For the fiscal year, reclaimed service revenues totaled \$1,186.0 thousand, which is \$79.9 thousand, or 6.3% less than the budget allotment.



## Revenue by Customer Class Year-to-Date

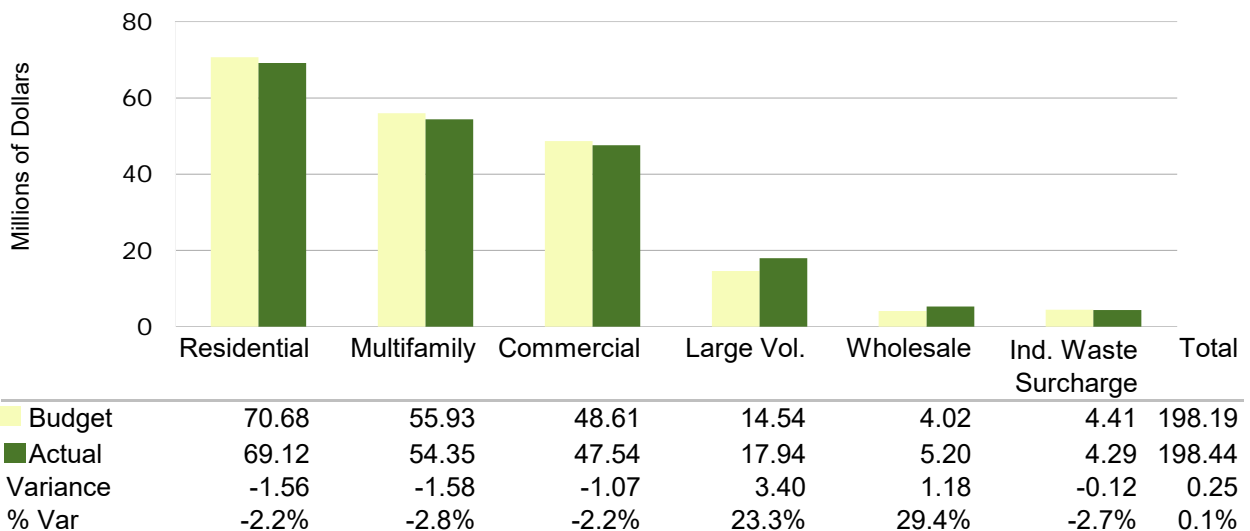
### Water Service Revenue



The graph above compares the budgeted and actual water service revenues by customer class through June before any accounts receivable adjustments.

The Wholesale, Large Volume, and Residential customer classes were above projections by 29.2%, 17.5%, and 4.5% respectively, while Multifamily and Commercial classes were below projections. Overall, water revenues are \$2.95 million (1.5%) higher than projected.

### Wastewater Service Revenue

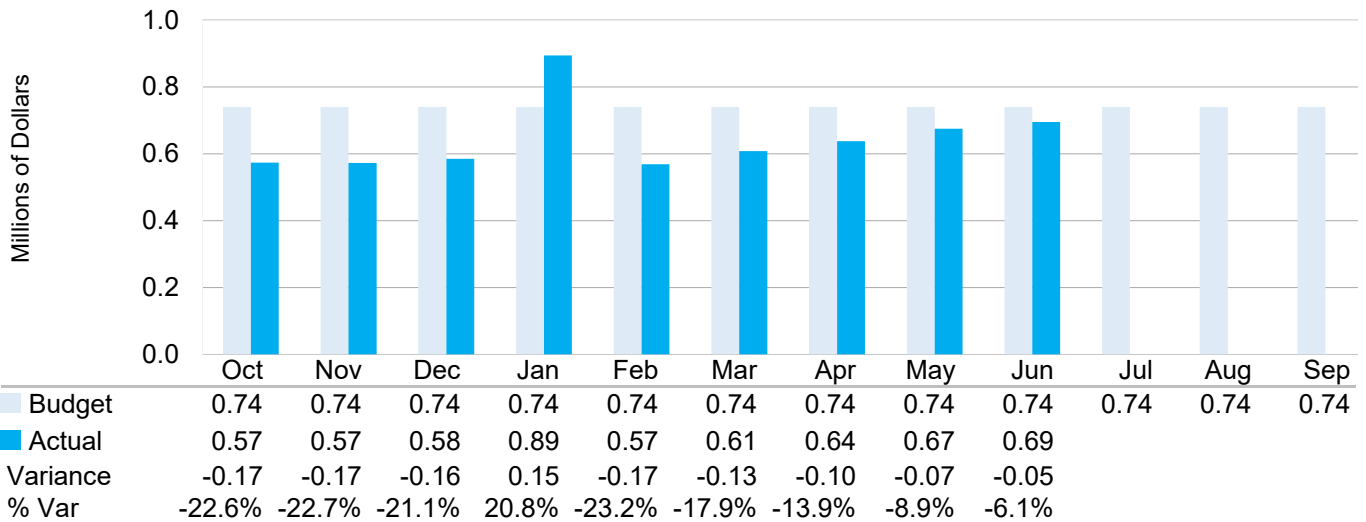


The graph above compares the budgeted and actual wastewater service revenues by customer class through June before any accounts receivable adjustments.

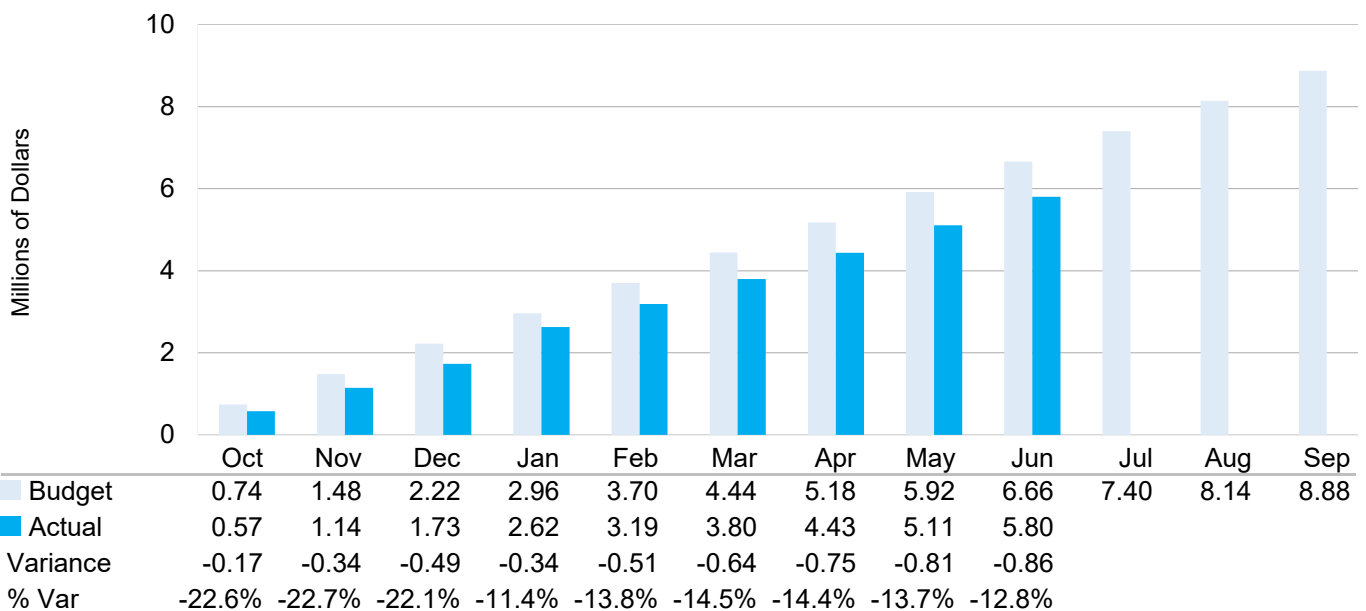
The Wholesale and Large Volume customer classes were above projections by 29.4% and 23.3%, respectively, while Residential, Multifamily, and Commercial classes were below projections. Overall, wastewater revenues were \$0.25 million (0.1%) higher than projected.

## Miscellaneous Revenue

### Monthly Actuals v. Budget



### Year-to-Date Actuals v. Budget

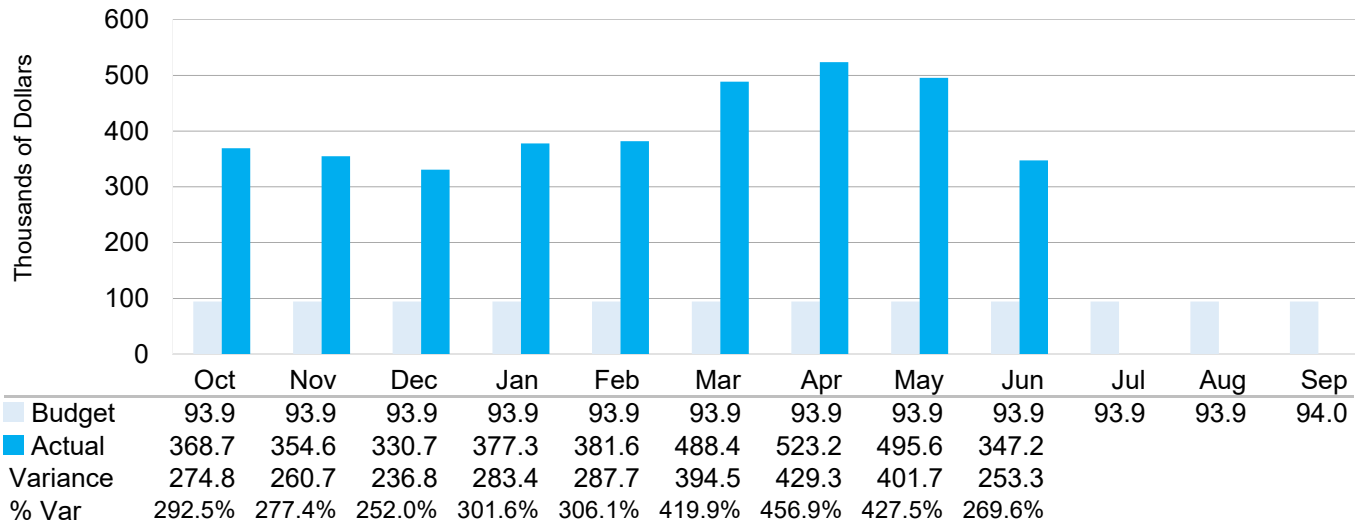


Miscellaneous revenues include revenue from sources other than water and wastewater services, such as late fees, fines and special billings. Miscellaneous revenues in June 2018 totaled \$0.69 million, \$0.05 million (6.1%), less than the budget allotment for the month.

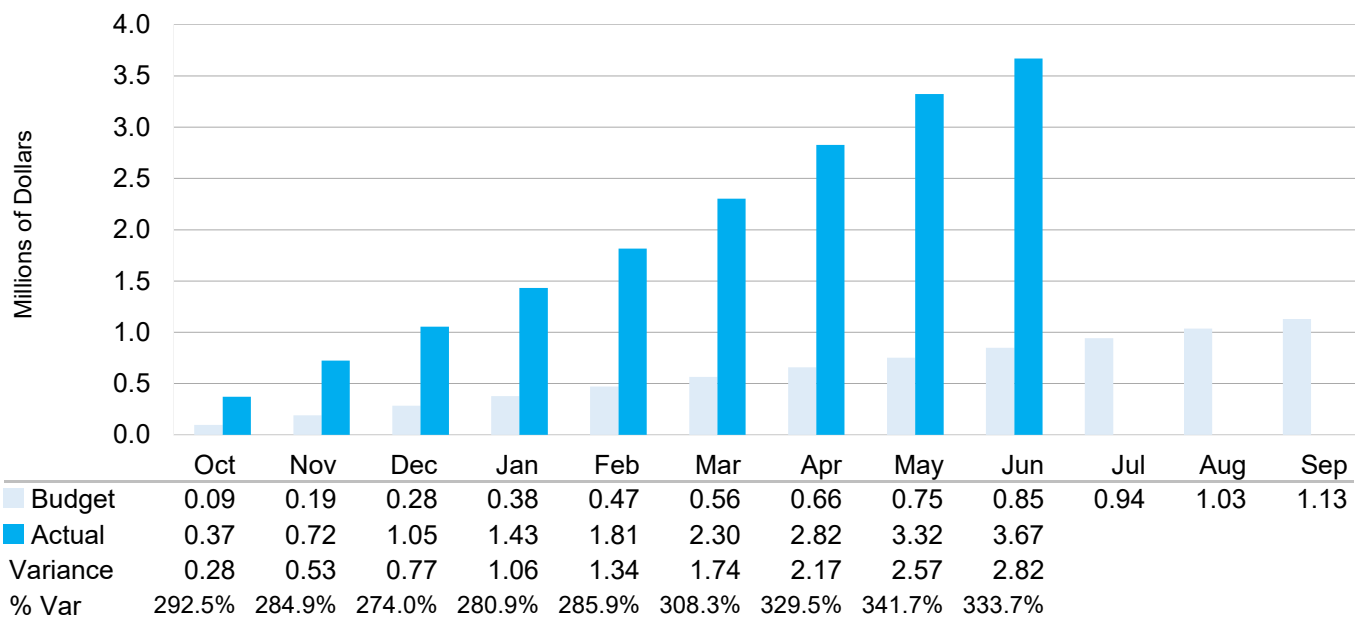
For the fiscal year, miscellaneous revenues totaled \$5.8 million, \$0.86 million (12.8%) less than the budget allotment.

# Interest Income

## Monthly Actuals v. Budget



## Year-to-Date Actuals v. Budget



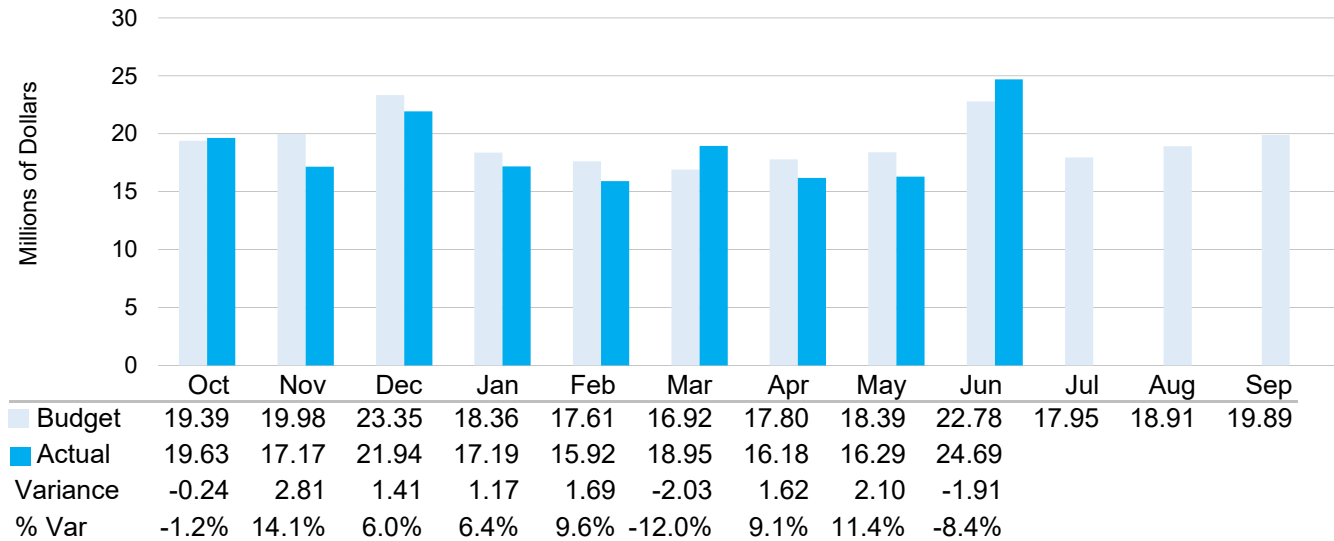
Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income in June 2018 totaled \$347.2 thousand, \$253.3 thousand (269.6%), more than the budget allotment for the month. This is largely due to higher than projected interest rates and cash balances.

For the fiscal year, interest income totaled \$3.67 million, \$2.82 million (333.7%) more than the budget allotment.

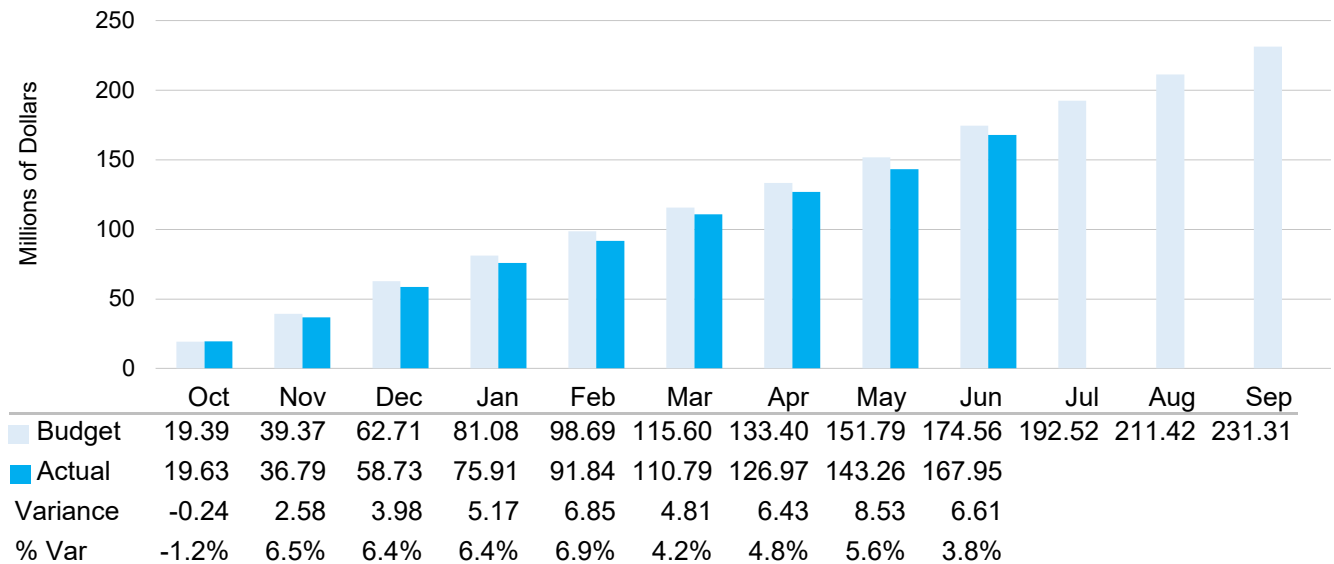
## **OPERATING REQUIREMENTS**

## Program Operating and Other Requirement Expenses

### Monthly Budget vs. Actual



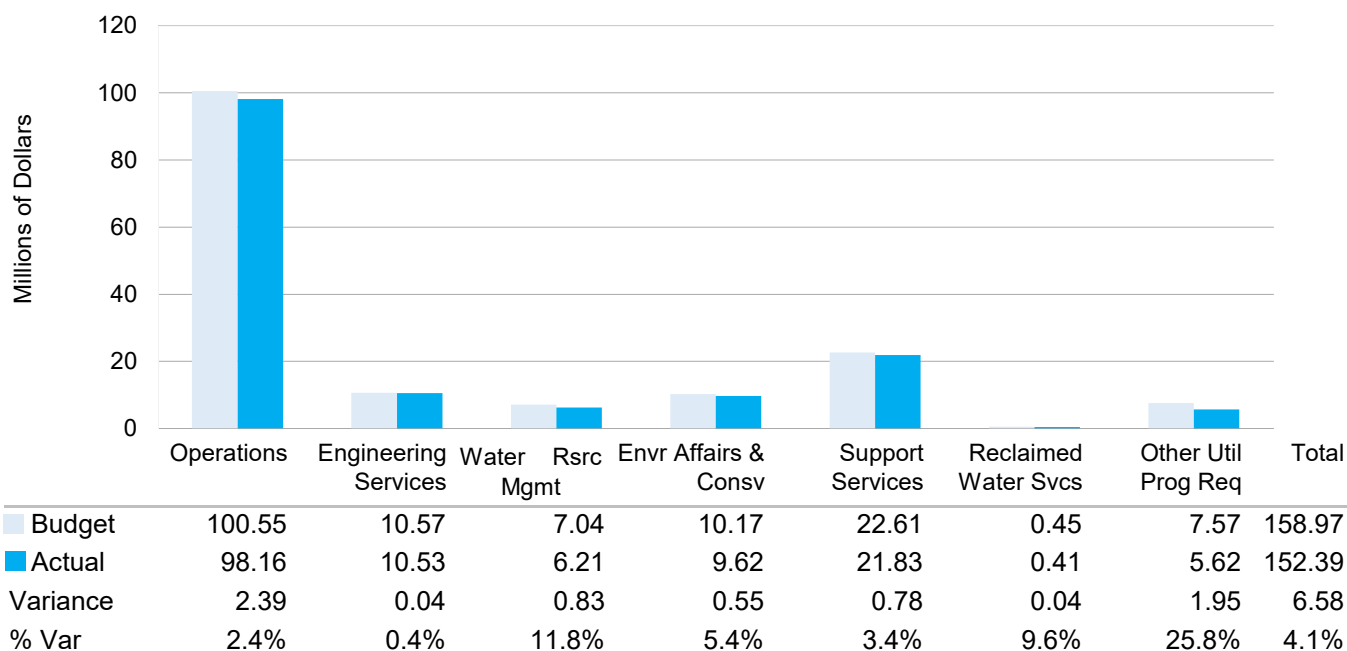
### Year-to-Date Budget vs. Actual



Total Program Operating and Other Requirements for the fiscal year through June 2018 were \$87.98 million for Water, \$79.55 million for Wastewater, and \$0.42 million for Reclaimed. The combined Program Operating and Other Requirements of \$167.95 million were \$6.61 million, or 3.8% below the budget allotment.

# Operating Program Expenditures Year-to-Date

## Expenditures by Operating Program



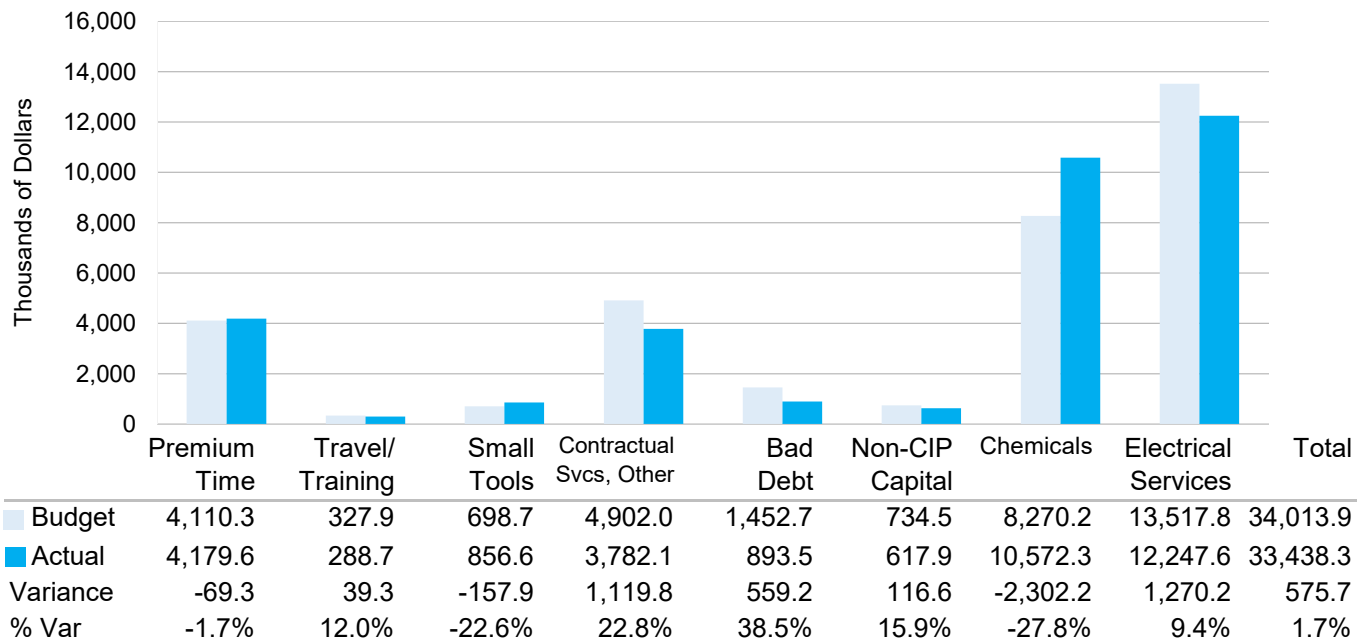
Total Operating Program Requirements as of June 30, 2018 were \$78.19 million for Water, \$73.77 million for Wastewater, and \$0.43 million for Reclaimed Water. The combined Program Operating Requirements of \$152.39 million were \$6.58 million (4.1%) below allotment.

Water Resources Management was \$0.83 million or 11.8% below allotment mainly due to the lower than estimated spending on interdepartmental charges and vacant positions.

Other Utility Program Requirements was \$1.95 million or 25.8% below allotment mainly due to lower than estimated spending on other contractual services and legal services.

## Key Object Code Expenditures Year-to-Date

Expenditures by Key Object Code



Small Tools were \$157.9 thousand or 22.6% above allotment due to higher than estimated spending in the Lift Stations and Remote Facilities, Water Treatment, Wildland Conservation, and Wastewater Treatment Divisions.

Other Contractual Services were \$1.12 million or 22.8% below allotment due to lower than estimated spending in Special Support.

Non-CIP Capital was \$116.6 thousand or 15.9% below allotment due to lower than anticipated expenses.

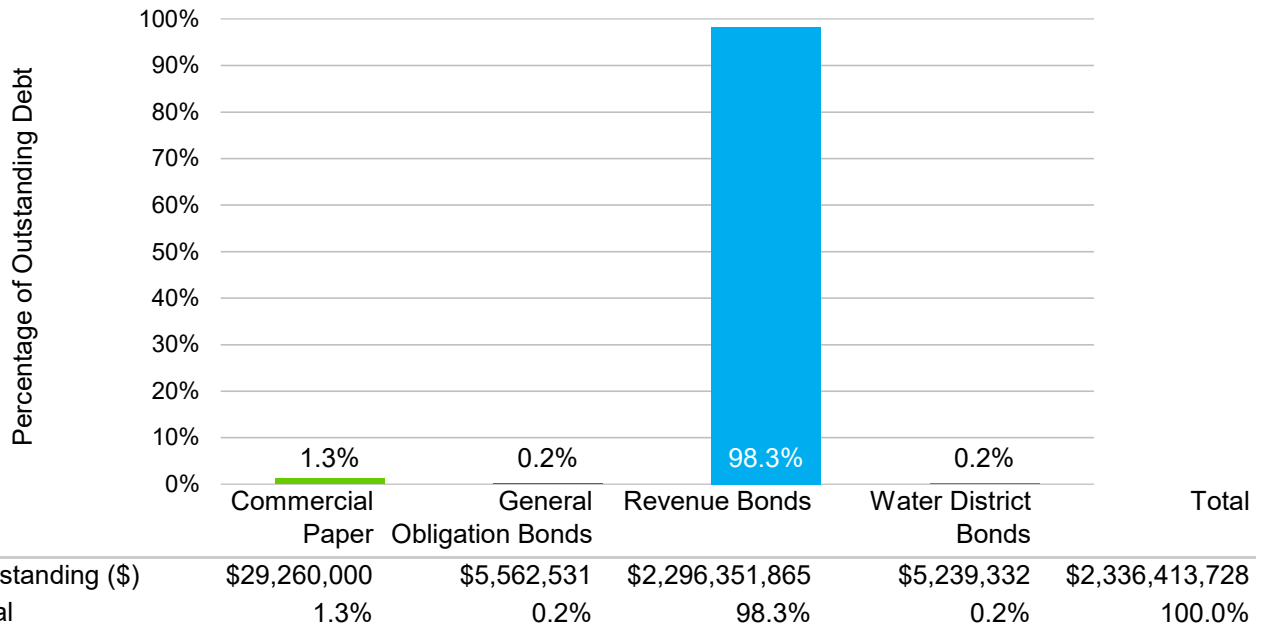
Chemicals were \$2.3 million or 27.8% above allotment due to higher than estimated spending in the Wastewater Treatment, Water Treatment, and Collection System Engineering Divisions. Some of these costs are being recaptured through the Industrial Waste Surcharge.

## **DEBT OUTSTANDING & DEBT SERVICE**

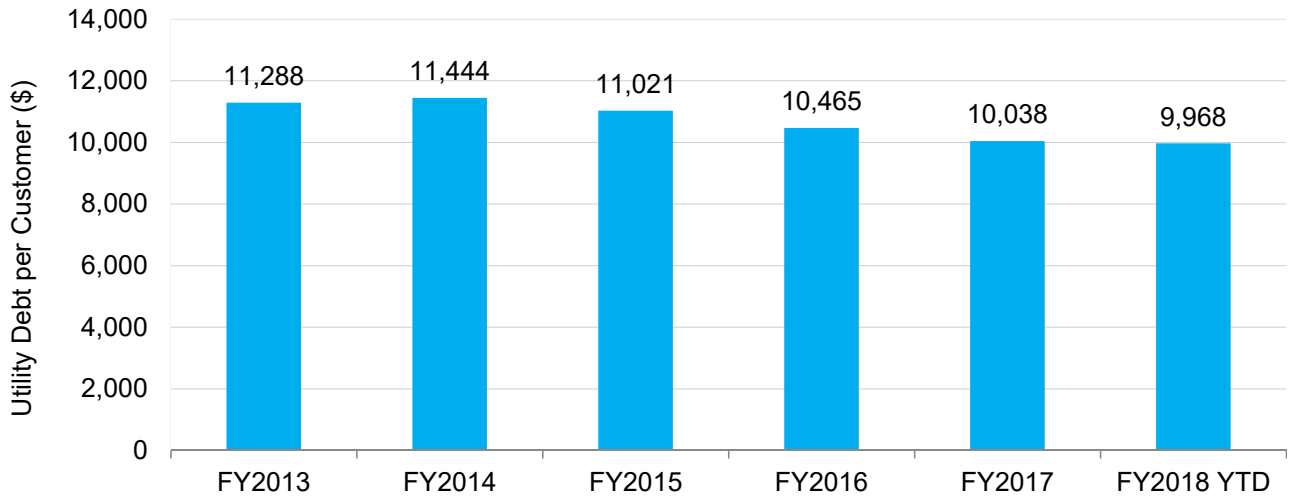


# Outstanding Utility Debt

Debt Outstanding by Type

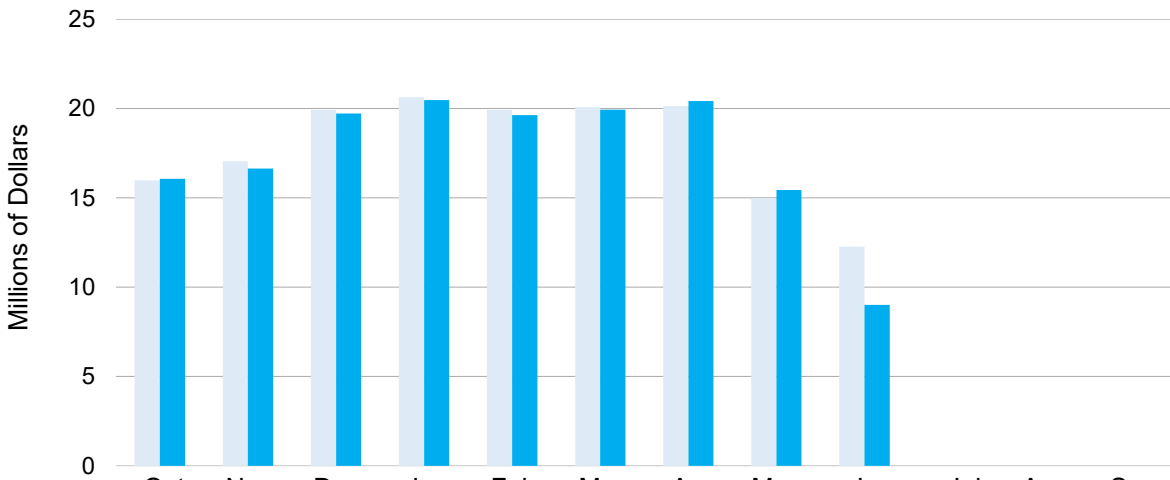


Utility Debt per Customer by Fiscal Year



## Combined Debt Service by Month

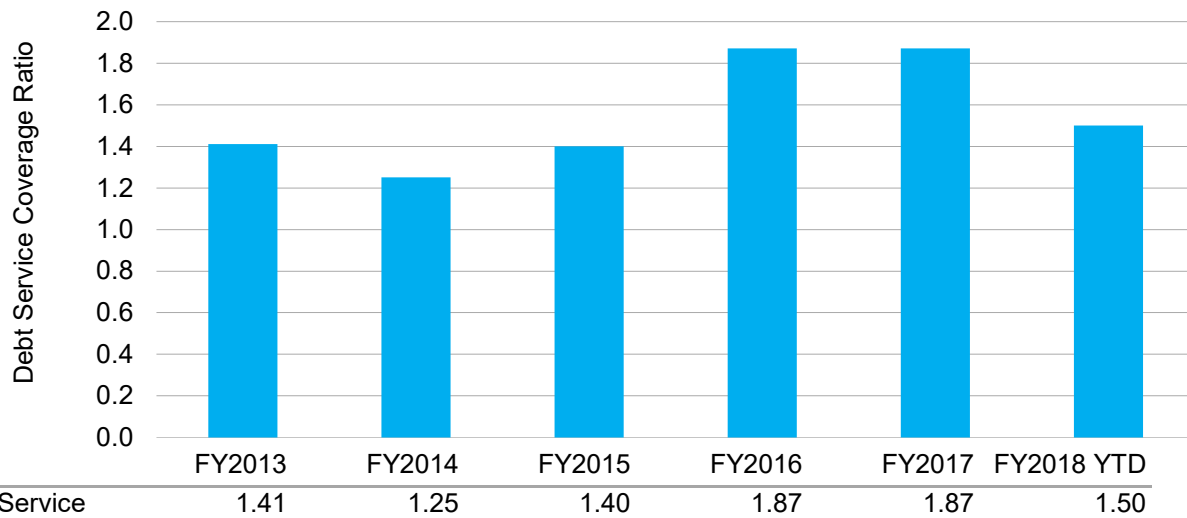
Monthly Budget vs. Actual



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
Budget	15.97	17.06	19.91	20.64	19.91	20.09	20.13	14.96	12.27				160.93
Actual	16.06	16.63	19.72	20.47	19.64	19.93	20.42	15.45	9.00				157.31
Variance	-0.09	0.43	0.19	0.17	0.27	0.16	-0.29	-0.49	3.27				3.62
% Var	-0.6%	2.5%	1.0%	0.8%	1.4%	0.8%	-1.4%	-3.2%	26.6%				2.3%

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 June 2018 was \$9 million, \$3.27 million less than projected for the month. Combined debt service for the fiscal year was \$157.31, \$3.62 million less than projected, primarily related to the Debt Defeasance activities.

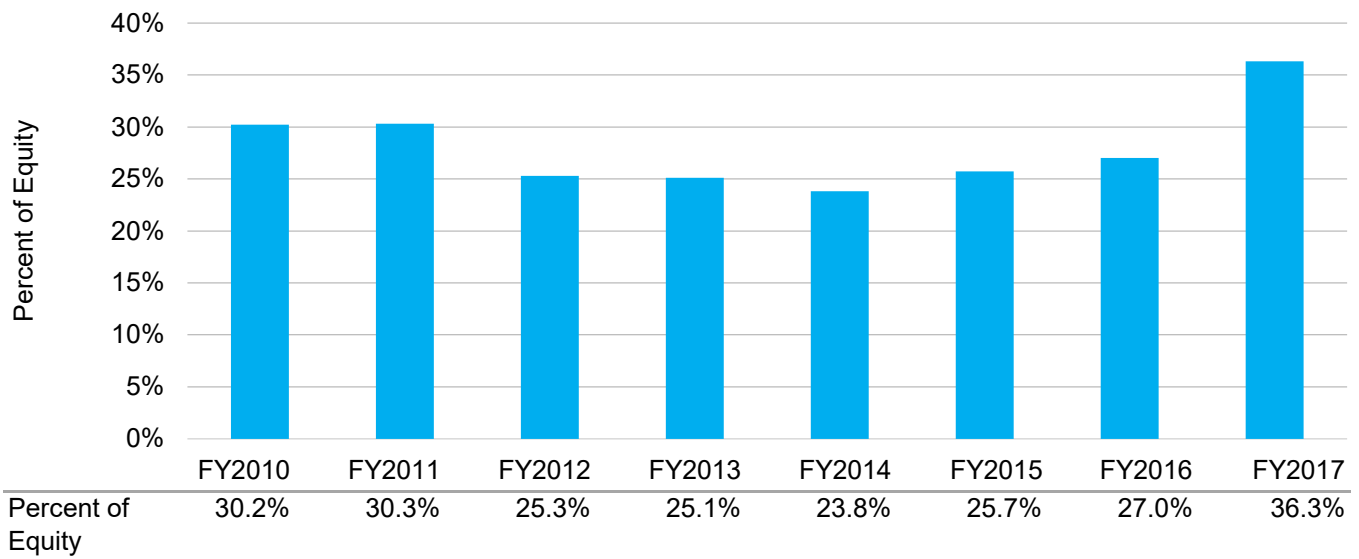
## Debt Service Coverage



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 FY12-13 through FY16-17 are audited, as reflected in the City's Comprehensive Annual Financial Report (CAFR).

## Percent of Equity in Utility Systems

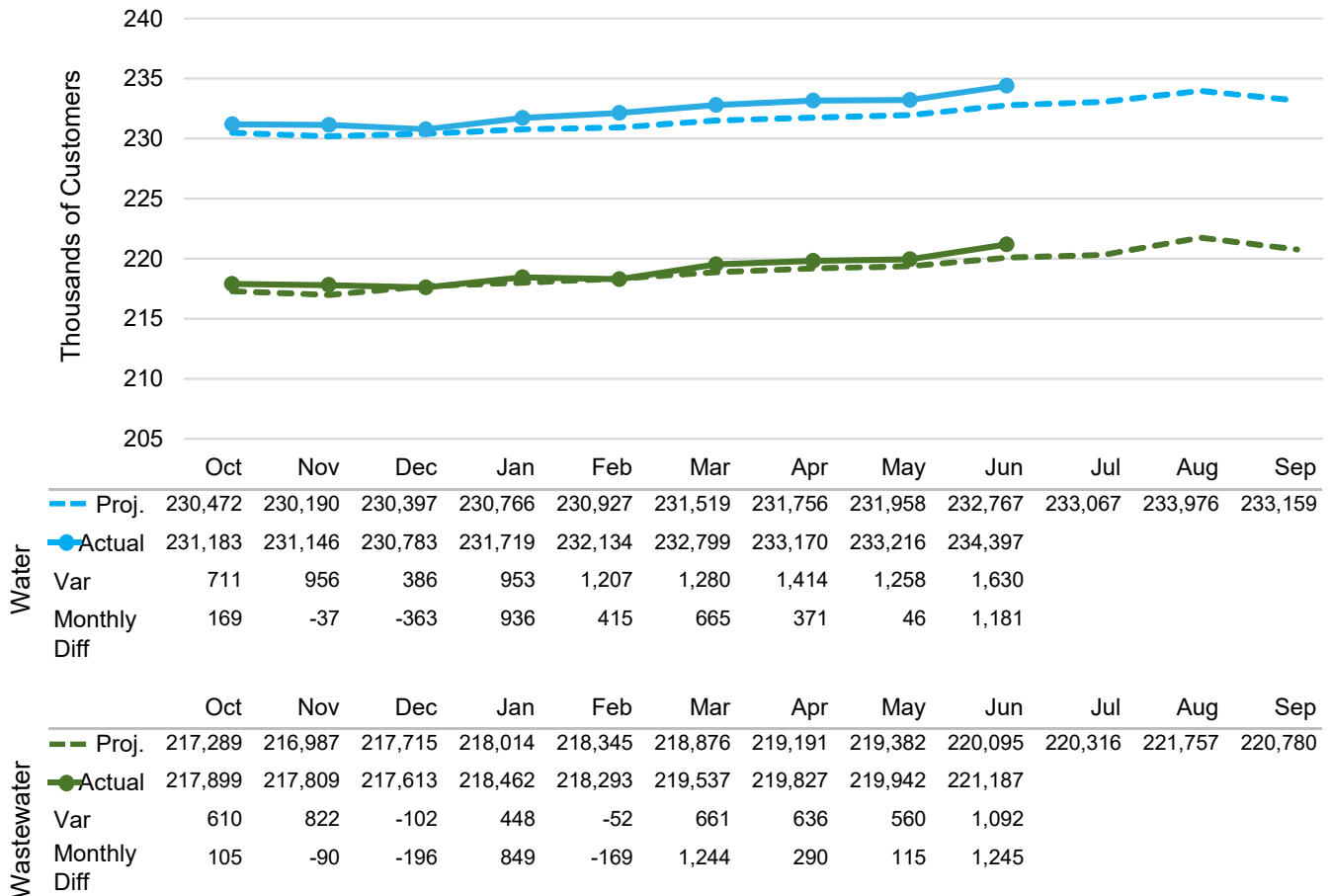


The Percent of Equity in Utility Systems is computed by dividing the combined utility system equity by the combined utility system costs, net of depreciation. The Percent of Equity is calculated based upon the audited financials from the Controller's Office.

## **CUSTOMER DEMAND CHARACTERISTICS**

# Number of Customers

## Monthly Actual vs. Projections



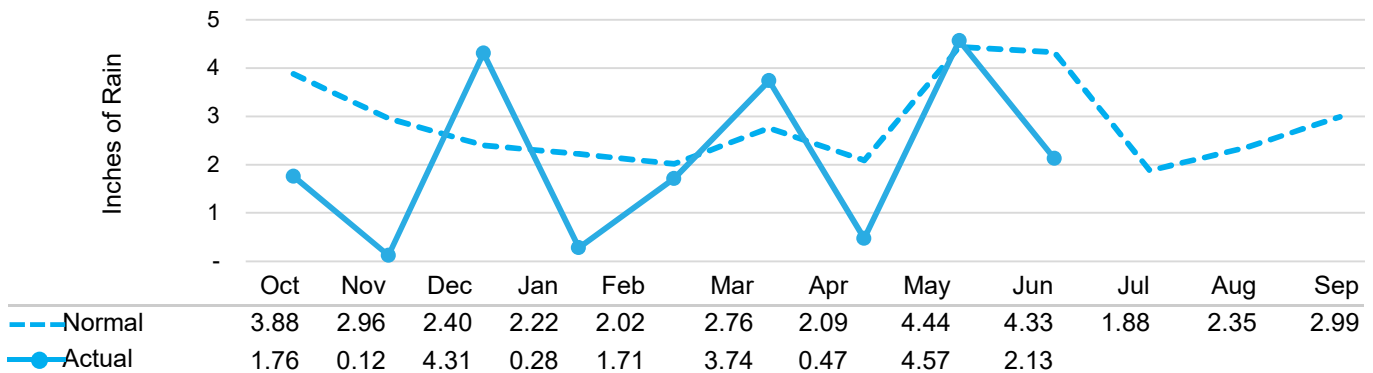
As of June 30, 2018, there were 234,397 water customers. This was 1,630 greater than projected for this date, 1,181 more customers than last month, and 4,127 more than this time last year.

As of June 30, 2018, there were 221,187 wastewater customers. This was 1,092 greater than projected for this date, 1,245 more customers than last month, and 3,875 more than this time last year.

The projected number of customers for fiscal year 2017-18 was determined in April 2017 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

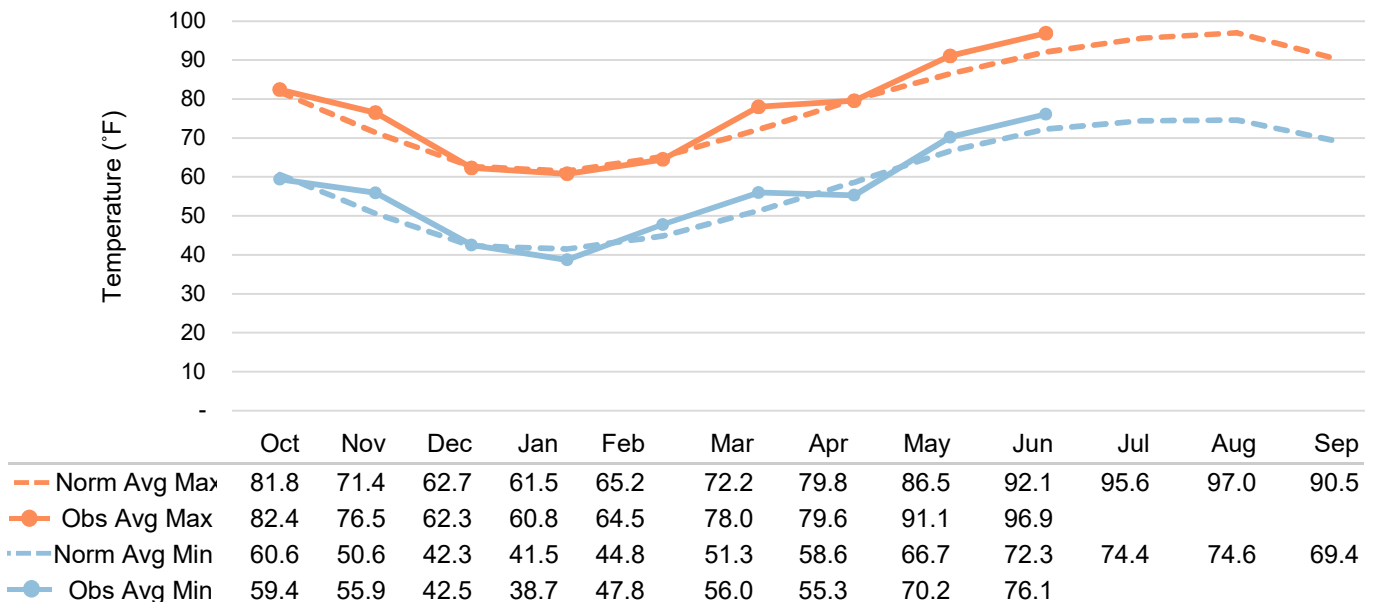
Monthly Rainfall Actual vs. Normal



National Weather Service data collected at Austin - Camp Mabry compared to 30-year averages

In June, 2.13 inches of rain fell, 2.20 inches below normal for the month. For the fiscal year to date, rainfall has totaled 19.09 inches, 29.6% less than the normal amount of 27.10. 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 Observed vs. Normal



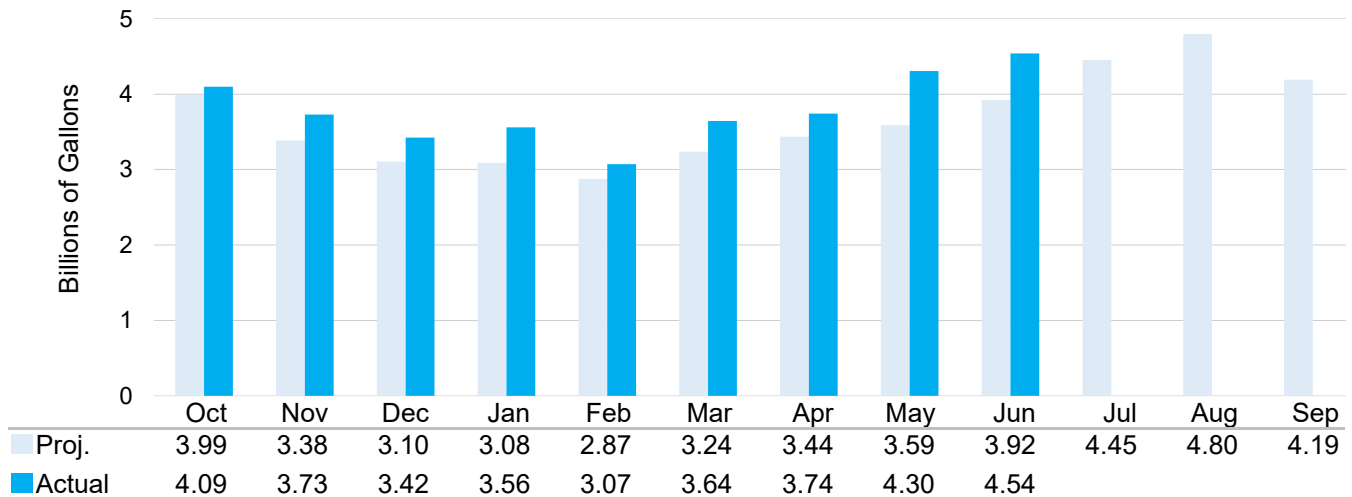
National Weather Service data collected at Austin - Camp Mabry compared to 30-year averages

June's average high temperature was above normal levels by 4.8 degrees and the average low was above normal levels by 3.8 degrees. Over the fiscal year, temperatures have been warmer than historical averages.

The Highland Lakes' two water storage reservoirs, Travis and Buchanan, are at a combined 76% of capacity.

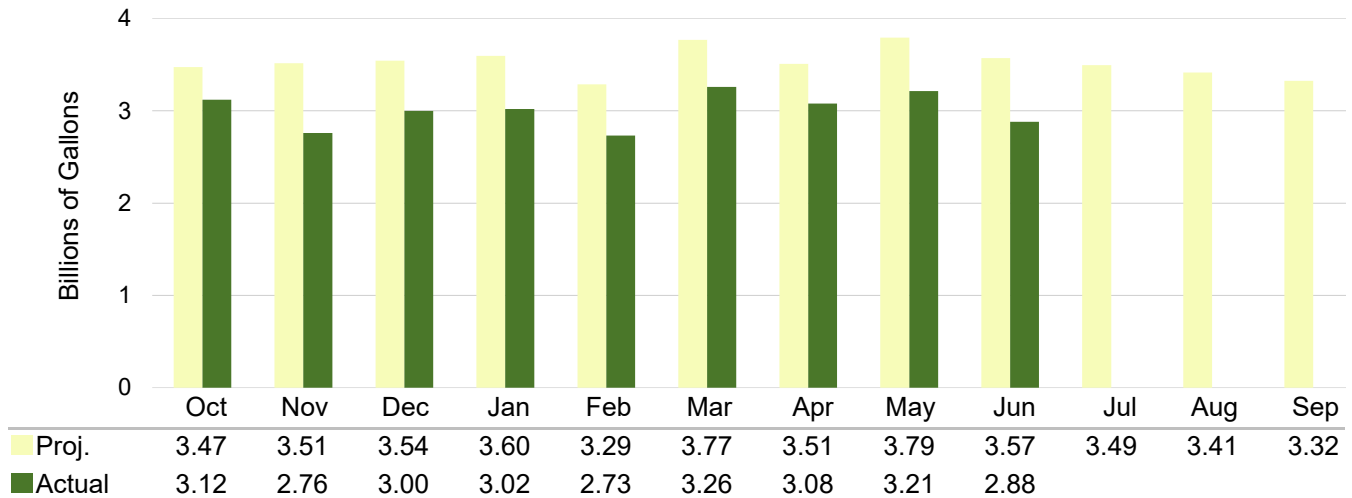
# Water Pumpage and Wastewater Influent Flow by Month

## Monthly Water Pumpage Projected vs. Actual



Pumpage during June 2018 averaged 151.30 MGD for a total of 4.54 BG for the month. This compares to a daily average of 124.92 MGD for this fiscal year, and a daily average of 137.71 MGD for fiscal year 2016-17.

## Monthly Wastewater Influent Projected vs. Actual

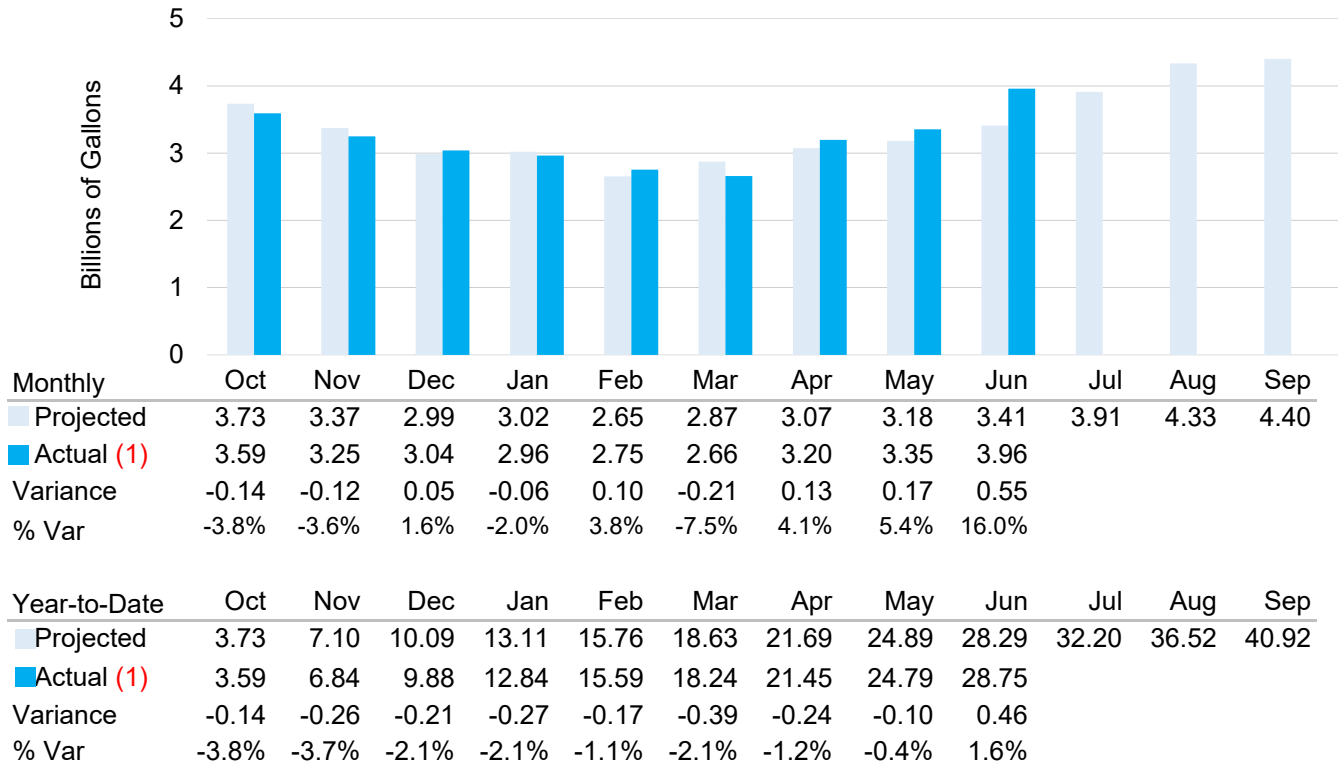


Influent during June 2018 averaged 96.02 MGD for a total of 2.88 BG for the month. This compares to a daily average of 99.07 MGD for this fiscal year and an average of 93.32 MGD for fiscal year 2016-17.



# Billed Water Consumption

## Monthly Billed Consumption Projected vs. Actual

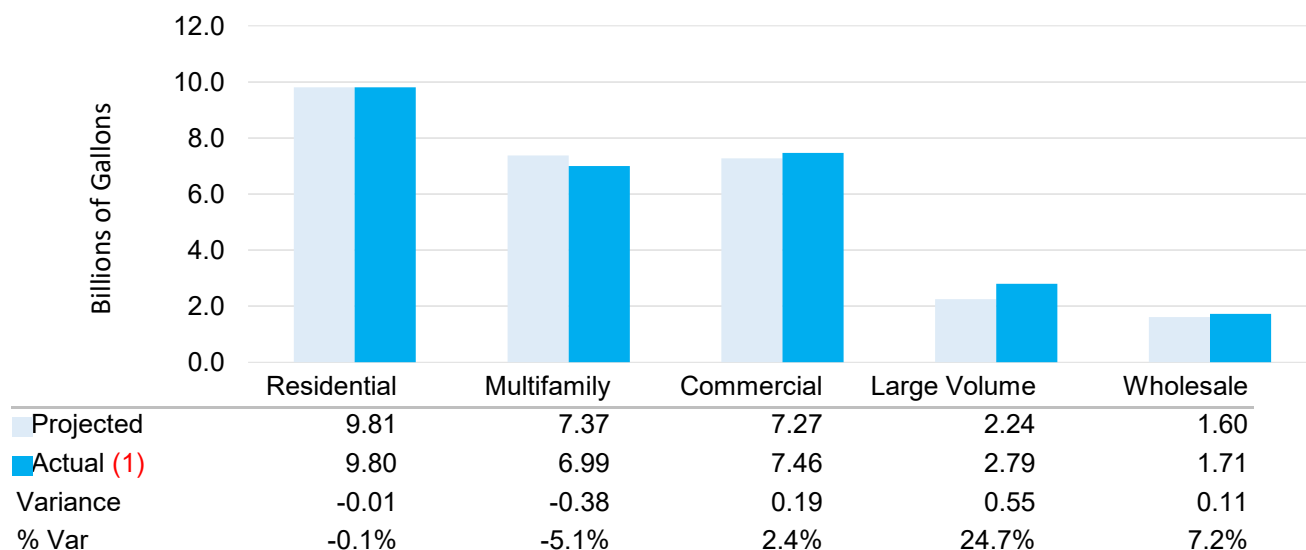


June 2018's billed water consumption totaled 3.96 BG, 0.55 BG (16.0%) greater than projected for the month. Year-to-date, billed water consumption of 28.75 BG is 0.46 BG (1.6%) greater than projected.

(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)

Year-to-Date Billed Consumption by Customer Class Projected vs. Actual

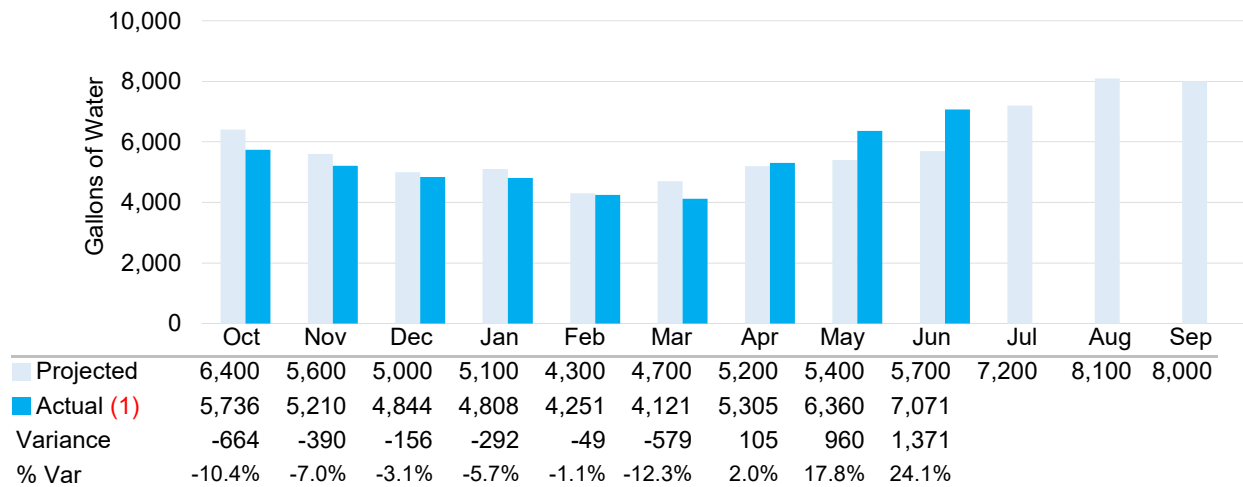


Billed water consumption is above projections by 1.6% with the Large Volume, Wholesale, and Commercial classes driving the variance at 24.7%, 7.2%, and 2.4%, respectively. The remaining classes are below projections, with the greatest negative variance in the Multifamily class at 5.1%.

(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)

Monthly Average Residential Billed Consumption Projected vs. Actual

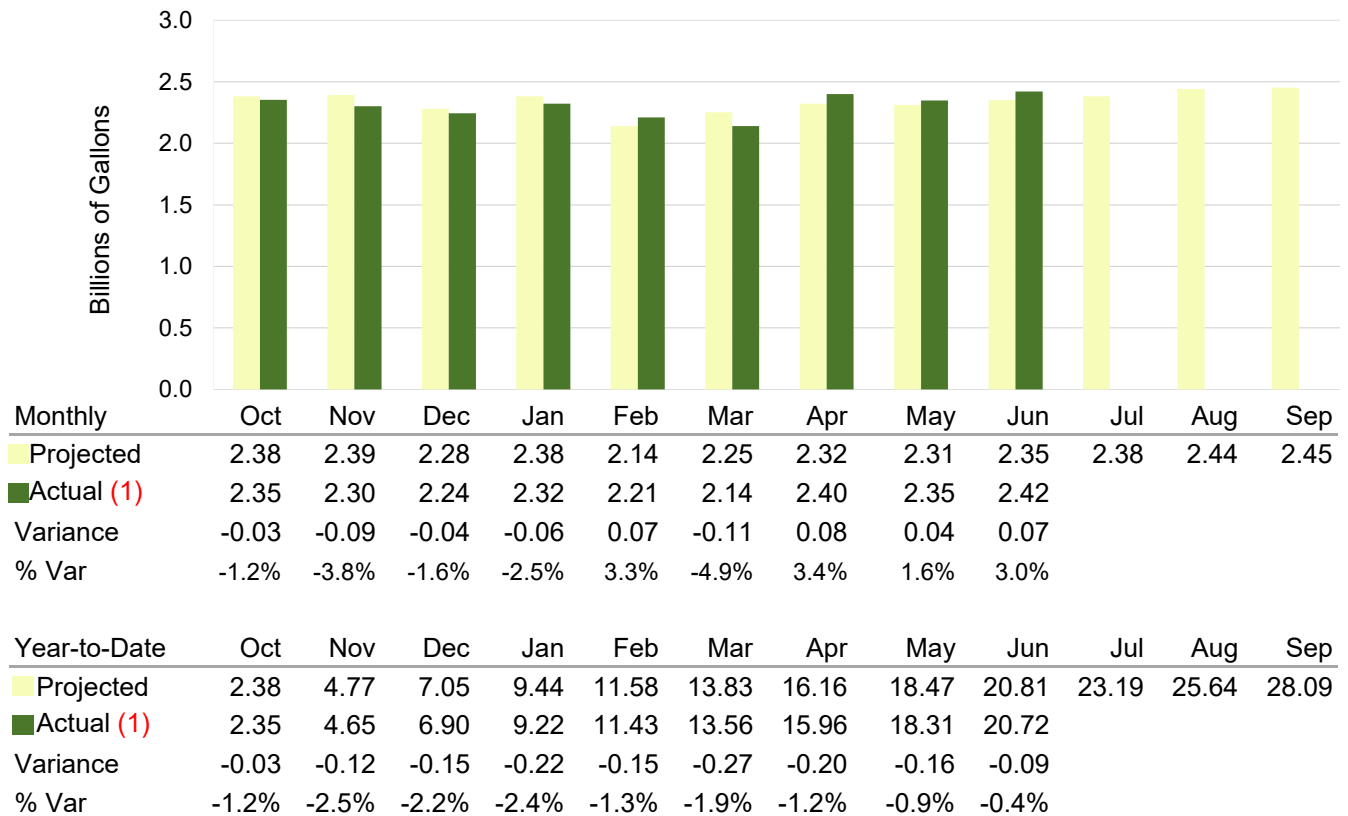


June's average residential billed consumption of 7,071 gallons exceeded projections by 1,371 gallons (24.1%).

(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

Monthly Billed Flows Projected vs. Actual



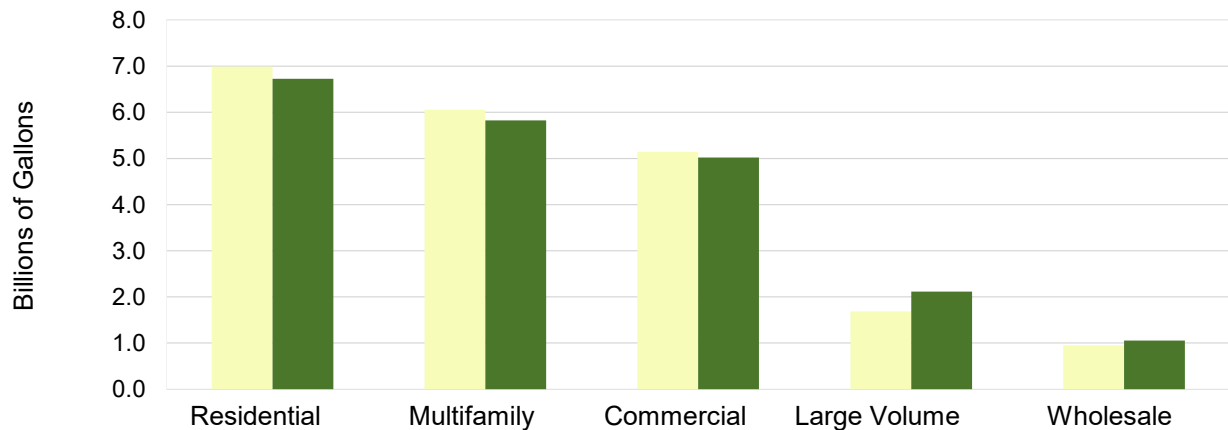
June 2018's billed flows totaled 2.42 BG, 0.07 BG (3%) greater than projected for the month. Year-to-date, billed flows of 20.72 BG were 0.09 BG (0.4%) lower than projected.

Wastewater bills are determined by each customer's actual water consumption for the month or the 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)

Year-to-Date Billed Flows by Customer Class Projected vs. Actual



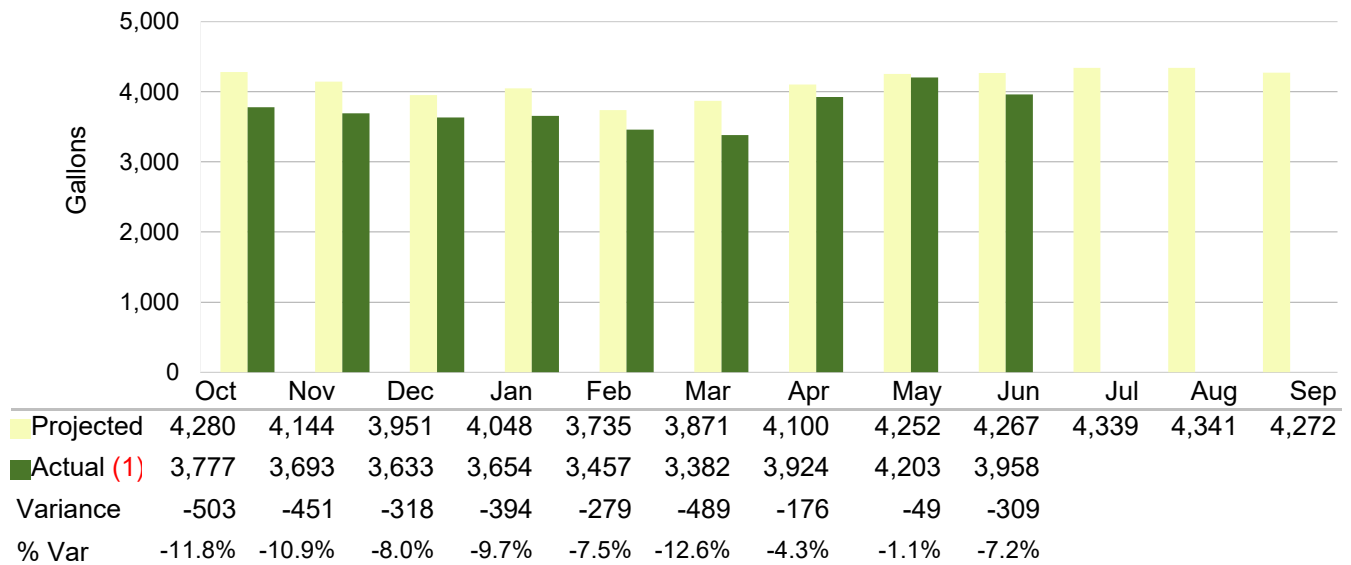
Projected	6.99	6.05	5.14	1.68	0.95
Actual (1)	6.72	5.82	5.02	2.11	1.05
Variance	-0.27	-0.23	-0.12	0.43	0.10
% Var	-3.9%	-3.9%	-2.5%	26.6%	11.4%

As shown in the table above, billed flows exceeded projections in the Large Volume and Wholesale classes by 26.6% and 11.4%, respectively. Other classes trailed projections, with the greatest negative percentage variance in the Multifamily & Residential classes (3.9%) each.

(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)

Average Inside-City Residential Wastewater Flows by Month Projected vs. Actual

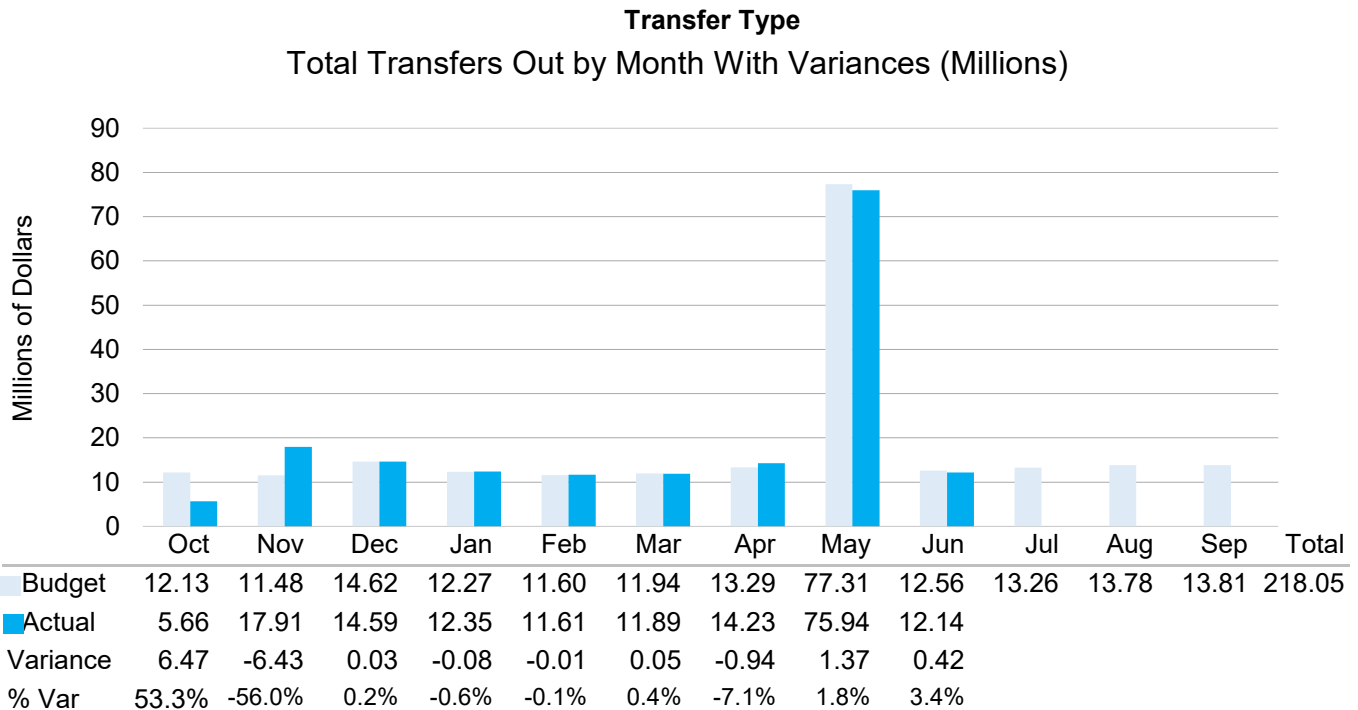
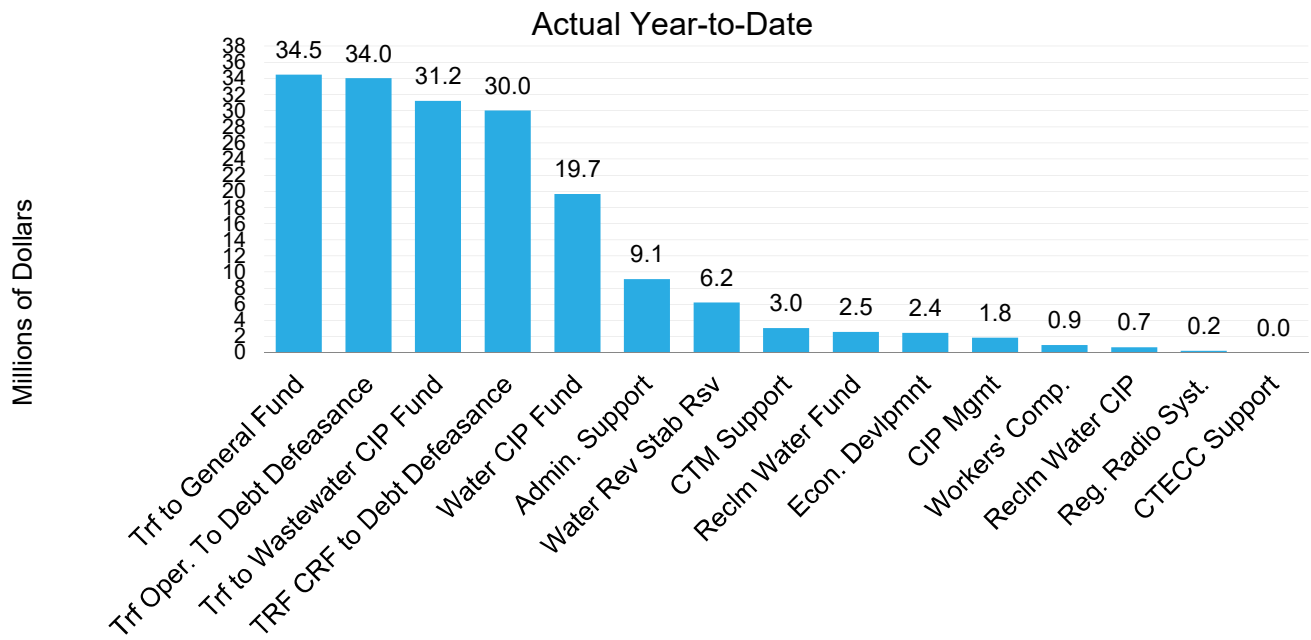


June's average residential billed flow of 3,958 gallons trailed projections by 309 gallons (7.2%).

<sup>(1)</sup> Please note that a restatement has been made to the actual flow data to reflect final adjustments made subsequent to close.

## **OTHER REPORTING**

## Transfers Out by Type



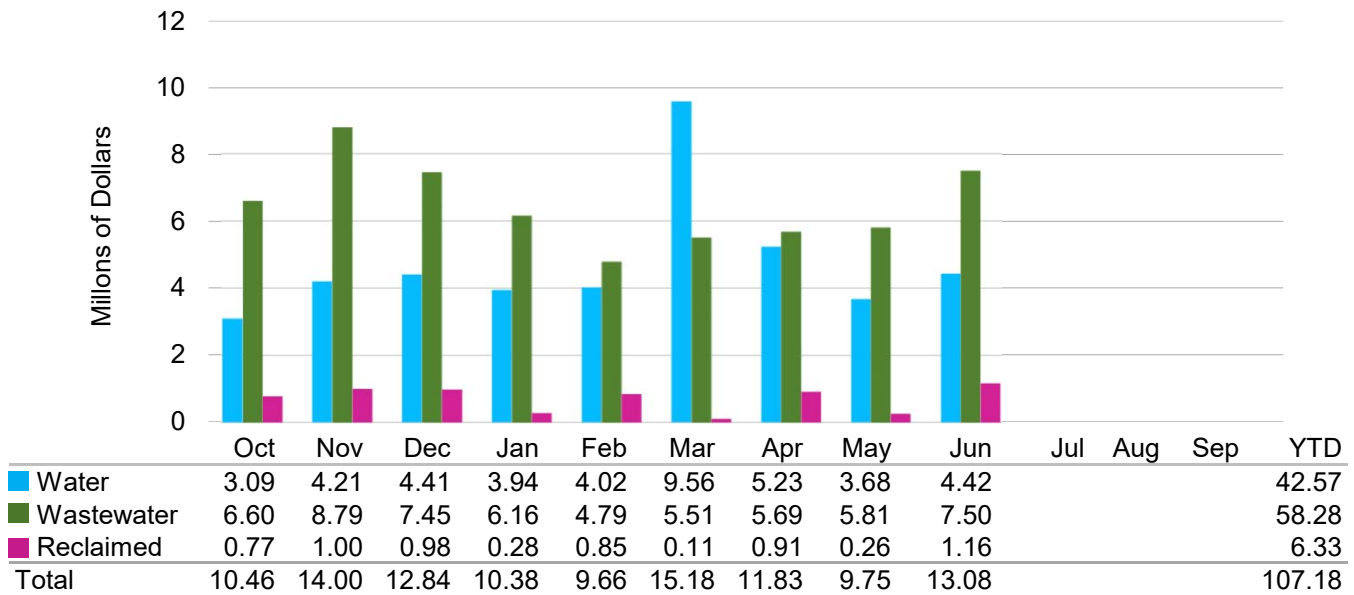
Transfers Out for the fiscal year through June 2018 totaled \$176.32 million, \$0.89 million less than allotments year-to-date.

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).

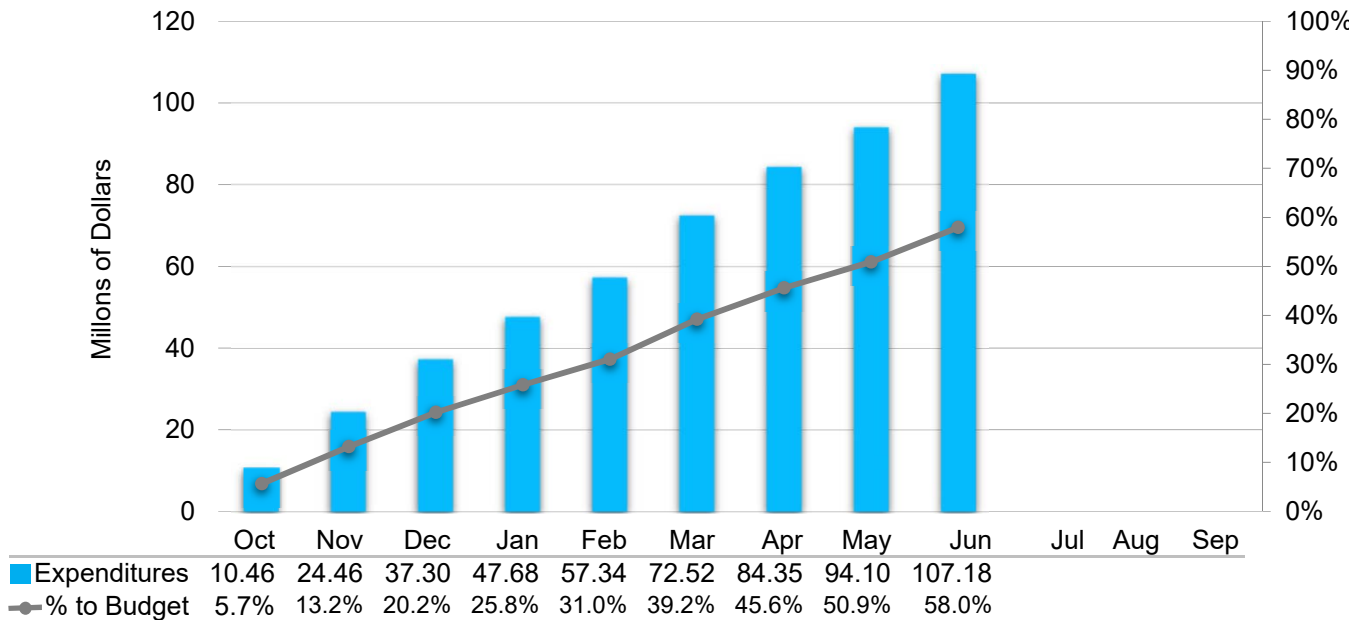


## CIP Expenditures

### Monthly Expenditures



### CIP Expenditures Year-to-Date vs. Budget

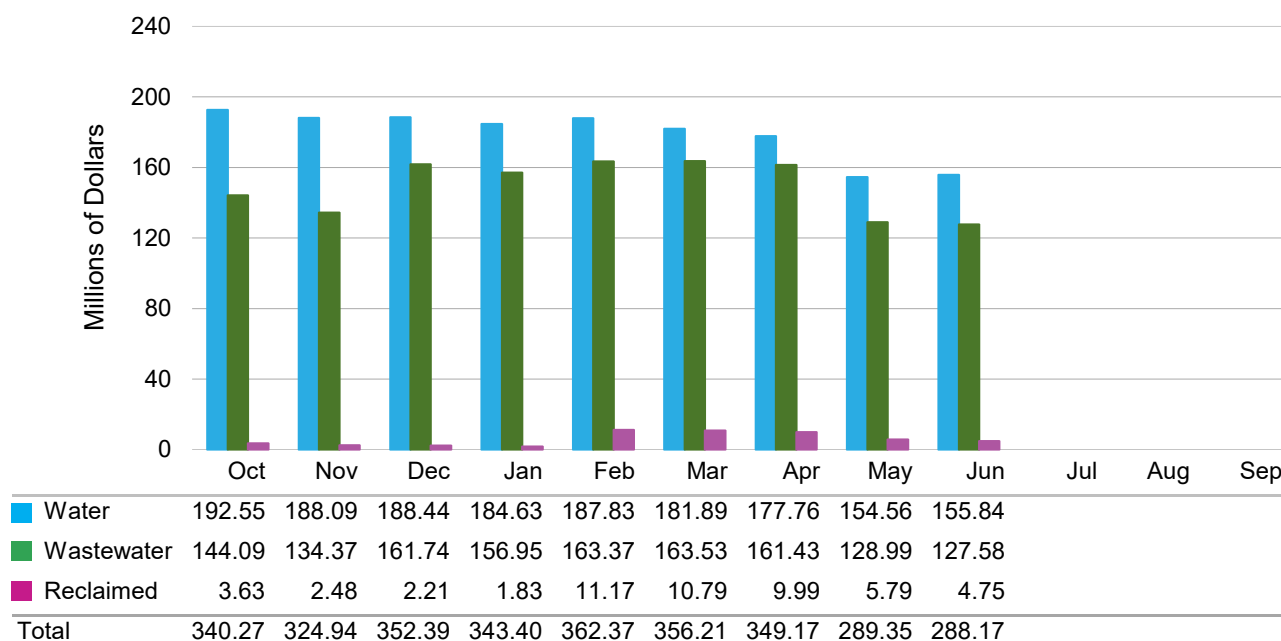


CIP expenditures for the fiscal year through June 2018 totaled \$42.57 million for water, \$58.28 million for wastewater, and \$6.33 million for reclaimed, for a combined total of \$107.18 million, or 58.0% of the FY 2017-18 CIP spending plan.

The approved CIP spending plan for FY 2017-18 was \$68.40 million for water, \$103.90 million for wastewater, and \$12.62 million for reclaimed for a combined total of \$184.92 million.

## Cash Balance

Cash Balance at Month End by Fund



Cash Balance at Month End

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Operating	220.63	204.39	197.79	190.98	185.58	182.05	174.94	150.35	153.84			
Capital Recovery Fee	34.68	36.88	38.92	40.99	43.92	46.21	49.57	21.69	24.21			
CIP	46.65	44.72	76.15	71.36	92.26	86.80	80.90	73.29	65.84			
Revenue Stability Rsrv	38.31	38.95	39.53	40.07	40.61	41.15	43.77	44.03	44.28			
Total	340.27	324.94	352.39	343.40	362.37	356.21	349.17	289.35	288.17			

At June close, combined cash balances for Water, Wastewater, and Reclaimed totaled \$288.17 million. The combined cash balance is made up of Operating, CIP, Capital Recovery Fee, and Revenue Stability Reserve Fund cash balances.

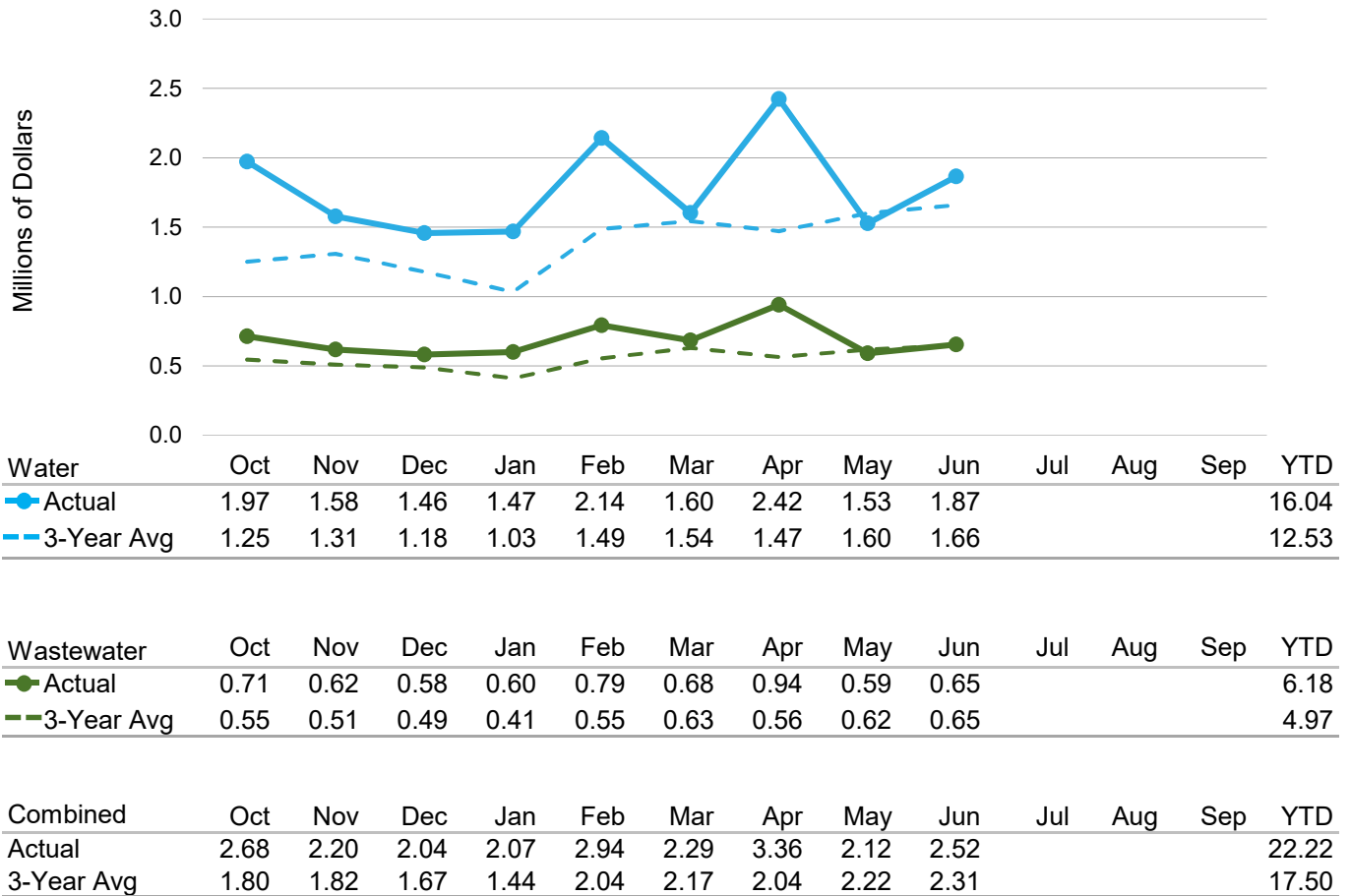
Combined Operating Cash Balances totaled \$153.84 million. Combined CIP Cash Balances totaled \$65.84 million. CIP cash balances may be kept negative to offset high operating balances as a cash management strategy to limit the amount of cash in all funds to a range determined by economic conditions. This delays the need to issue additional commercial paper to fund CIP projects. The Revenue Stability Reserve Fund totaled \$44.28 million.

Capital Recovery Fee (CRF) Cash Balances totaled \$24.21 million at the end of the month. AW primarily utilizes CRF revenues for debt defeasance, a component of the Utility's debt management strategy.

An exception to this policy was in May of 2018, where \$34 million of operating funds and \$30 million of CRF funds were transferred to defease debt.

# Capital Recovery Fee Collections

## CRF Collections by Month



During June 2018, Austin Water collected \$2.52 million in Capital Recovery Fees (CRF) and interest, with \$1.87 million for Water and \$0.65 million for Wastewater. For the fiscal year, Austin Water has collected \$22.22 million in CRFs.