



# FINANCIAL STATUS REPORT

For the Period Ending March 31, 2018





## MEMORANDUM

**To:** Greg Meszaros, Director, Austin Water  
**From:** David Anders, Assistant Director, Austin Water  
**Date:** April 10, 2018  
**Subject:** Financial Status Report for the Period Ended March 31, 2018

Attached is Austin Water's Financial Status Report. The combined fund balance at the end of March was \$189.45 million, or \$11.42 million more than projected, as detailed in the Executive Summary. The beginning balance was \$14.51 million more than projected, fiscal year requirements were \$5.97 million below budget, and revenues and transfers in were \$9.06 million below projections.

The Buchanan and Travis lake system is now 85% full at the end of March. The City remains in Conservation Stage water restrictions to conserve availability and protect the integrity of water supply. Water service revenues are \$3.26 million below projections, and wastewater service revenues are \$3.16 million below projections this fiscal year. The Executive Summary includes more discussion of revenue and requirements highlights.

Actual spending for operating requirements was below budget by \$4.76 million and spending for other requirements were below budget by \$0.06 million. Payments for debt service requirements were below budget by \$1.12 million, and transfers out were below budget by \$0.04 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 Canally, Interim Chief Financial Officer, Financial Services  
Assistant Directors, Austin Water  
Division Managers, Austin Water



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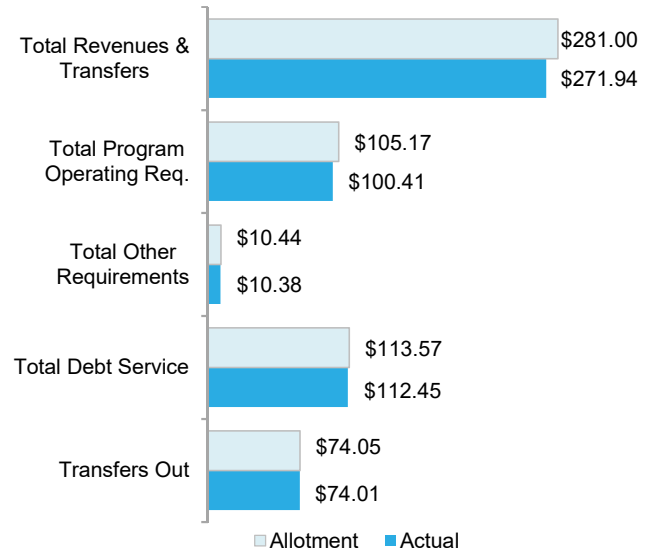
## Executive Summary

The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of March 31, 2018, was \$189.45 million. The combined balance was \$11.42 million more than projected for this date, as shown below:

	YTD Allotment	YTD Actual	Difference
Beginning Balance	200.25	214.76	14.51
Water Services	133.32	130.06	(3.26)
Wastewater Services	133.16	130.00	(3.16)
Reclaimed Services	0.85	0.75	(0.10)
Reserve Fund Surcharge	3.36	3.26	(0.10)
Other Revenues	5.00	6.09	1.09
Transfers In	5.30	1.77	(3.53)
Total Revenues & Transfers	281.00	271.94	(9.06)
Program Operating Req.	105.17	100.41	4.76
Other Requirements	10.44	10.38	0.06
Debt Service	113.57	112.45	1.12
Transfers Out	74.05	74.01	0.04
Total Revenue Requirements	303.22	297.25	5.97
Ending Balance	178.03	189.45	11.42
Debt Service Coverage	1.34	1.35	

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 \$271.94 million, \$9.06 million (3.2%) less than the allotment to date.

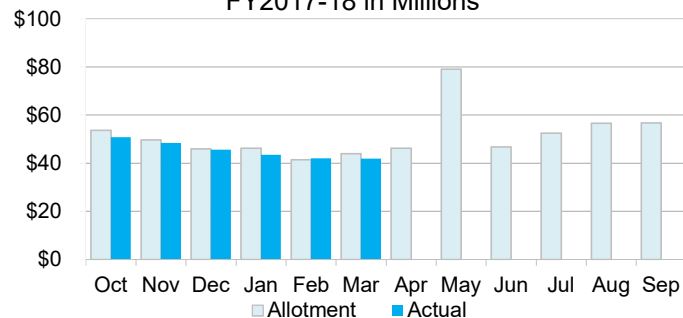
The following source has exceeded projections:

- Other revenues totaled \$6.09 million (21.9% above)

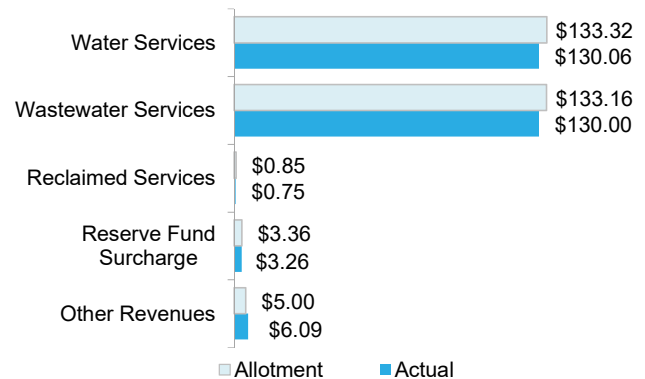
The following sources are below projections:

- Water service totaled \$130.06 million (2.4% below)
- Wastewater service totaled \$130.00 million (2.4% below)
- Reclaimed service totaled \$0.75 million (12.4% below)
- Reserve fund surcharges totaled \$3.26 million (3.0% below)
- Transfers In totaled \$1.77 million (66.5% below)

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



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



Water service revenue exceeded projections in the Wholesale and Large Volume classes by 21.4% and 19.9%, respectively. Other classes fell below projections.

Wastewater service revenue exceeded projections in the Wholesale and Large Volume classes by 47.8% and 20.9%, respectively. Other customer classes fell below projections.

March's total revenue and Transfers In of \$41.87 million was below projections by 4.8%.

## User Characteristics

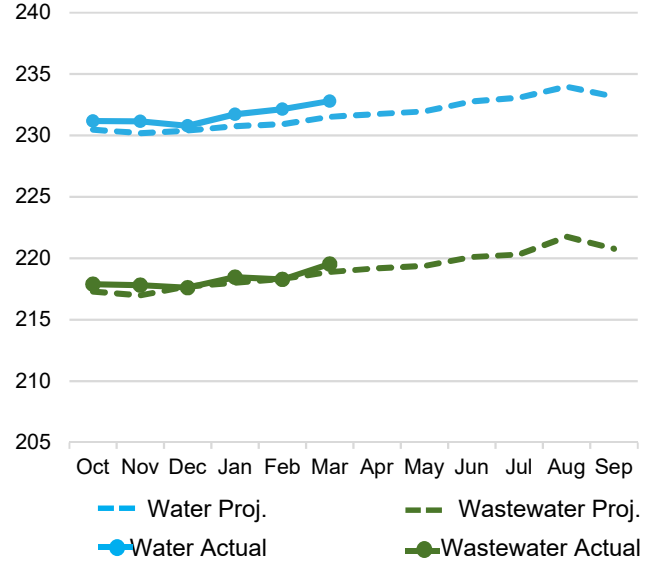
	Projected	Actual	Variance
Water Customers	231,519	232,799	1,280
Wastewater Customers	218,876	219,537	661
Monthly Pumpage	3.24	3.64	0.40
YTD Pumpage	19.67	21.51	1.84
Monthly Billed Use	2.87	2.66	(0.21)
YTD Billed Use	18.63	18.21	(0.42)
Monthly Influent Flow	3.77	3.26	(0.51)
YTD Influent Flow	21.18	17.88	(3.30)
Monthly Billed Flow	2.25	2.19	(0.06)
YTD Billed Flow	13.83	13.59	(0.24)

(Above in Billions of Gallons)

Avg. Residential Use (gal)	4,700	3,955	(745)
Avg. Residential Flow (gal)	3,871	3,307	(564)

### Number of Customers by Month

FY 2017-18 in Thousands



## Requirement Highlights

Total requirements for the fiscal year were \$297.25 million, \$5.97 million (2.0%) less than the allotment to date.

The following uses are below projections:

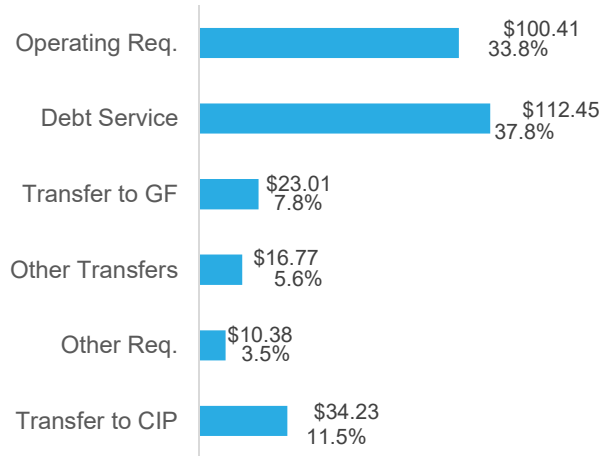
- Program operating requirements totaled \$100.41 million (4.5% below)
- Other requirements totaled \$10.38 million (0.6% below)
- Debt service requirements totaled \$112.45 million (1.0% below)

The following use was consistent with projections:

- Transfers out to Capital Improvement Projects, the General Fund, Debt Defeasances, and Other Uses totaled \$74.01 million

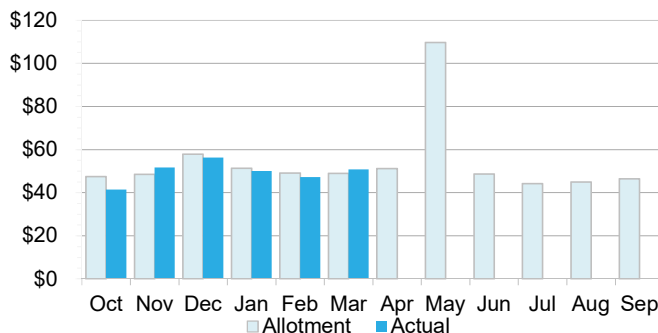
### Total Requirements by Type

FY 2017-18 in Millions



### Total Requirements by Month

FY 2017-18 in Millions



Lower than projected expenditures in Operations, Engineering Services, Environmental Affairs & Conservation, Other Utility Program Requirements, and Water Resource Management more than offset greater than anticipated expenditures in the Support Services program.

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

Total Requirements of \$50.77 million for the month were \$1.83 million, or 3.7% more than the budget allotment.

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

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>BEGINNING BALANCE</b>	200,254,074	200,254,074	200,254,074	0	214,760,138	14,506,064	7.2%
<b>REVENUE</b>							
Water Revenue	297,299,813	290,198,285	133,316,550	18,796,570	130,057,507	(3,259,043)	-2.4%
Wastewater Revenue	269,302,437	264,760,610	133,160,898	21,103,345	130,004,284	(3,156,613)	-2.4%
Reserve Fund Surcharge	7,385,497	7,385,497	3,362,462	487,547	3,260,151	(102,311)	-3.0%
Other Revenue	6,043,360	6,043,360	3,023,784	392,928	2,313,387	(710,397)	-23.5%
Reclaimed Revenue	1,895,166	1,895,166	851,368	98,949	745,385	(105,983)	-12.4%
Interest	1,127,380	1,127,380	563,688	488,450	2,301,316	1,737,628	308.3%
Public Health Licenses, Permits, Inspections	642,400	642,400	321,198	53,579	377,127	55,929	17.4%
Other Fines	616,800	616,800	308,400	57,725	269,275	(39,125)	-12.7%
Miscellaneous Franchise Fees	93,000	93,000	46,500	0	64,092	17,592	37.8%
Building Rental/Lease	114,500	114,500	57,252	0	60,335	3,083	5.4%
Land & Infrastructure Rental/Lease	67,000	67,000	33,498	11,000	38,500	5,002	14.9%
Scrap Sales	42,700	42,700	21,354	4,188	29,903	8,549	40.0%
Development Fees	1,257,100	1,257,100	626,448	88,094	644,313	17,865	2.9%
Parking Revenue	0	0	0	32	129	129	0.0%
<b>Total Revenue</b>	<b>585,887,153</b>	<b>574,243,798</b>	<b>275,693,400</b>	<b>41,582,407</b>	<b>270,165,706</b>	<b>(5,527,694)</b>	<b>-2.0%</b>
<b>TRANSFERS IN</b>							
CIP	27,573,000	27,573,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	6,850,511	6,850,511	3,425,256	0	0	(3,425,256)	-100.0%
Austin Water Utility	3,400,000	3,400,000	1,699,998	283,335	1,699,990	(8)	0.0%
Support Services/Infrastructure Funds	300,582	300,582	150,288	0	75,000	(75,288)	-50.1%
Austin Resource Recovery Fund	53,334	53,334	26,670	0	0	(26,670)	-100.0%
General Fund	0	0	0	0	0	0	0.0%
<b>Total Transfers In</b>	<b>38,177,427</b>	<b>38,177,427</b>	<b>5,302,212</b>	<b>283,335</b>	<b>1,774,990</b>	<b>(3,527,222)</b>	<b>-66.5%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>624,064,580</b>	<b>612,421,225</b>	<b>280,995,612</b>	<b>41,865,742</b>	<b>271,940,696</b>	<b>(9,054,916)</b>	<b>-3.2%</b>
<b>PROGRAM REQUIREMENTS</b>							
Operations	134,746,425	134,864,305	66,115,983	12,061,068	63,986,111	2,129,872	3.2%
Support Services	29,241,114	29,153,234	14,757,008	2,004,253	14,971,394	(214,386)	-1.5%
Other Utility Program Requirements	11,214,618	11,184,618	6,003,643	641,602	4,072,958	1,930,685	32.2%
Environmental Affairs & Conservation	12,392,708	12,392,708	6,701,374	924,811	6,555,992	145,382	2.2%
Engineering Services	12,943,002	12,943,002	6,651,842	934,719	6,521,745	130,097	2.0%
Water Resources Management	9,129,340	9,129,340	4,641,746	615,545	4,037,804	603,942	13.0%
One Stop Shop	0	0	0	0	0	0	0.0%
Reclaimed Water Services	591,699	591,699	294,402	41,420	265,058	29,344	10.0%
<b>Total Program Requirements</b>	<b>210,258,906</b>	<b>210,258,906</b>	<b>105,165,997</b>	<b>17,223,417</b>	<b>100,411,062</b>	<b>4,754,936</b>	<b>4.5%</b>
<b>OTHER REQUIREMENTS</b>							
Utility Billing System Support	20,566,947	20,566,947	10,341,961	1,713,912	10,283,473	58,487	0.6%
Market Study Adjustment	0	0	0	0	0	0	0.0%
Accrued Payroll	297,236	297,236	0	0	0	0	0.0%
Interdepartmental Charges	112,760	112,760	56,365	9,400	56,360	5	0.0%
Trf to PID Fund	75,000	75,000	37,500	6,250	37,500	0	0.0%
Services-PID contract expense	0	0	0	0	0	0	0.0%
Compensation Adjustment	0	0	0	0	0	0	0.0%
<b>Total Other Requirements</b>	<b>21,051,943</b>	<b>21,051,943</b>	<b>10,435,826</b>	<b>1,729,562</b>	<b>10,377,333</b>	<b>58,492</b>	<b>0.6%</b>
<b>DEBT SERVICE REQUIREMENTS</b>							
Trf to Util D/S Separate Lien	132,503,838	129,525,425	62,733,865	8,946,680	61,586,407	1,147,458	1.8%
Trf to Utility D/S Prior Lien	56,658,374	56,658,374	42,664,250	9,339,691	42,688,576	(24,326)	-0.1%
Trf to Utility D/S Sub Lien	9,076,100	9,076,100	6,486,150	1,403,809	6,489,931	(3,781)	-0.1%
Trf to GO Debt Service	2,868,844	2,868,844	1,434,421	0	1,437,432	(3,011)	-0.2%
Trf to Util D/S Tax/Rev Bonds	648,483	648,483	190,820	208,360	208,360	(17,540)	-9.2%
Commercial paper interest	125,355	125,355	62,676	29,438	37,090	25,586	40.8%
<b>Total Debt Service Requirements</b>	<b>201,880,994</b>	<b>198,902,581</b>	<b>113,572,182</b>	<b>19,927,979</b>	<b>112,447,796</b>	<b>1,124,386</b>	<b>1.0%</b>

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

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>TRANSFERS OUT</b>							
Trf to General Fund	45,914,379	45,914,379	23,009,319	3,817,510	23,009,319	0	0.0%
Trf to Wastewater CIP Fund	42,000,000	42,000,000	20,768,000	3,351,000	20,768,000	0	0.0%
Trf to Water CIP Fund	29,000,000	29,000,000	13,010,000	1,965,000	13,010,000	0	0.0%
TRF CRF to Debt Defeasance	27,573,000	27,573,000	0	0	0	0	0.0%
TRF Operating to Debt Defeasance	0	9,566,159	0	0	0	0	0.0%
Administrative Support	12,122,210	12,122,210	6,118,820	1,000,565	6,118,820	0	0.0%
Trf to Water Revenue Stab Rsv	9,385,497	9,385,497	3,362,462	487,547	3,260,151	102,311	3.0%
CTM Support	4,029,576	4,029,576	2,016,186	335,565	2,016,186	0	0.0%
Trf to Reclaimed Water Fund	3,400,000	3,400,000	1,699,990	283,335	1,699,990	0	0.0%
Trf to Economic Development	3,233,332	3,233,332	1,623,142	268,365	1,623,142	0	0.0%
Trf to Reclaimed Water CIP Fnd	1,000,000	1,000,000	449,000	65,000	449,000	0	0.0%
Trf to CIP Mgm - CPM (5460)	2,407,858	2,407,858	1,203,958	189,510	1,270,798	(66,840)	-5.6%
Workers' Compensation	1,254,566	1,254,566	627,266	104,550	627,266	0	0.0%
Regional Radio System	293,217	293,217	146,607	24,435	146,607	0	0.0%
CTECC Support	11,774	11,774	11,774	0	11,774	0	0.0%
Liability Reserve	0	0	0	0	0	0	0.0%
Trf to CTECC Fund	0	0	0	0	0	0	0.0%
Trf to Support Services Fund	0	0	0	0	0	0	0.0%
Trf to Wireless Communication	0	0	0	0	0	0	0.0%
Trf to Environmental Rmdn Fund	0	0	0	0	0	0	0.0%
<b>Total Transfers Out</b>	<b>181,625,409</b>	<b>191,191,568</b>	<b>74,046,524</b>	<b>11,892,382</b>	<b>74,011,053</b>	<b>35,471</b>	<b>0.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>614,817,252</b>	<b>621,404,998</b>	<b>303,220,529</b>	<b>50,773,340</b>	<b>297,247,245</b>	<b>5,973,284</b>	<b>2.0%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	9,247,328	(8,983,773)	(22,224,918)	(8,907,599)	(25,306,549)	(3,081,632)	-13.9%
<b>ADJUSTMENT TO GAAP</b>	0	0	0	0	0	0	
<b>ENDING BALANCE</b>	<b>209,501,402</b>	<b>191,270,301</b>	<b>178,029,156</b>		<b>189,453,589</b>	<b>11,424,432</b>	<b>6.4%</b>

Note: Numbers may not add due to rounding.

**DEBT SERVICE COVERAGE RATIO**

1.69

1.65

1.35

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

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>BEGINNING BALANCE</b>	98,407,343	98,407,343	98,407,343	-	111,644,872	13,237,529	13.5%
<b>REVENUE</b>							
Water Revenue	297,299,813	290,198,285	133,316,550	18,796,570	130,057,507	(3,259,043)	-2.4%
Reserve Fund Surcharge	7,385,497	7,385,497	3,362,462	487,547	3,260,151	(102,311)	-3.0%
Other Revenue	3,063,512	3,063,512	1,531,758	157,541	850,205	(681,553)	-44.5%
Development Fees	1,252,900	1,252,900	626,448	87,866	642,874	16,426	2.6%
Other Fines	616,800	616,800	308,400	57,725	269,275	(39,125)	-12.7%
Interest	492,028	492,028	246,012	245,600	1,185,928	939,916	382.1%
Miscellaneous Franchise Fees	76,300	76,300	38,148	0	64,092	25,944	68.0%
Land & Infrastructure Rental/Lease	67,000	67,000	33,498	11,000	38,500	5,002	14.9%
Building Rental/Lease	57,500	57,500	28,752	0	30,168	1,416	4.9%
Public Health Licenses, Permits, Inspections	46,400	46,400	23,202	5,683	33,055	9,853	42.5%
Scrap Sales	27,200	27,200	13,602	2,094	14,952	1,350	9.9%
Parking Revenue	0	0	0	32	129	129	0.0%
<b>Total Revenue</b>	<b>310,384,950</b>	<b>303,283,422</b>	<b>139,528,832</b>	<b>19,851,658</b>	<b>136,446,836</b>	<b>(3,081,996)</b>	<b>-2.2%</b>
<b>TRANSFERS IN</b>							
CIP	19,973,000	19,973,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	4,048,009	4,048,009	2,024,004	0	0	(2,024,004)	-100.0%
Support Services/Infrastructure Funds	150,291	150,291	75,144	0	37,500	(37,644)	-50.1%
General Fund	0	0	0	0	0	0	0.0%
<b>Total Transfers In</b>	<b>24,171,300</b>	<b>24,171,300</b>	<b>2,099,148</b>	<b>0</b>	<b>37,500</b>	<b>(2,061,648)</b>	<b>-98.2%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>334,556,250</b>	<b>327,454,722</b>	<b>141,627,980</b>	<b>19,851,658</b>	<b>136,484,336</b>	<b>(5,143,644)</b>	<b>-3.6%</b>
<b>PROGRAM REQUIREMENTS</b>							
Operations	71,523,429	71,581,709	35,276,517	5,711,525	32,847,250	2,429,268	6.9%
Support Services	14,781,305	14,738,025	7,396,470	968,293	7,479,791	(83,321)	-1.1%
Environmental Affairs & Conservation	9,055,473	9,055,473	4,929,147	658,922	5,032,964	(103,818)	-2.1%
Other Utility Program Requirements	5,828,252	5,813,252	2,759,978	348,177	2,027,980	731,998	26.5%
Engineering Services	5,050,457	5,050,457	1,866,894	285,583	1,747,031	119,862	6.4%
Water Resources Management	4,273,293	4,273,293	2,147,148	260,537	1,874,717	272,431	12.7%
<b>Total Program Requirements</b>	<b>110,512,209</b>	<b>110,512,209</b>	<b>54,376,154</b>	<b>8,233,038</b>	<b>51,009,733</b>	<b>3,366,421</b>	<b>6.2%</b>
<b>OTHER REQUIREMENTS</b>							
Utility Billing System Support	12,953,273	12,953,273	6,523,013	1,079,439	6,476,637	46,377	0.7%
Accrued Payroll	151,150	151,150	0	0	0	0	0.0%
Interdepartmental Charges	56,380	56,380	28,183	4,700	28,180	3	0.0%
Trf to PID Fund	37,500	37,500	18,750	3,125	18,750	0	0.0%
<b>Total Other Requirements</b>	<b>13,198,303</b>	<b>13,198,303</b>	<b>6,569,946</b>	<b>1,087,264</b>	<b>6,523,567</b>	<b>46,379</b>	<b>0.7%</b>
<b>DEBT SERVICE REQUIREMENTS</b>							
Trf to Util D/S Separate Lien	72,226,776	70,352,883	35,183,805	5,089,961	34,283,735	900,070	2.6%
Tfr to Utility D/S Prior Lien	27,248,800	27,248,800	20,475,500	4,520,457	20,487,063	(11,563)	-0.1%
Tfr to Utility D/S Sub Lien	5,075,700	5,075,700	3,651,600	793,488	3,653,789	(2,189)	-0.1%
Trf to GO Debt Service	1,327,428	1,327,428	663,714	0	666,724	(3,010)	-0.5%
Tfr to Util D/S Tax/Rev Bonds	239,965	239,965	70,611	79,686	79,686	(9,075)	-12.9%
Commercial paper interest	69,423	69,423	34,710	11,767	14,712	19,998	57.6%
<b>Total Debt Service Requirements</b>	<b>106,188,092</b>	<b>104,314,199</b>	<b>60,079,940</b>	<b>10,495,359</b>	<b>59,185,709</b>	<b>894,231</b>	<b>1.5%</b>



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

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>TRANSFERS OUT</b>							
Trf to Water CIP Fund	29,000,000	29,000,000	13,010,000	1,965,000	13,010,000	0	0.0%
Trf to General Fund	24,538,645	24,538,645	12,269,305	2,044,890	12,269,305	0	0.0%
TRF CRF to Debt Defeasance	19,973,000	19,973,000	0	0	0	0	0.0%
TRF Operating to Debt Defeasance	0	6,825,455	0	0	0	0	0.0%
Trf to Water Revenue Stab Rsv	9,385,497	9,385,497	3,362,462	487,547	3,260,151	102,311	3.0%
Administrative Support	6,926,977	6,926,977	3,463,477	577,250	3,463,477	0	0.0%
Trf to Reclaimed Water Fund	2,550,000	2,550,000	1,275,000	212,500	1,275,000	0	0.0%
CTM Support	2,032,486	2,032,486	1,016,236	169,375	1,016,236	0	0.0%
Trf to Economic Development	1,710,432	1,710,432	855,222	142,535	855,222	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,123,401	1,123,401	561,711	93,615	561,711	0	0.0%
Workers' Compensation	627,283	627,283	313,633	52,275	313,633	0	0.0%
Regional Radio System	293,217	146,609	146,607	24,435	146,607	0	0.0%
CTECC Support	5,887	5,887	5,887	0	5,887	0	0.0%
<b>Total Transfers Out</b>	<b>98,166,825</b>	<b>104,845,672</b>	<b>36,279,540</b>	<b>5,769,422</b>	<b>36,177,229</b>	<b>102,311</b>	<b>0.3%</b>
<b>TOTAL REQUIREMENTS</b>	<b>328,065,429</b>	<b>332,870,383</b>	<b>157,305,580</b>	<b>25,585,083</b>	<b>152,896,237</b>	<b>4,409,342</b>	<b>2.8%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	6,490,821	(5,415,661)	(15,677,600)	(5,733,426)	(16,411,901)	(734,302)	-4.7%
<b>ADJUSTMENT TO GAAP</b>	0	0	0	0	0	0	0.0%
<b>ENDING BALANCE</b>	<b>104,898,164</b>	<b>92,991,682</b>	<b>82,729,743</b>		<b>95,232,971</b>	<b>12,503,227</b>	<b>15.1%</b>
<i>Note: Numbers may not add due to rounding.</i>							
<b>DEBT SERVICE COVERAGE RATIO</b>	1.68	1.64			1.26		

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

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>BEGINNING BALANCE</b>	100,522,211	100,522,211	100,522,211	-	102,137,960	1,615,749	1.6%
<b>REVENUE</b>							
Wastewater Revenue	269,302,437	264,760,610	133,160,898	21,103,345	130,004,284	(3,156,613)	-2.4%
Other Revenue	2,979,848	2,979,848	1,492,026	235,386	1,463,181	(28,845)	-1.9%
Interest	618,454	618,454	309,228	235,005	1,092,091	782,863	253.2%
Public Health Licenses, Permits, Inspections	596,000	596,000	297,996	47,896	344,072	46,076	15.5%
Building Rental/Lease	57,000	57,000	28,500	0	30,168	1,668	5.9%
Miscellaneous Franchise Fees	16,700	16,700	8,352	0	0	(8,352)	-100.0%
Scrap Sales	15,500	15,500	7,752	2,094	14,952	7,200	92.9%
Development Fees	4,200	4,200	0	228	1,439	1,439	0.0%
<b>Total Revenue</b>	<b>273,590,139</b>	<b>269,048,312</b>	<b>135,304,752</b>	<b>21,623,955</b>	<b>132,950,188</b>	<b>(2,354,564)</b>	<b>-1.7%</b>
<b>TRANSFERS IN</b>							
CIP	7,600,000	7,600,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	2,802,502	2,802,502	1,401,252	0	0	(1,401,252)	-100.0%
Support Services/Infrastructure Funds	150,291	150,291	75,144	0	37,500	(37,644)	-50.1%
Austin Resource Recovery Fund	53,334	53,334	26,670	0	0	(26,670)	-100.0%
<b>Total Transfers In</b>	<b>10,606,127</b>	<b>10,606,127</b>	<b>1,503,066</b>	<b>0</b>	<b>37,500</b>	<b>(1,465,566)</b>	<b>-97.5%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>284,196,266</b>	<b>279,654,439</b>	<b>136,807,818</b>	<b>21,623,955</b>	<b>132,987,688</b>	<b>(3,820,130)</b>	<b>-2.8%</b>
<b>PROGRAM REQUIREMENTS</b>							
Operations	63,222,996	63,282,596	30,839,466	6,349,543	31,138,862	(299,396)	-1.0%
Support Services	14,459,809	14,415,209	7,360,537	1,035,959	7,491,603	(131,066)	-1.8%
Engineering Services	7,892,545	7,892,545	4,784,948	649,135	4,774,713	10,235	0.2%
Other Utility Program Requirements	5,358,190	5,343,190	3,234,667	288,245	2,033,059	1,201,608	37.1%
Water Resources Management	4,856,047	4,856,047	2,494,598	355,007	2,163,087	331,511	13.3%
Environmental Affairs & Conservation	3,337,235	3,337,235	1,772,227	265,889	1,523,027	249,200	14.1%
<b>Total Program Requirements</b>	<b>99,126,822</b>	<b>99,126,822</b>	<b>50,486,443</b>	<b>8,943,779</b>	<b>49,124,351</b>	<b>1,362,093</b>	<b>2.7%</b>
<b>OTHER REQUIREMENTS</b>							
Utility Billing System Support	7,613,674	7,613,674	3,818,947	634,473	3,806,837	12,111	0.3%
Accrued Payroll	145,040	145,040	0	0	0	0	0.0%
Interdepartmental Charges	56,380	56,380	28,183	4,700	28,180	3	0.0%
Trf to PID Fund	37,500	37,500	18,750	3,125	18,750	0	0.0%
<b>Total Other Requirements</b>	<b>7,852,594</b>	<b>7,852,594</b>	<b>3,865,880</b>	<b>642,298</b>	<b>3,853,767</b>	<b>12,113</b>	<b>0.3%</b>
<b>DEBT SERVICE REQUIREMENTS</b>							
Trf to Util D/S Separate Lien	58,254,809	57,150,289	26,536,220	3,601,977	25,813,528	722,693	2.7%
Tfr to Utility D/S Prior Lien	29,409,574	29,409,574	22,188,750	4,819,234	22,201,513	(12,763)	-0.1%
Tfr to Utility D/S Sub Lien	4,000,400	4,000,400	2,834,550	610,322	2,836,143	(1,593)	-0.1%
Trf to GO Debt Service	1,541,416	1,541,416	770,707	0	770,708	(1)	0.0%
Tfr to Util D/S Tax/Rev Bonds	408,518	408,518	120,209	128,674	128,674	(8,465)	-7.0%
Commercial paper interest	8,512	8,512	4,254	17,672	22,378	(18,124)	-426.0%
<b>Total Debt Service Requirements</b>	<b>93,623,229</b>	<b>92,518,709</b>	<b>52,454,690</b>	<b>9,177,879</b>	<b>51,772,943</b>	<b>681,747</b>	<b>1.3%</b>

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

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>TRANSFERS OUT</b>							
Trf to Wastewater CIP Fund	42,000,000	42,000,000	20,768,000	3,351,000	20,768,000	0	0.0%
Trf to General Fund	21,271,435	21,271,435	10,635,715	1,772,620	10,635,715	0	0.0%
TRF CRF to Debt Defeasance	7,600,000	7,600,000	0	0	0	0	0.0%
TRF Operating to Debt Defeasance	0	2,740,704	0	0	0	0	0.0%
Administrative Support	5,079,783	5,079,783	2,539,893	423,315	2,539,893	0	0.0%
CTM Support	1,994,262	1,994,262	997,122	166,190	997,122	0	0.0%
Trf to Economic Development	1,509,967	1,509,967	754,987	125,830	754,987	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,150,750	1,150,750	575,380	95,895	575,380	0	0.0%
Trf to Reclaimed Water Fund	850,000	850,000	424,990	70,835	424,990	0	0.0%
Workers' Compensation	627,283	627,283	313,633	52,275	313,633	0	0.0%
CTECC Support	5,887	5,887	5,887	0	5,887	0	0.0%
Regional Radio System	0	146,608	0	0	0	0	0.0%
<b>Total Transfers Out</b>	<b>82,089,367</b>	<b>84,976,679</b>	<b>37,015,607</b>	<b>6,057,960</b>	<b>37,015,607</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL REQUIREMENTS</b>	<b>282,692,012</b>	<b>284,474,804</b>	<b>143,822,620</b>	<b>24,821,916</b>	<b>141,766,667</b>	<b>2,055,953</b>	<b>1.4%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL</b>	1,504,254	(4,820,365)	(7,014,803)	(3,197,962)	(8,778,980)	(1,764,177)	-25.1%
<b>ADJUSTMENT TO GAAP</b>	0	0	0	0	0	0	0.0%
<b>ENDING BALANCE</b>	<b>102,026,465</b>	<b>95,701,846</b>	<b>93,507,408</b>		<b>93,358,980</b>	<b>(148,428)</b>	<b>-0.2%</b>
<i>Note: Numbers may not add due to rounding.</i>							
<b>DEBT SERVICE COVERAGE RATIO</b>	1.72	1.69			1.49		

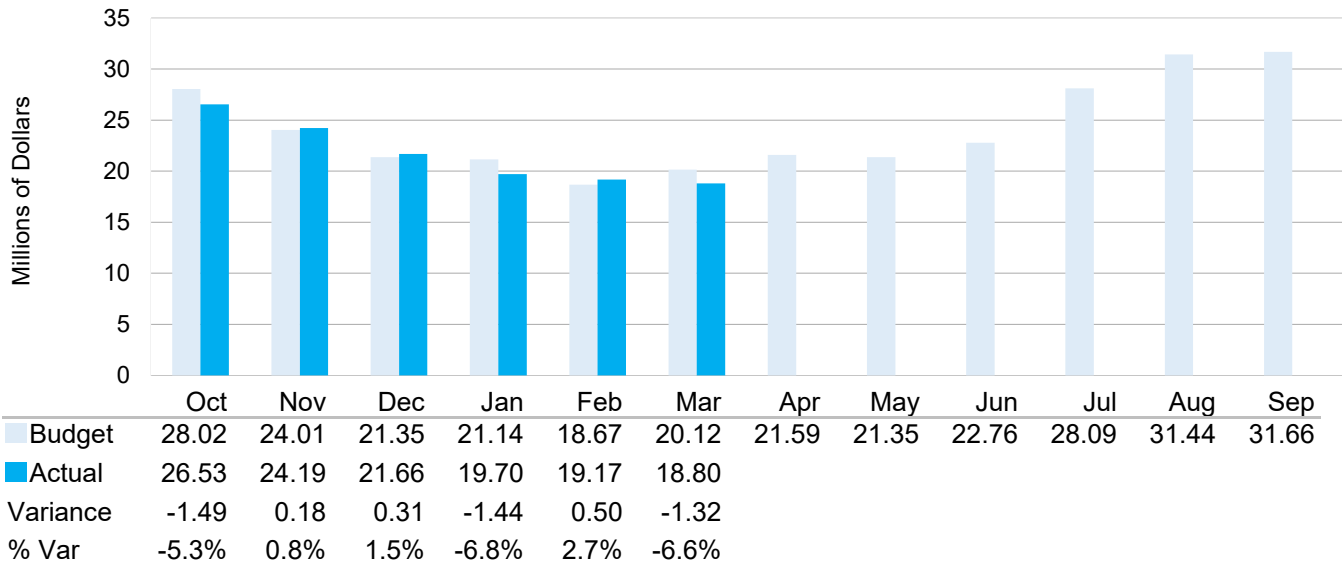
**City of Austin, Texas**  
**Austin Water**  
**FUND SUMMARY - RECLAIMED**  
**As of March 2018**

	2017-18 APPROVED	2017-18 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
<b>BEGINNING BALANCE</b>	1,324,520	1,324,520	1,324,520	0	977,306	(347,214)	-26.2%
<b>REVENUE</b>							
Reclaimed Services	1,895,166	1,895,166	851,368	98,949	745,385	(105,983)	-12.4%
Interest	16,898	16,898	8,448	7,845	23,297	14,849	175.8%
Other Revenue	0	0	0	0	0	0	0.0%
<b>Total Revenue</b>	<b>1,912,064</b>	<b>1,912,064</b>	<b>859,816</b>	<b>106,794</b>	<b>768,682</b>	<b>(91,134)</b>	<b>-10.6%</b>
<b>TRANSFERS IN</b>							
Austin Water Utility	3,400,000	3,400,000	1,699,998	283,335	1,699,990	(8)	0.0%
<b>Total Transfers In</b>	<b>3,400,000</b>	<b>3,400,000</b>	<b>1,699,998</b>	<b>283,335</b>	<b>1,699,990</b>	<b>(8)</b>	<b>0.0%</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>5,312,064</b>	<b>5,312,064</b>	<b>2,559,814</b>	<b>390,129</b>	<b>2,468,672</b>	<b>(91,142)</b>	<b>-3.6%</b>
<b>PROGRAM REQUIREMENTS</b>							
Reclaimed Water Services	591,699	591,699	294,402	41,420	265,058	29,344	10.0%
Other Utility Program Requirements	28,176	28,176	8,998	5,180	11,920	(2,922)	-32.5%
<b>Total Program Requirements</b>	<b>619,875</b>	<b>619,875</b>	<b>303,400</b>	<b>46,600</b>	<b>276,978</b>	<b>26,422</b>	<b>8.7%</b>
<b>OTHER REQUIREMENTS</b>							
Accrued Payroll	1,046	1,046	0	0	0	0	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>DEBT SERVICE REQUIREMENTS</b>							
Trf to Util D/S Separate Lien	2,022,253	2,022,253	1,013,840	254,741	1,489,145	(475,305)	-46.9%
Commercial paper interest	47,420	47,420	23,712	0	0	23,712	100.0%
<b>Total Debt Service Requirements</b>	<b>2,069,673</b>	<b>2,069,673</b>	<b>1,037,552</b>	<b>254,741</b>	<b>1,489,145</b>	<b>(451,593)</b>	<b>-43.5%</b>
<b>TRANSFERS OUT</b>							
Trf to Reclaimed Water CIP Fnd	1,000,000	1,000,000	449,000	65,000	449,000	0	0.0%
Administrative Support	115,450	115,450	115,450	0	115,450	0	0.0%
Trf to General Fund	104,299	104,299	104,299	0	104,299	0	0.0%
Trf to CIP Mgm - CPM (5460)	133,707	133,707	66,867	0	133,707	(66,840)	-100.0%
Trf to Economic Development	12,933	12,933	12,933	0	12,933	0	0.0%
CTM Support	2,828	2,828	2,828	0	2,828	0	0.0%
<b>Total Transfers Out</b>	<b>1,369,217</b>	<b>1,369,217</b>	<b>751,377</b>	<b>65,000</b>	<b>818,217</b>	<b>(66,840)</b>	<b>-8.9%</b>
<b>TOTAL REQUIREMENTS</b>	<b>4,059,811</b>	<b>4,059,811</b>	<b>2,092,329</b>	<b>366,341</b>	<b>2,584,340</b>	<b>(492,011)</b>	<b>-23.5%</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	1,252,253	1,252,253	467,485	23,788	(115,668)	(583,153)	-124.7%
<b>ADJUSTMENT TO GAAP</b>	0	0	0	0	0	0	0.0%
<b>ENDING BALANCE</b>	<b>2,576,773</b>	<b>2,576,773</b>	<b>1,792,005</b>		<b>861,638</b>	<b>(930,367)</b>	<b>-51.9%</b>
<i>Note: Numbers may not add due to rounding.</i>							
<b>DEBT SERVICE COVERAGE RATIO</b>	0.51	0.51			0.16		

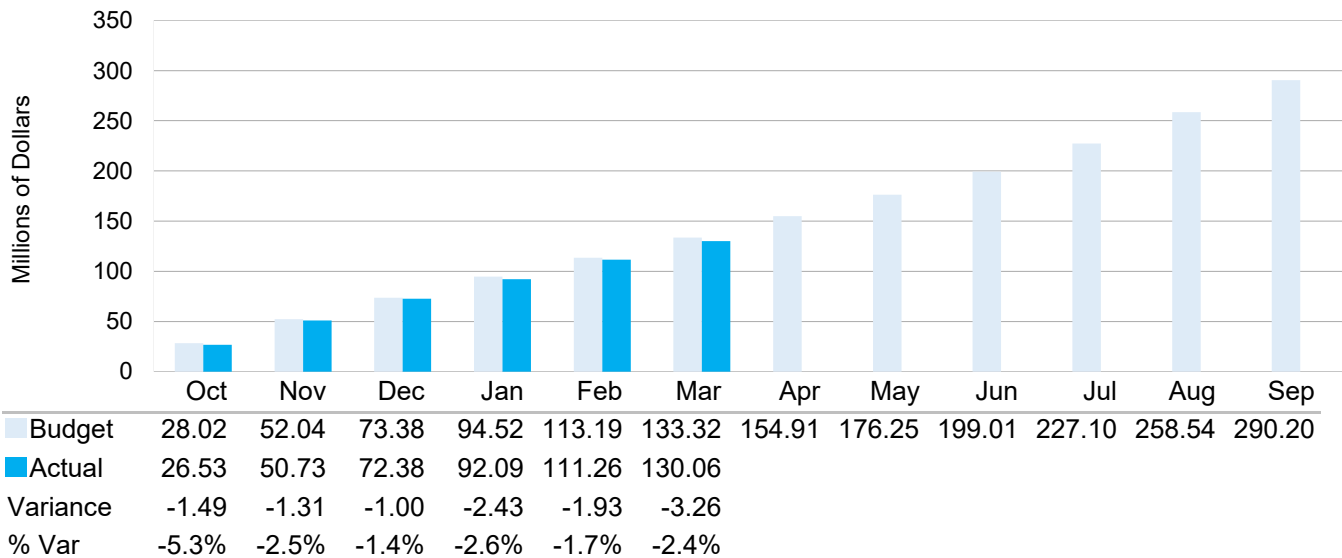
## **REVENUES**

# Water Service Revenue

## Monthly Actuals v. Budget



## Year-to-Date Actuals v. Budget

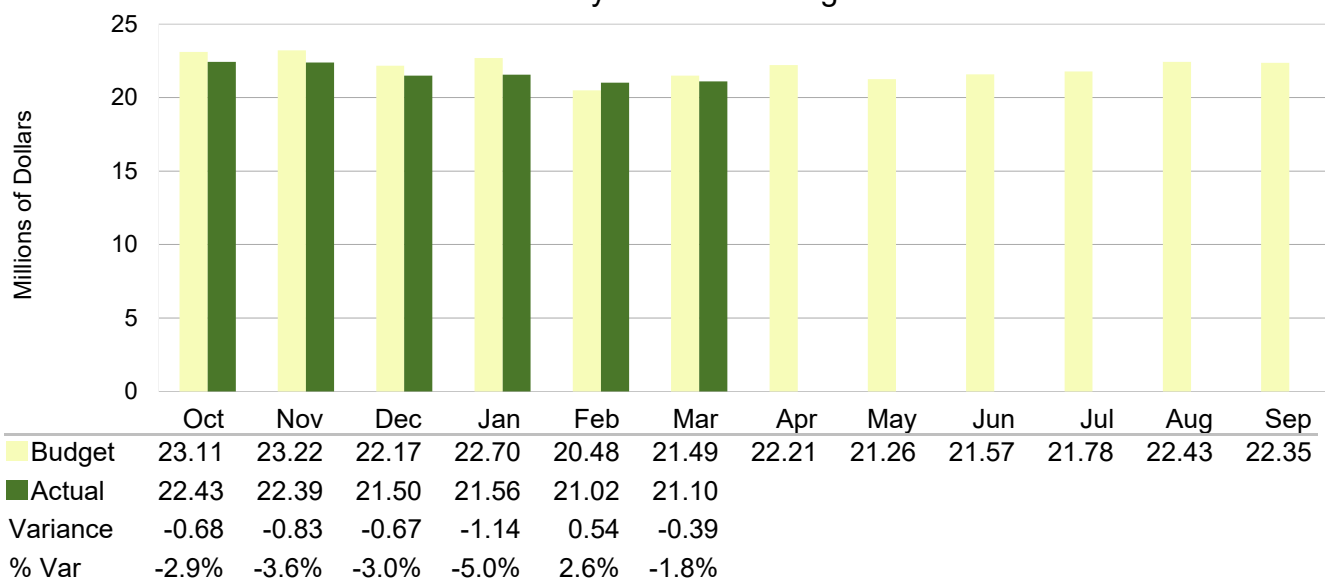


Water service revenues for March 2018 totaled \$18.80 million. This is \$1.32 million, or 6.6%, less than the budget allotment for the month. For the fiscal year, water service revenues totaled \$130.06 million, which is \$3.26 million, or 2.4% less than the budget allotment.

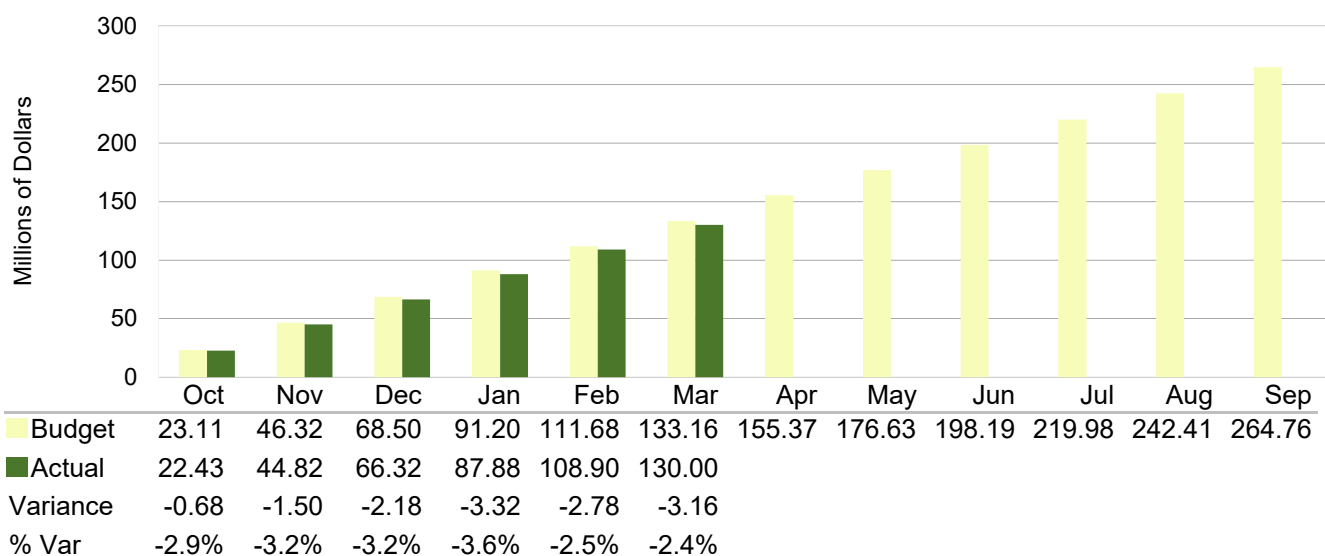
March 2018's billed water consumption totaled 2.66 BG, 0.21 BG (7.2%) lower than projected for the month. Year-to-date, billed water consumption of 18.21 BG is 0.42 BG (2.3%) lower than projected.

## Wastewater Service Revenue

### Monthly Actuals v. Budget



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

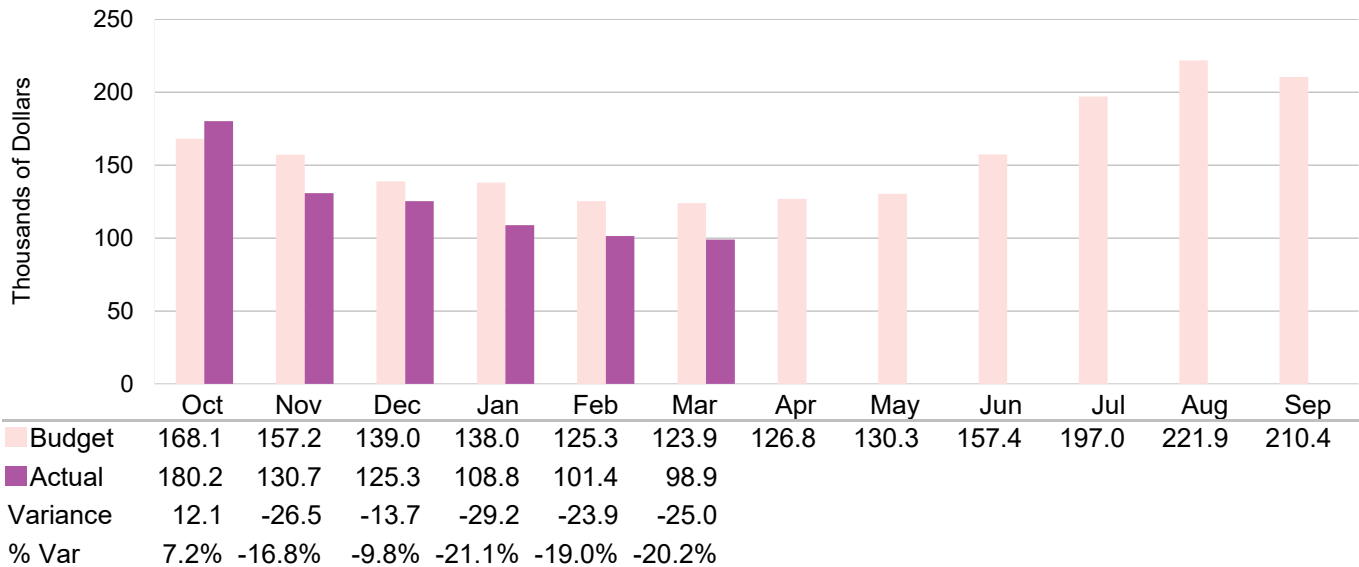


Wastewater service revenues for March 2018 totaled \$21.10 million. This is \$0.39 million, or 1.8% less than the budget allotment for the month. For the fiscal year, wastewater service revenues totaled \$130.00 million, which is \$3.16 million, or 2.4% less than the budget allotment.

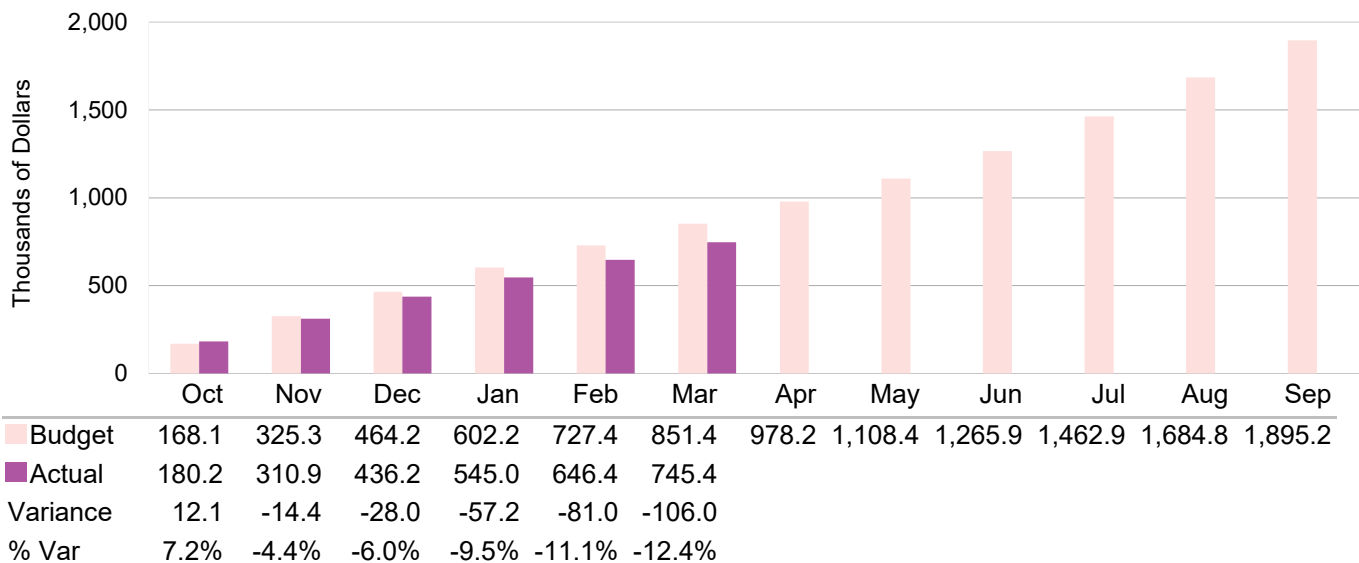
Wastewater bills are determined by each customer's actual water consumption for the month or wastewater winter average, whichever is lower, except for customers who have installed wastewater measuring devices.

## Reclaimed Water Service Revenue

### Monthly Actuals v. Budget



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

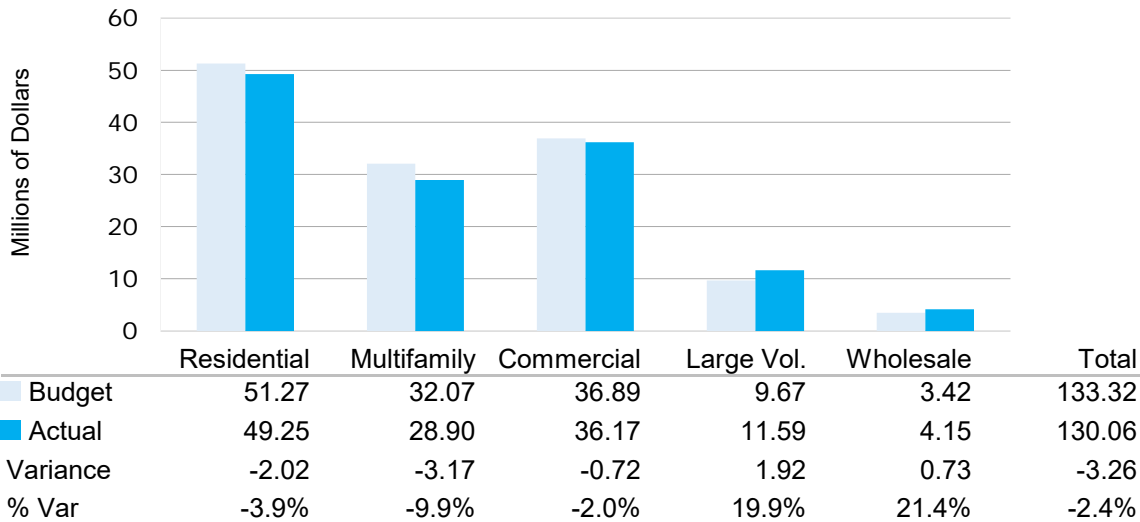


Reclaimed service revenues for March 2018 totaled \$98.9 thousand. This is \$25 thousand, or 20.2% less than the budget allotment for the month. For the fiscal year, reclaimed service revenues totaled \$745.4 thousand, which is \$106.0 thousand, or 12.4% less than the budget allotment.



## Revenue by Customer Class Year-to-Date

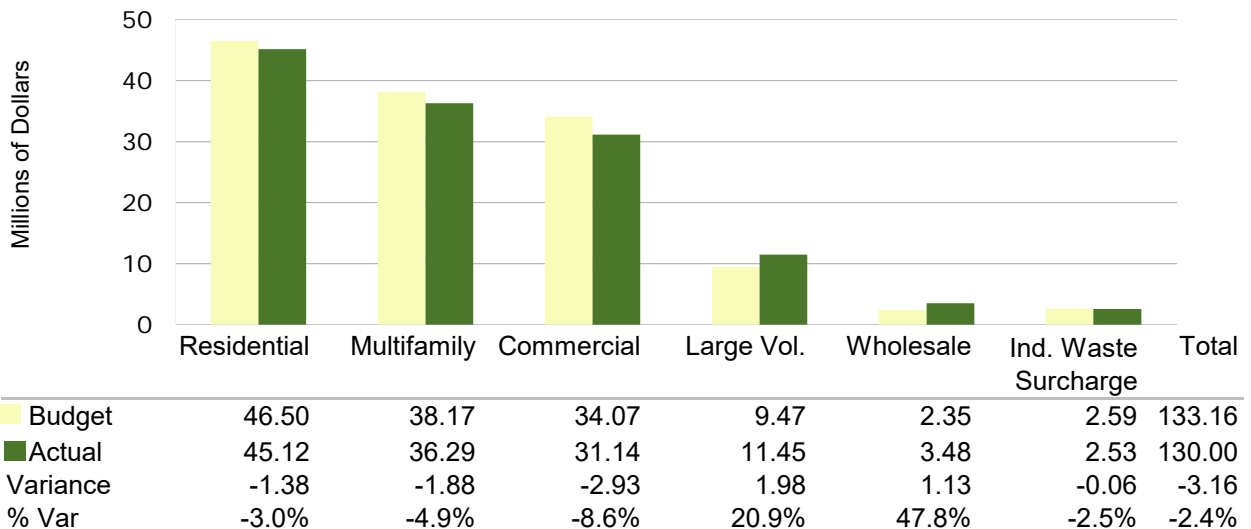
### Water Service Revenue



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

The Wholesale and Large Volume customer classes were above projections by 21.4% and 19.9%, respectively, while Residential, Multifamily, and Commercial classes were below projections. Overall, water revenues are \$3.26 million (2.4%) lower than projected.

### Wastewater Service Revenue

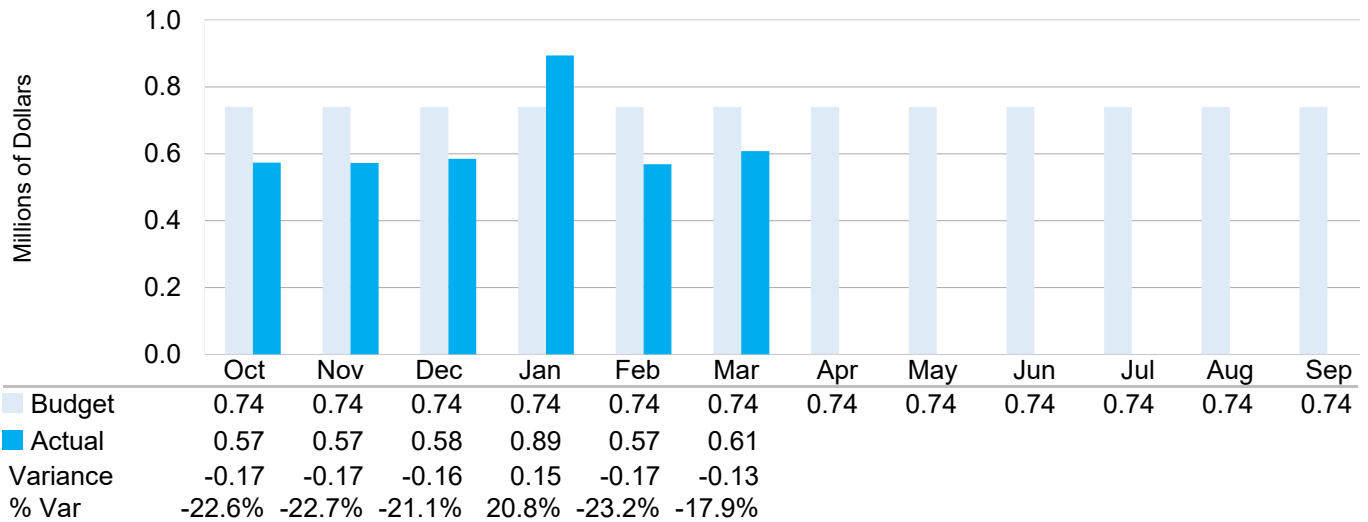


The graph above compares the budgeted and actual water service revenues by customer class through March before any accounts receivable adjustments.

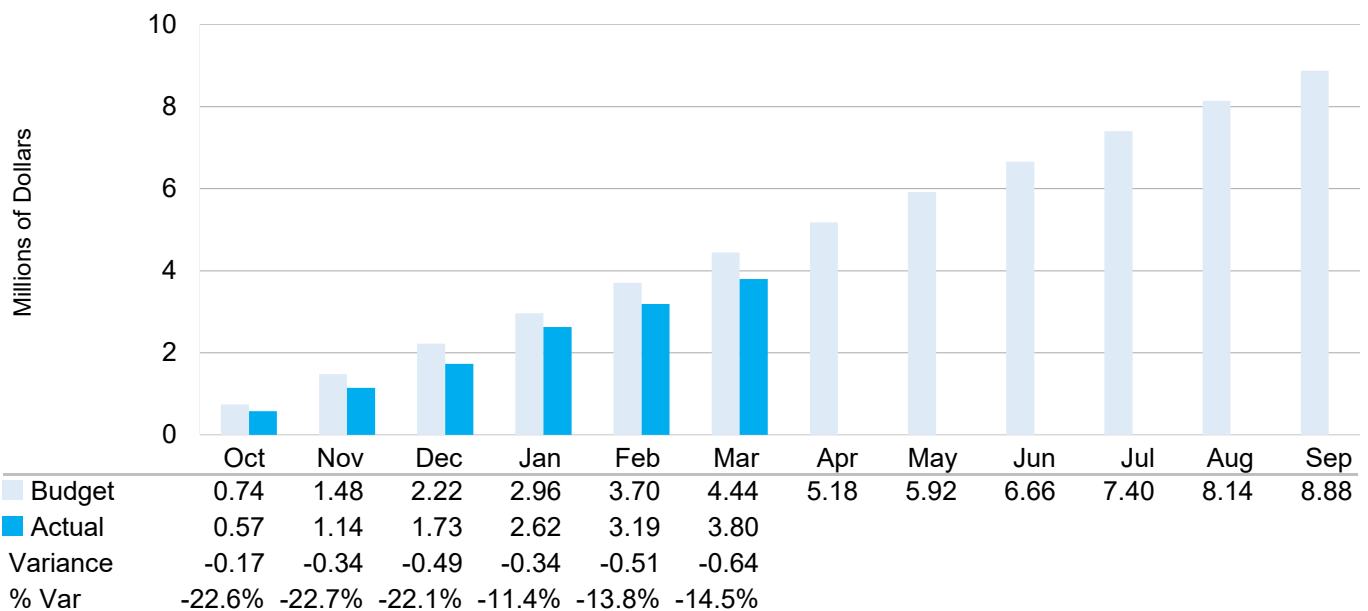
The Wholesale and Large Volume customer classes were above projections by 47.8% and 20.9%, respectively, while Residential, Multifamily, and Commercial classes were below projections. Overall, wastewater revenues were \$3.16 million (2.4%) lower than projected.

## Miscellaneous Revenue

### Monthly Actuals v. Budget



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

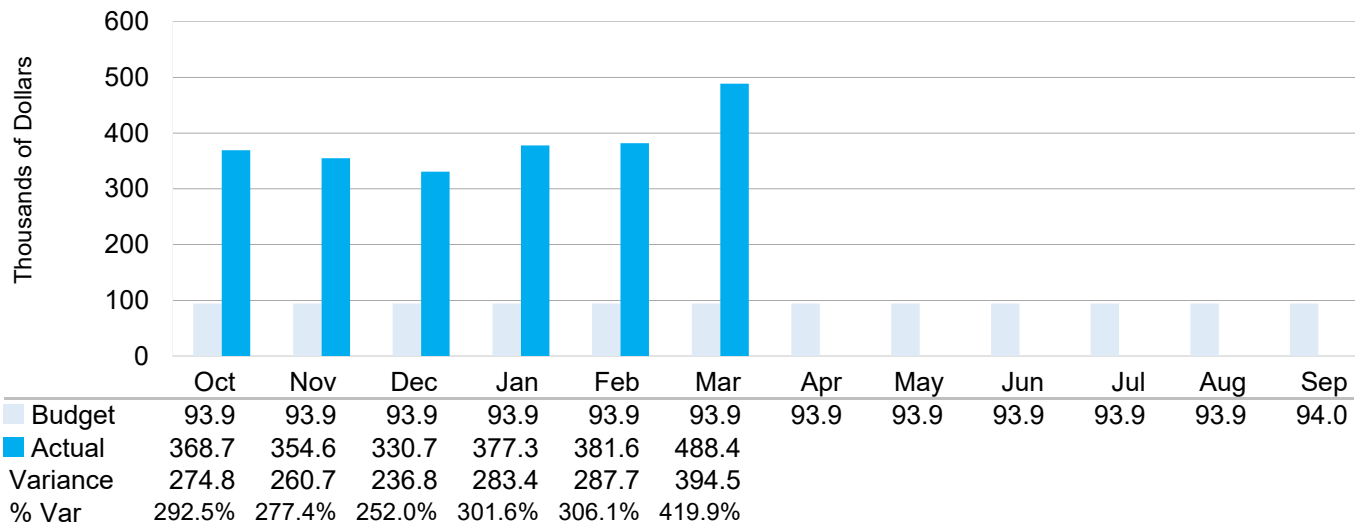


Miscellaneous revenues include revenue from sources other than water and wastewater services, such as late fees, fines and special billings. Miscellaneous revenues in March 2018 totaled \$0.61 million, \$0.13 million (17.9%), less than the budget allotment for the month.

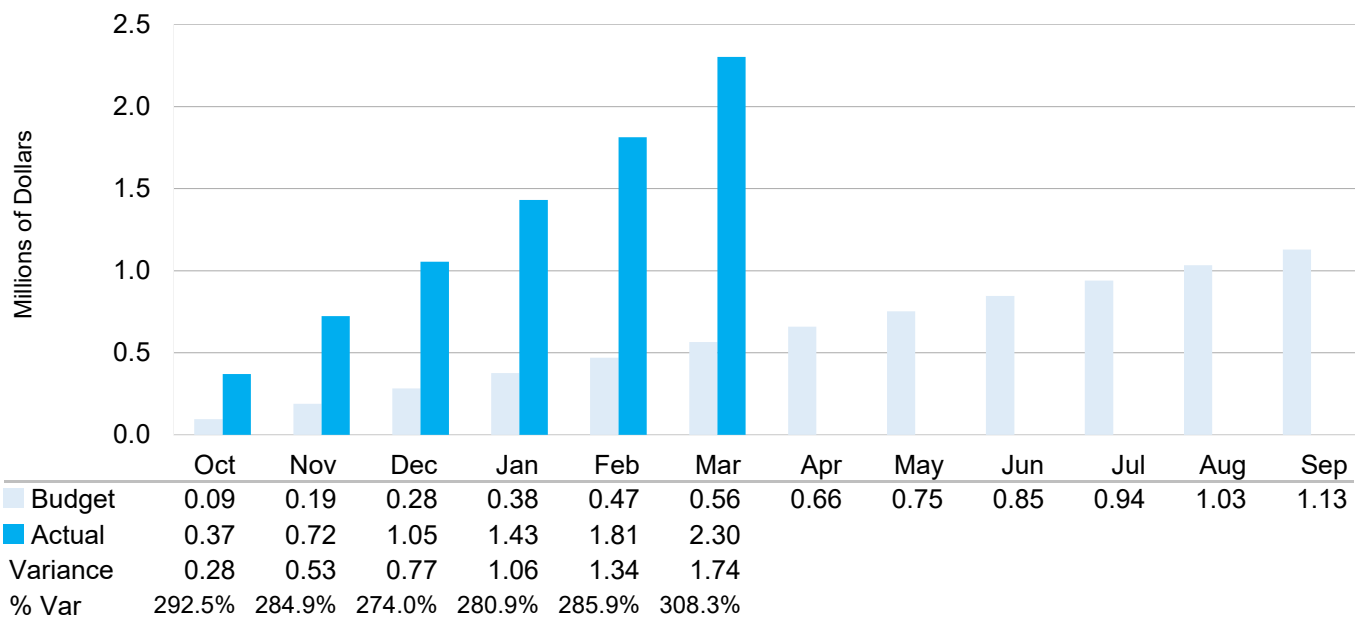
For the fiscal year, miscellaneous revenues totaled \$3.8 million, \$0.64 million (14.5%) less than the budget allotment.

## Interest Income

### Monthly Actuals v. Budget



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



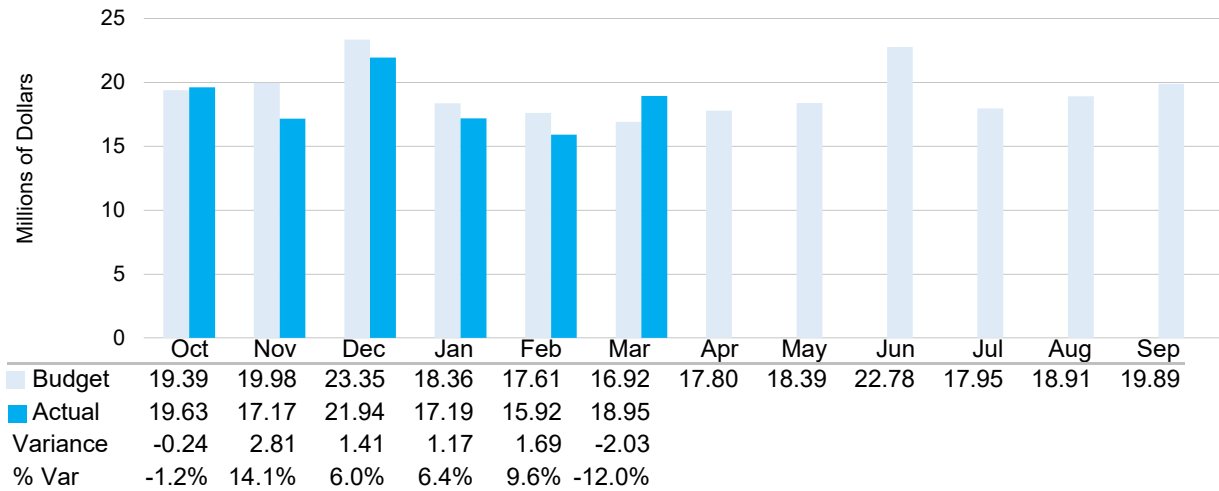
Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income in March 2018 totaled \$488.4 thousand, \$394.5 thousand (419.9%), more than the budget allotment for the month. This is largely due to higher than projected interest rates and cash balances.

For the fiscal year, interest income totaled \$2.30 million, \$1.74 million (308.3%) more than the budget allotment.

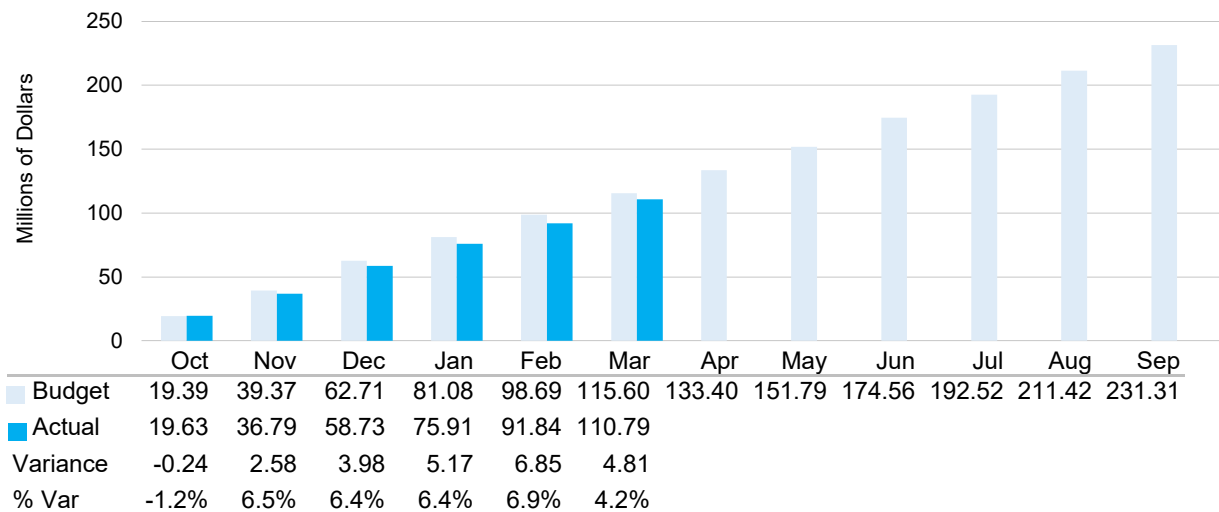
## **OPERATING REQUIREMENTS**

## Program Operating and Other Requirement Expenses

Monthly Budget vs. Actual



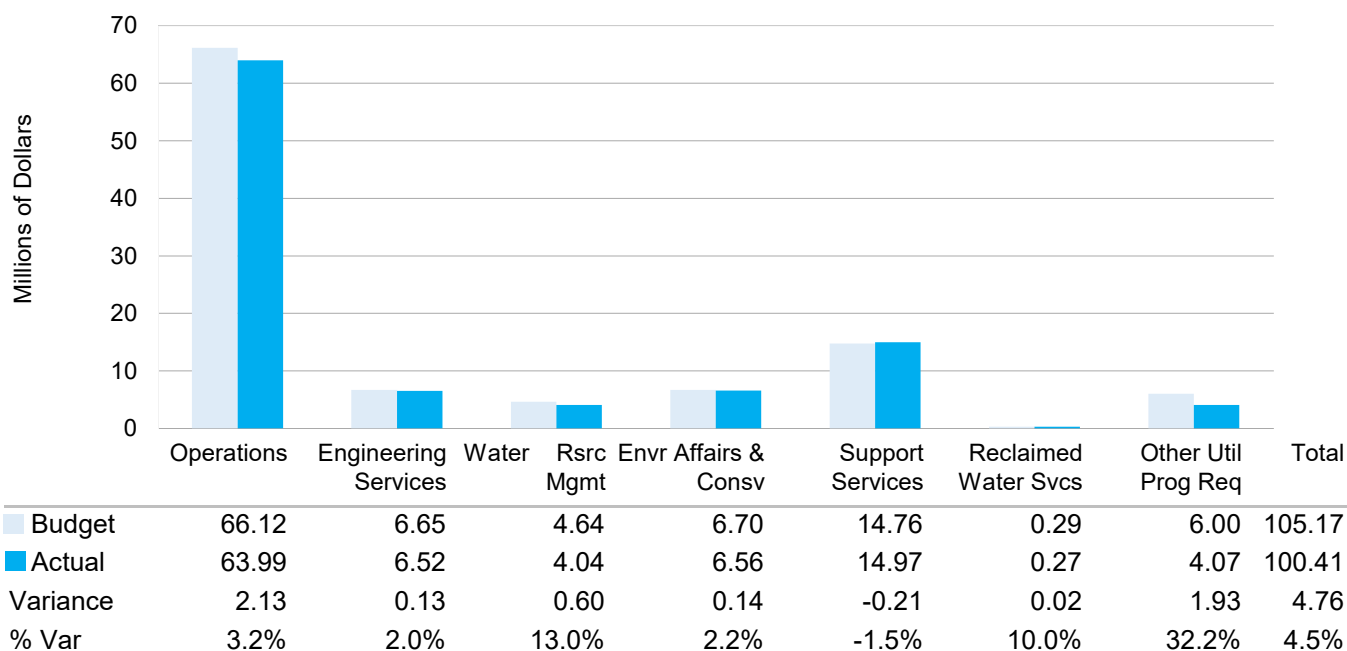
Year-to-Date Budget vs. Actual



Total Program Operating and Other Requirements for the fiscal year through March 2018 were \$57.53 million for Water, \$52.98 million for Wastewater, and \$0.28 million for Reclaimed. The combined Program Operating and Other Requirements of \$110.79 million were \$4.81 million, or 4.2% below the budget allotment.

# Operating Program Expenditures Year-to-Date

## Expenditures by Operating Program



Total Operating Program Requirements as of March 31, 2018 were \$51.01 million for Water, \$49.12 million for Wastewater, and \$0.28 million for Reclaimed Water. The combined Program Operating Requirements of \$100.41 million were \$4.76 million (4.5%) below allotment.

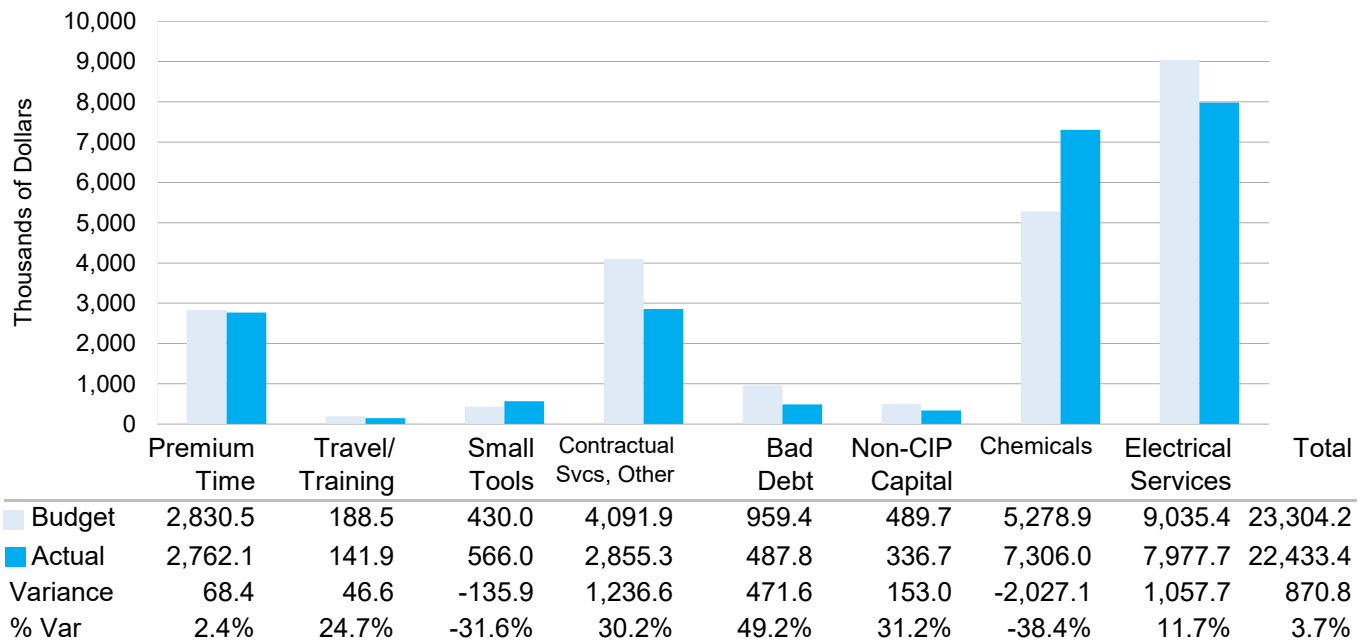
Water Resources Management was \$0.60 million or 13.0% below allotment mainly due to the lower than estimated spending on interdepartmental charges, other contractual services, and vacant positions.

Reclaimed Water Services was \$0.02 million or 10.0% below allotment mainly due to lower than estimated spending on personnel.

Other Utility Program Requirements was \$1.93 million or 32.2% 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 \$135.9 thousand or 31.6% above allotment due to higher than estimated spending in the Lift Stations and Remote Facilities, Water Treatment, Wastewater Treatment, and Wildland Conservation Divisions.

Other Contractual Services were \$1.24 million or 30.2% below allotment due to lower than estimated spending in Special Support.

Non-CIP Capital was \$153.0 thousand or 31.2% below allotment due to lower than anticipated expenses.

Chemicals were \$2.03 million or 38.4% above allotment due to higher than estimated spending in the Wastewater Treatment and Water Treatment Divisions. Some of these costs are being recaptured through the Industrial Waste Surcharge.

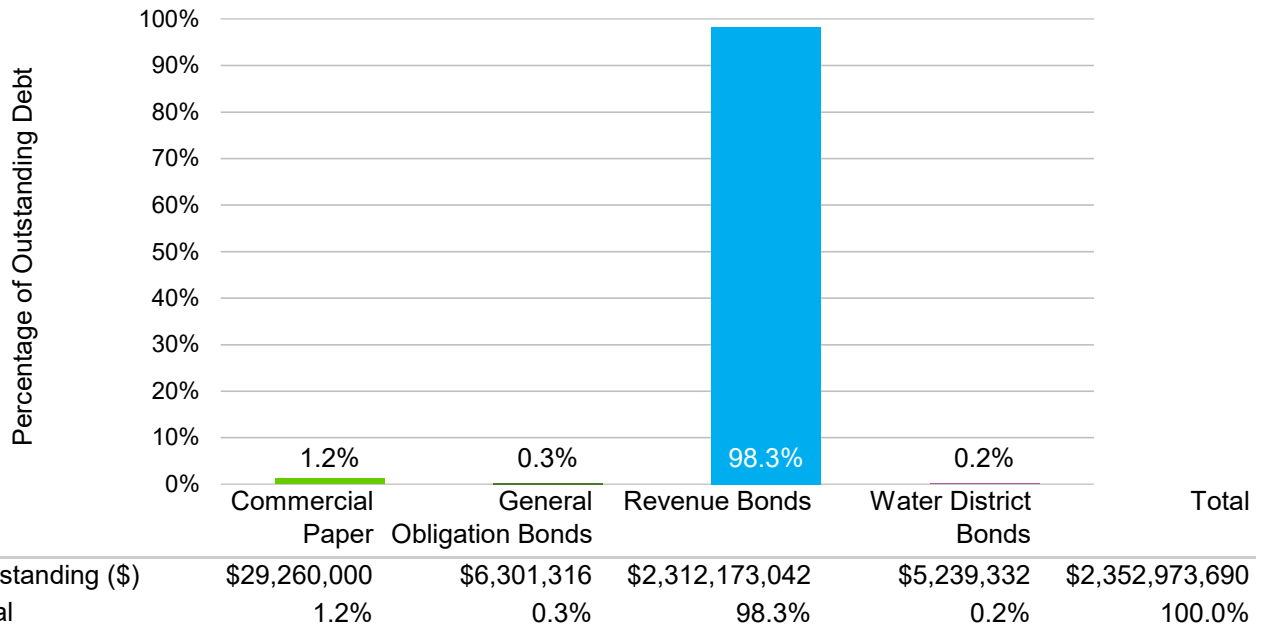
Electrical Services were \$1.06 million or 11.7% below allotment due to lower than estimated spending in the Pump Stations and Reservoir Maintenance, Water Treatment, Wastewater Treatment, and Lift Stations and Remote Facilities Divisions.

## **DEBT OUTSTANDING & DEBT SERVICE**

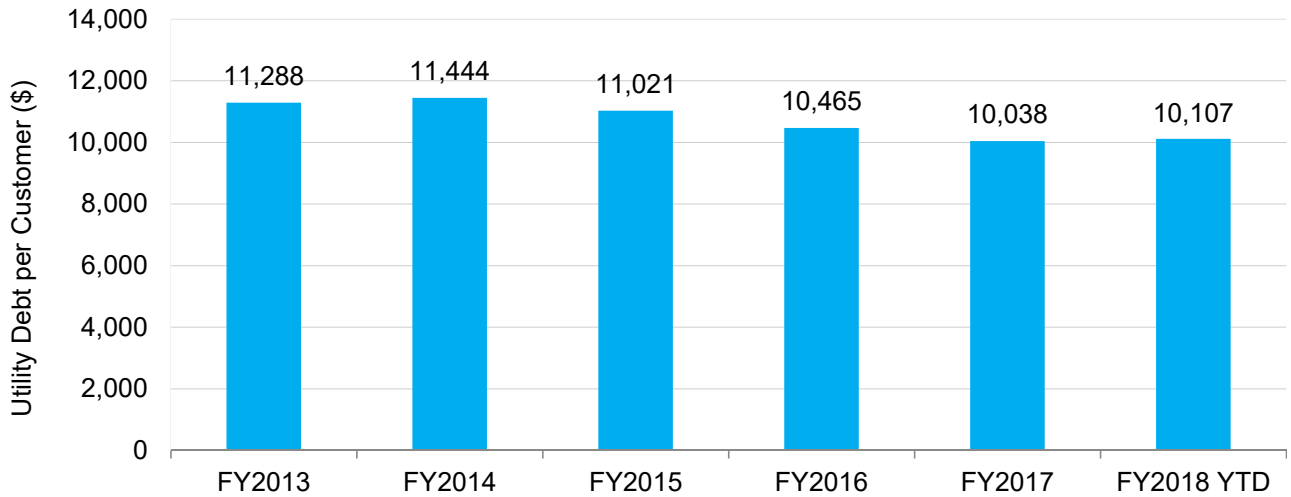


# Outstanding Utility Debt

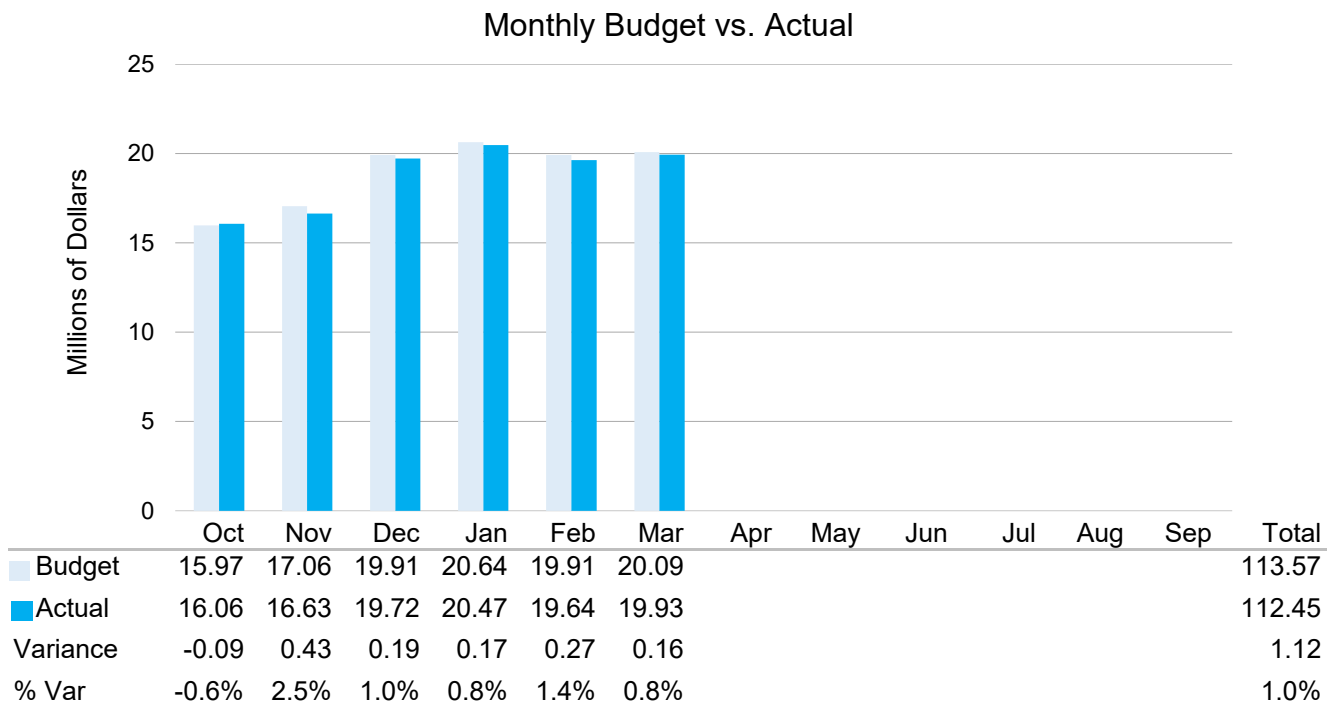
Debt Outstanding by Type



Utility Debt per Customer by Fiscal Year

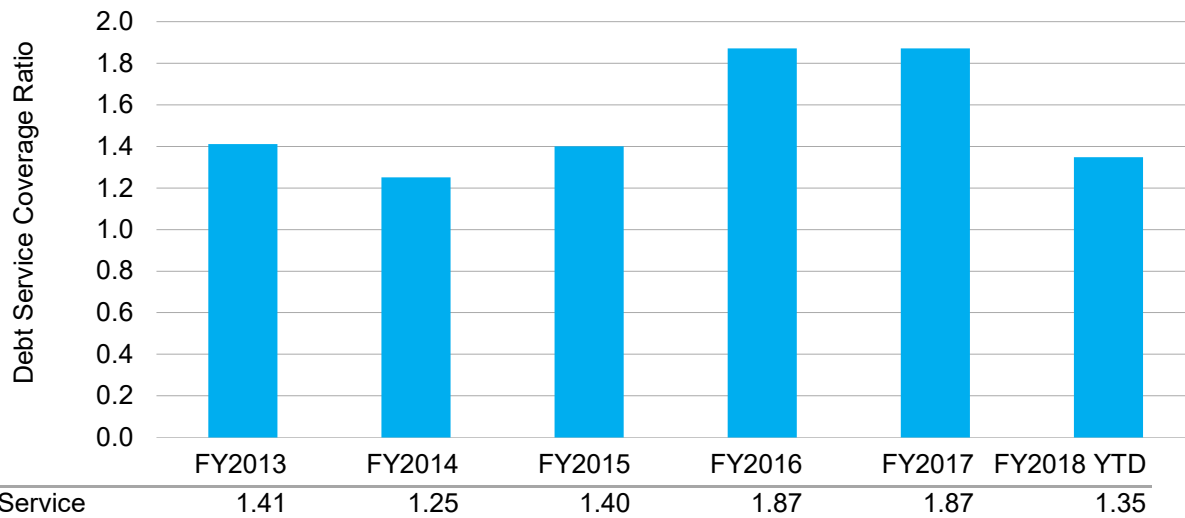


## Combined Debt Service by Month



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 March 2018 was \$19.93 million, \$0.16 million less than projected for the month. Combined debt service for the fiscal year was \$112.45, \$1.12 million less than projected.

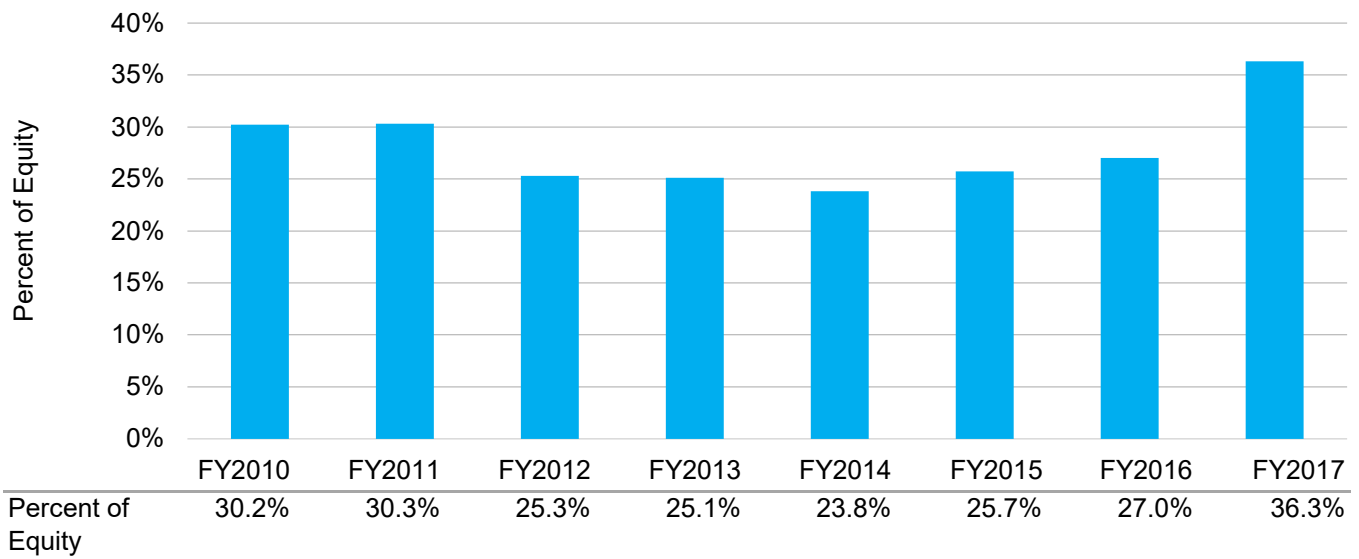
## Debt Service Coverage



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

## Percent of Equity in Utility Systems

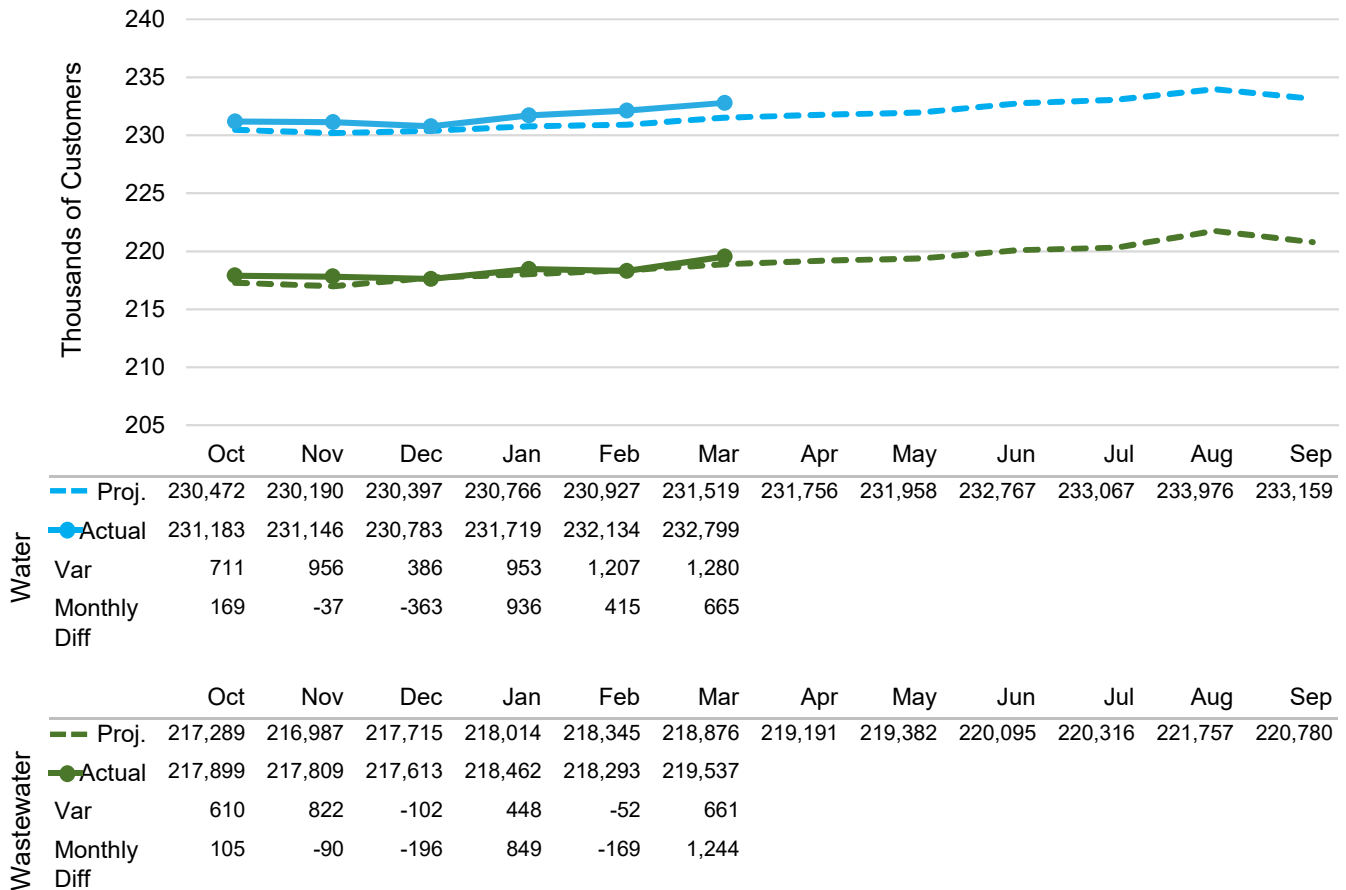


The Percent of Equity in Utility Systems is computed by dividing the combined utility system equity by the combined utility system costs, net of depreciation. The Percent of Equity is calculated based upon the audited financials from the Controller's Office.

## **CUSTOMER DEMAND CHARACTERISTICS**

# Number of Customers

## Monthly Actual vs. Projections



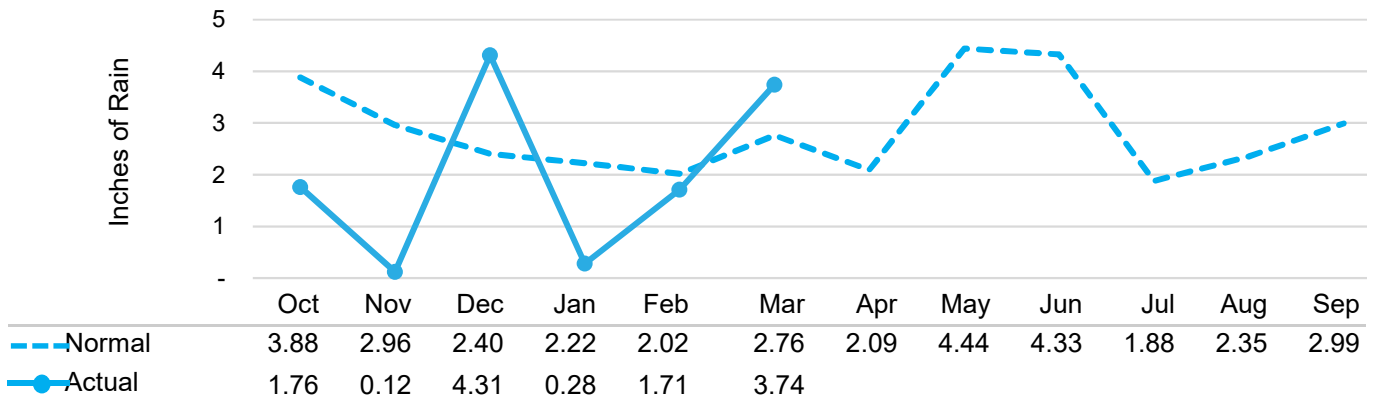
As of March 31, 2018, there were 232,799 water customers. This was 1,280 greater than projected for this date, 665 more customers than last month, and 4,062 more than this time last year.

As of March 31, 2018, there were 219,537 wastewater customers. This was 661 greater than projected for this date, 1244 more customers than last month, and 3,924 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

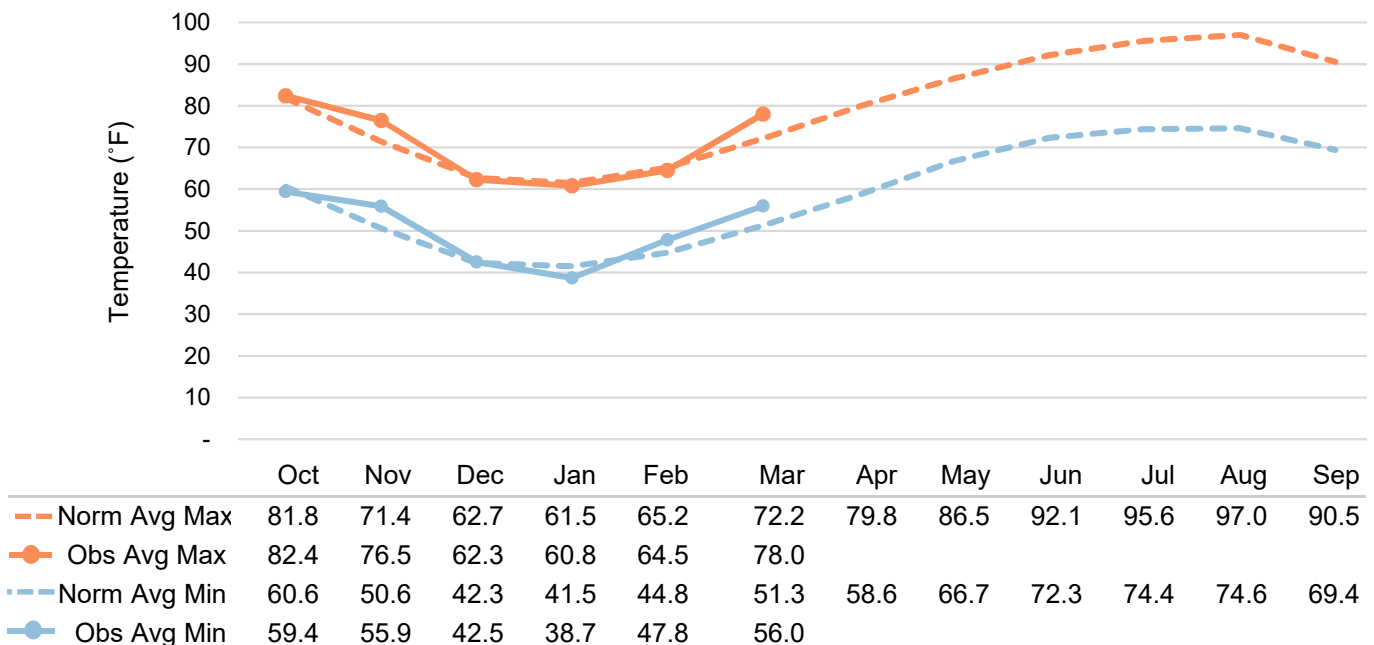
## Monthly Rainfall Actual vs. Normal



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

In March, 3.74 inches of rain fell, 0.98 inches above normal for the month. For the fiscal year to date, rainfall has totaled 11.92 inches, 26.6% less than the normal amount of 16.24 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



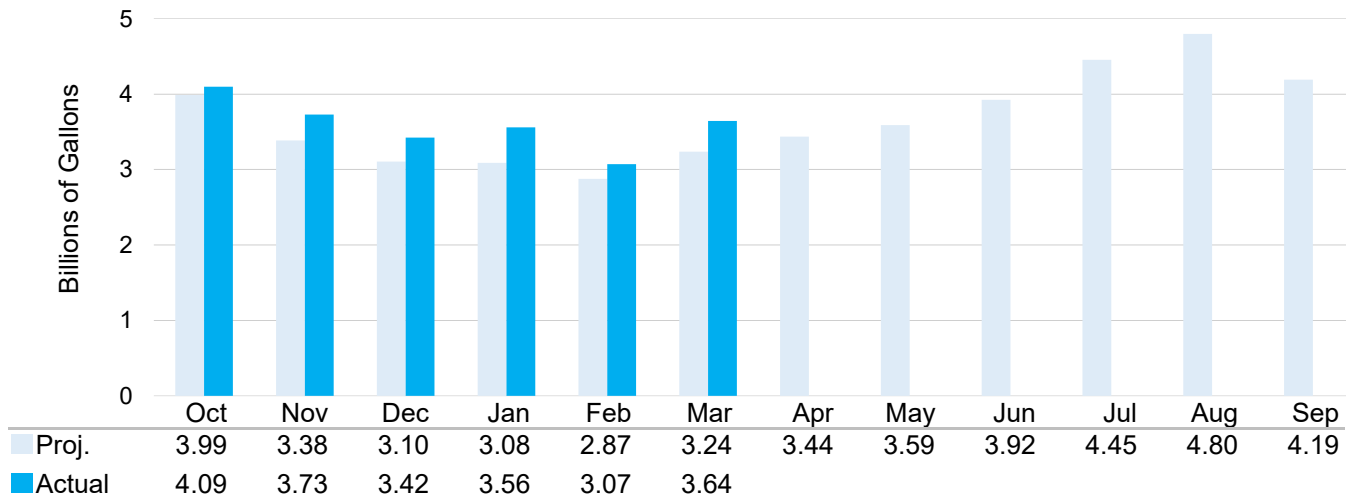
National Weather Service data collected at Austin - Camp Mabry compared to 30-year averages

March's average high temperature was above normal levels by 5.8 degrees and the average low was above normal levels by 4.7 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 85% of capacity.

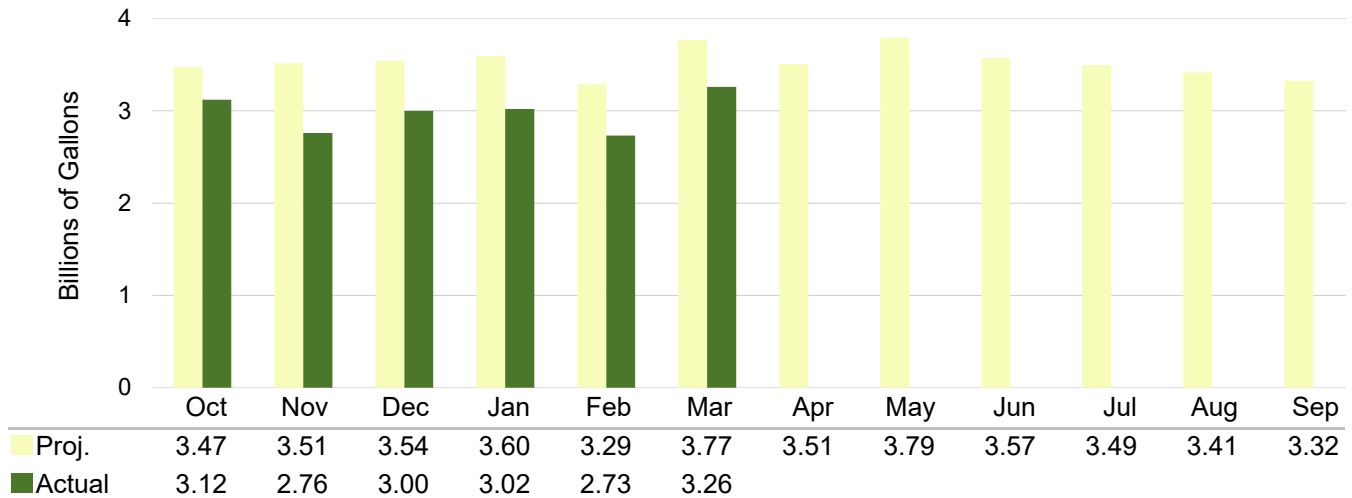
# Water Pumpage and Wastewater Influent Flow by Month

## Monthly Water Pumpage Projected vs. Actual



Pumpage during March 2018 averaged 117.47 MGD for a total of 3.64 BG for the month. This compares to a daily average of 118.23 MGD for this fiscal year, and a daily average of 137.71 MGD for fiscal year 2016-17.

## Monthly Wastewater Influent Projected vs. Actual

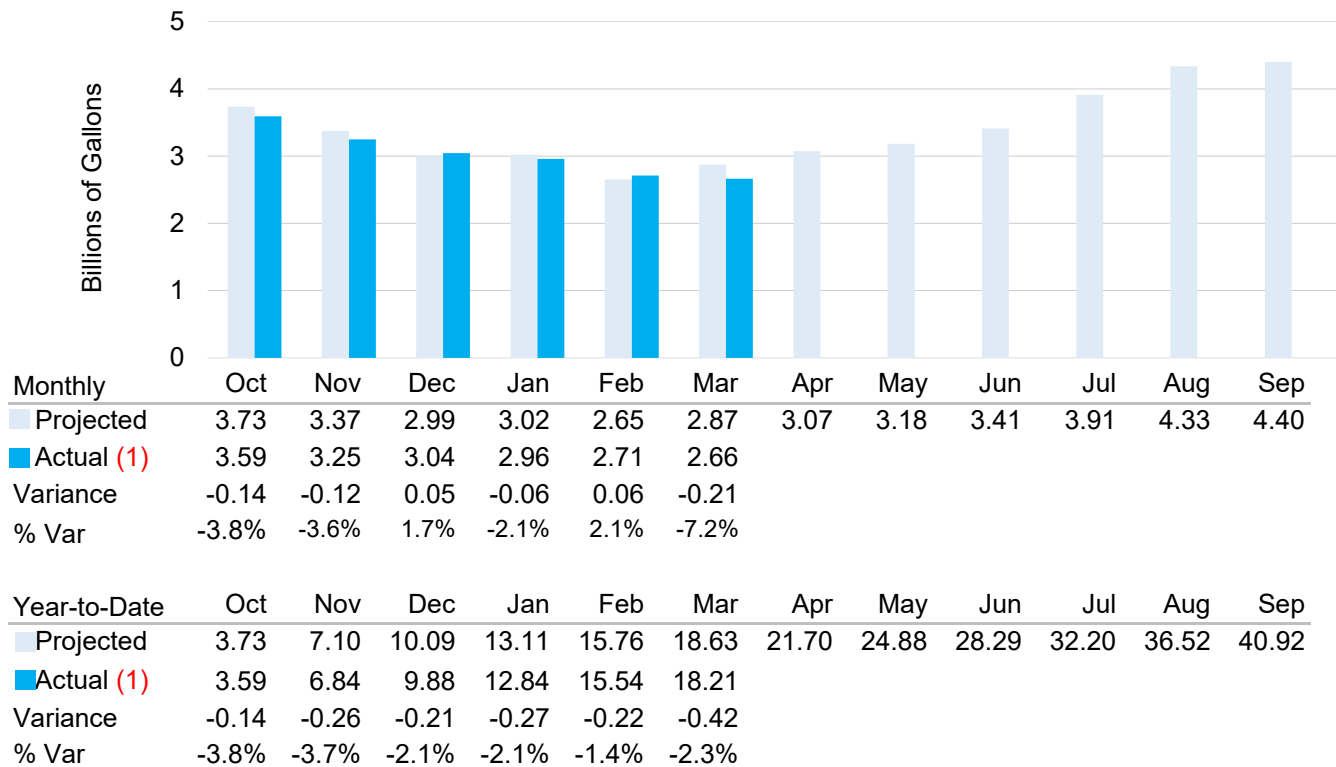


Influent during March 2018 averaged 105.14 MGD for a total of 3.26 BG for the month. This compares to a daily average of 98.23 MGD for this fiscal year and an average of 93.32 MGD for fiscal year 2016-17.



# Billed Water Consumption

## Monthly Billed Consumption Projected vs. Actual

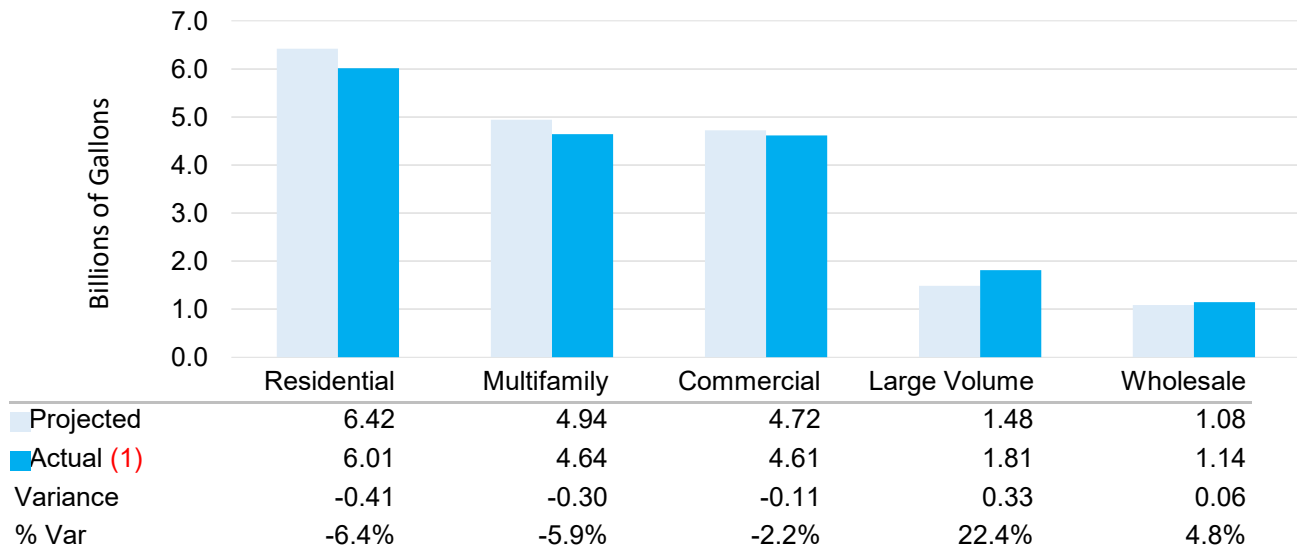


March 2018's billed water consumption totaled 2.66 BG, 0.21 BG (7.2%) lower than projected for the month. Year-to-date, billed water consumption of 18.21 BG is 0.42 BG (2.3%) lower than projected.

(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

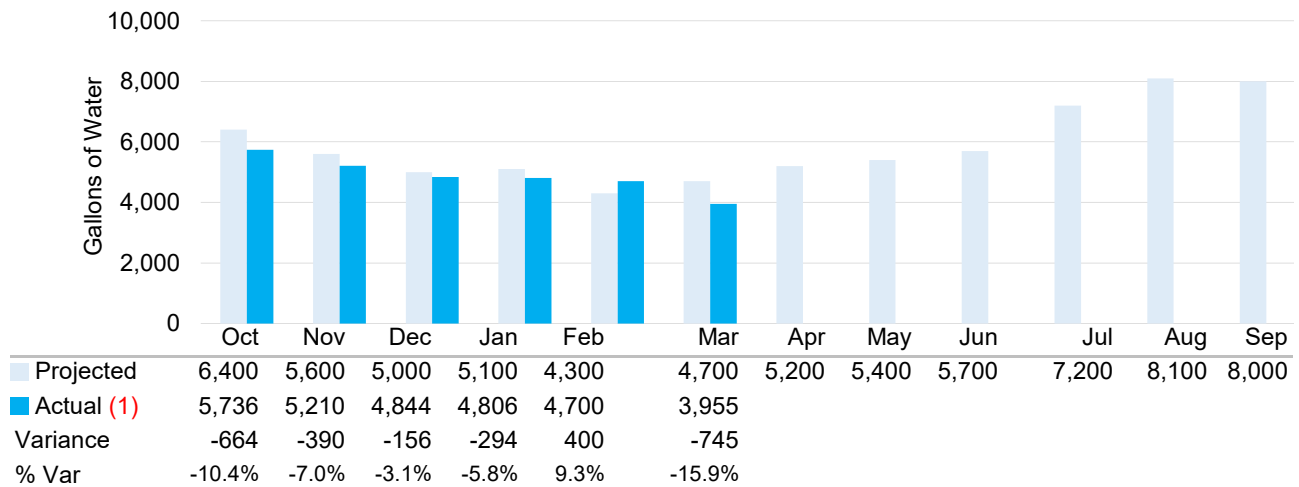


Billed water consumption in the Large Volume and Wholesale classes has exceeded projections to date by 22.0% and 7.0%, respectively. The remaining classes are all below projections, with the greatest variance in the Residential class at 6.4% below projections.

(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

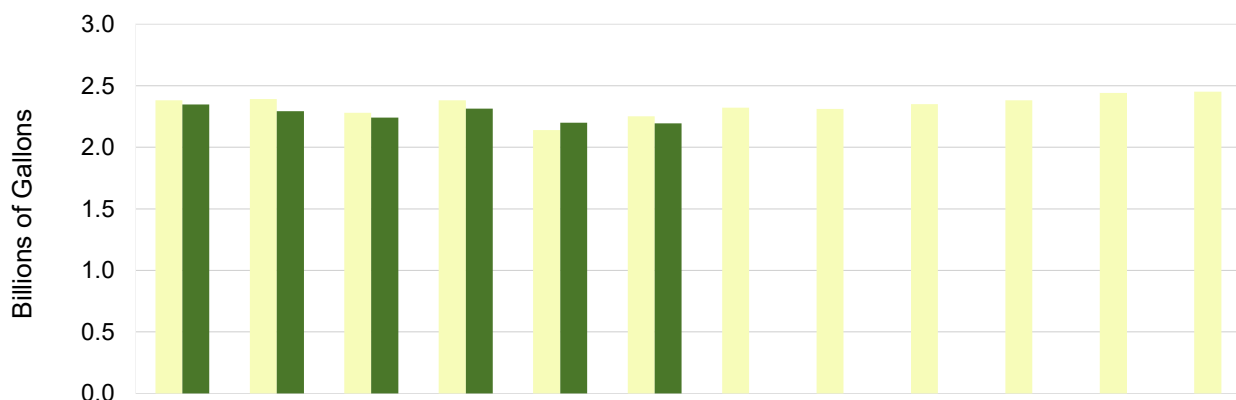


March's average residential billed consumption of 3,955 gallons trailed projections by 745 gallons (15.9%).

(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



Monthly	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Projected	2.38	2.39	2.28	2.38	2.14	2.25	2.32	2.31	2.35	2.38	2.44	2.45
Actual (1)	2.35	2.29	2.24	2.31	2.20	2.19						
Variance	-0.03	-0.10	-0.04	-0.07	0.06	-0.06						
% Var	-1.4%	-4.1%	-1.8%	-2.8%	2.7%	-2.5%						

Year-to-Date	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Projected	2.38	4.77	7.05	9.44	11.58	13.83	16.15	18.46	20.81	23.19	25.64	28.09
Actual (1)	2.35	4.64	6.88	9.19	11.39	13.59						
Variance	-0.03	-0.13	-0.17	-0.25	-0.19	-0.24						
% Var	-1.4%	-2.7%	-2.4%	-2.6%	-1.6%	-1.8%						

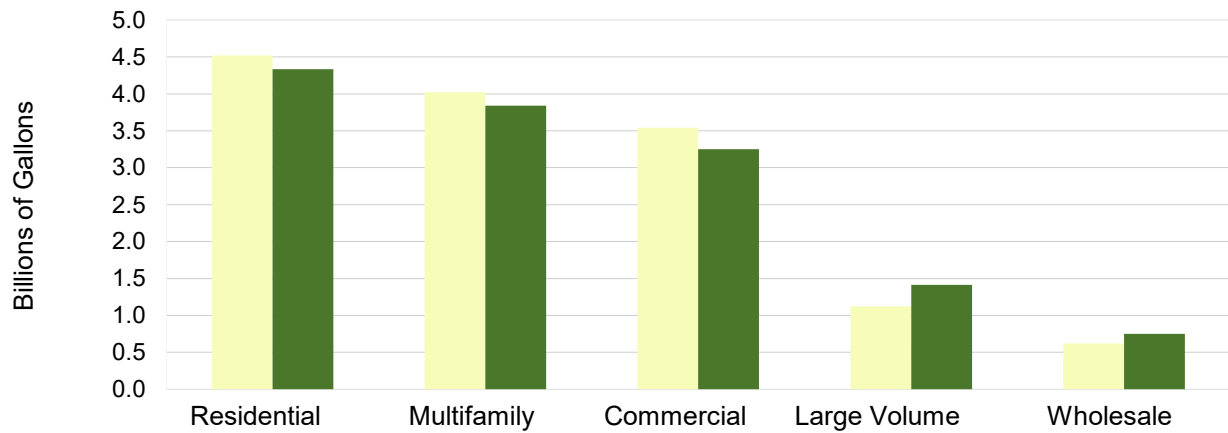
March 2018's billed flows totaled 2.19 BG, 0.06 BG (2.5%) lower than projected for the month. Year-to-date, billed flows of 13.59 BG were 0.24 BG (1.8%) lower than projected.

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



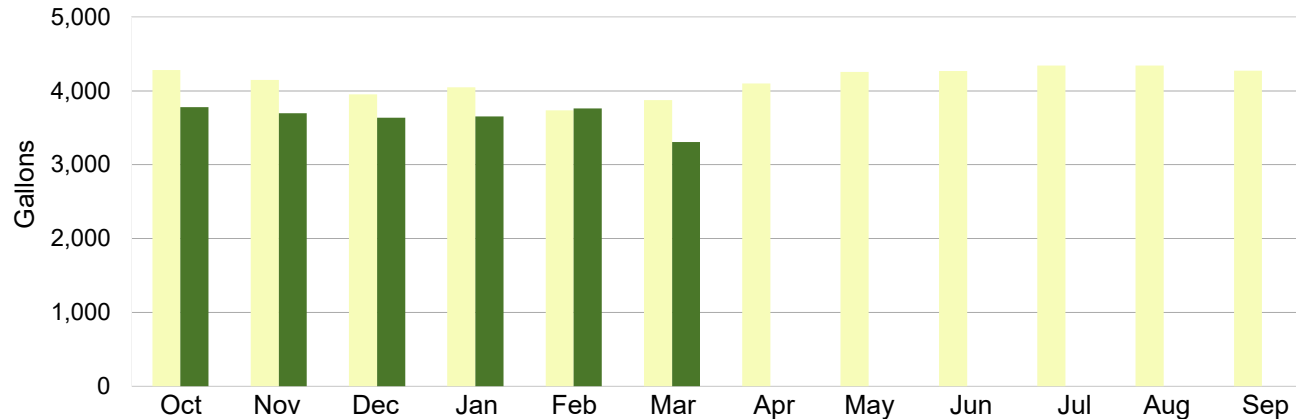
Projected	4.52	4.02	3.54	1.12	0.62
Actual (1)	4.33	3.84	3.25	1.41	0.75
Variance	-0.19	-0.18	-0.29	0.29	0.13
% Var	-4.1%	-4.5%	-8.2%	25.6%	20.2%

As shown in the table above, billed flows exceeded projections in the Large Volume and Wholesale classes by 25.6% and 20.2%, respectively. Other classes trailed projections, with the greatest negative variance in the Commercial class (8.2%).

(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



Projected	4,280	4,144	3,951	4,048	3,735	3,871	4,100	4,252	4,267	4,339	4,341	4,272
Actual (1)	3,777	3,693	3,633	3,654	3,760	3,307						
Variance	-503	-451	-318	-394	25	-564						
% Var	-11.8%	-10.9%	-8.1%	-9.7%	0.7%	-14.6%						

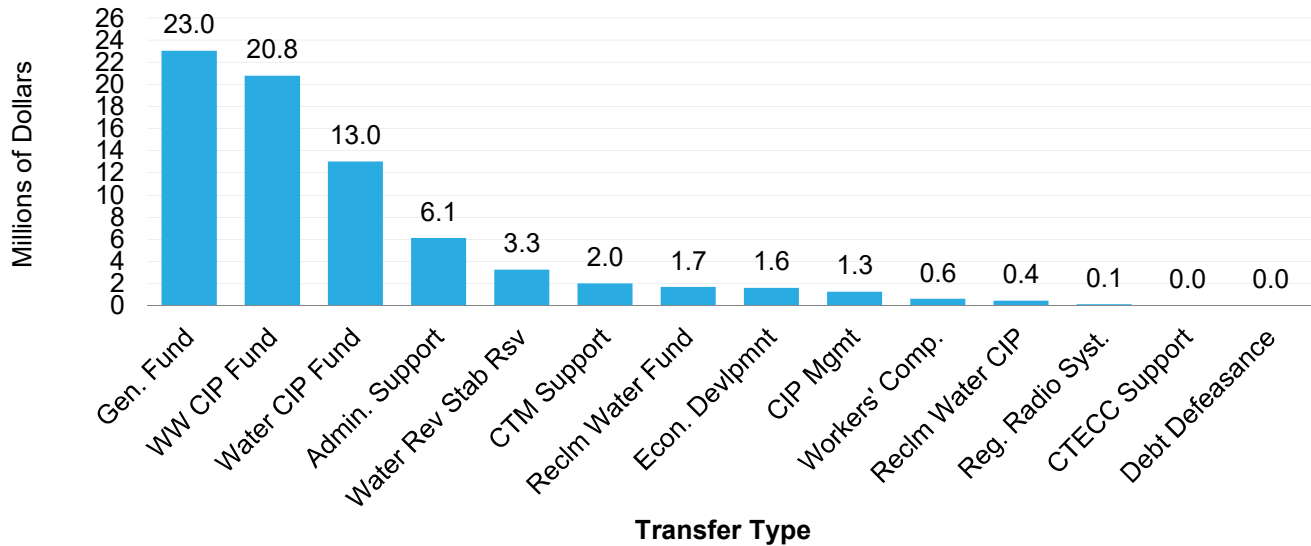
March's average residential billed flow of 3,307 gallons trailed projections by 564 gallons (14.6%).

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

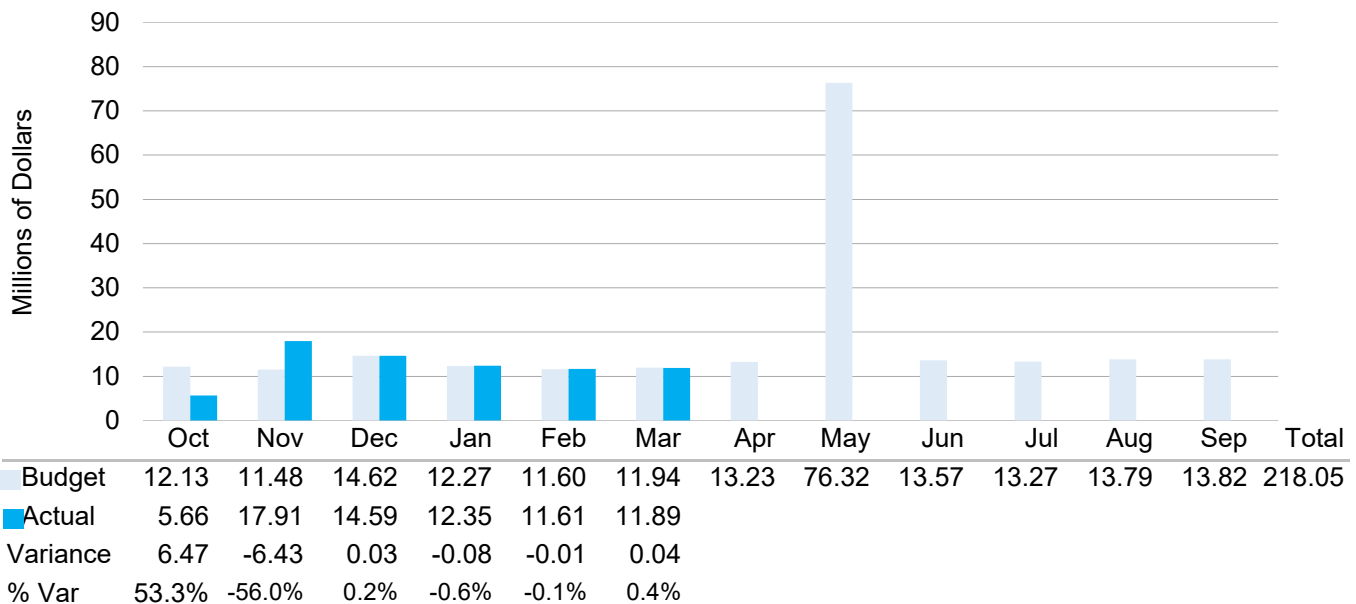
## **OTHER REPORTING**

## Transfers Out by Type

Actual Year-to-Date



Total Transfers Out by Month With Variances (Millions)



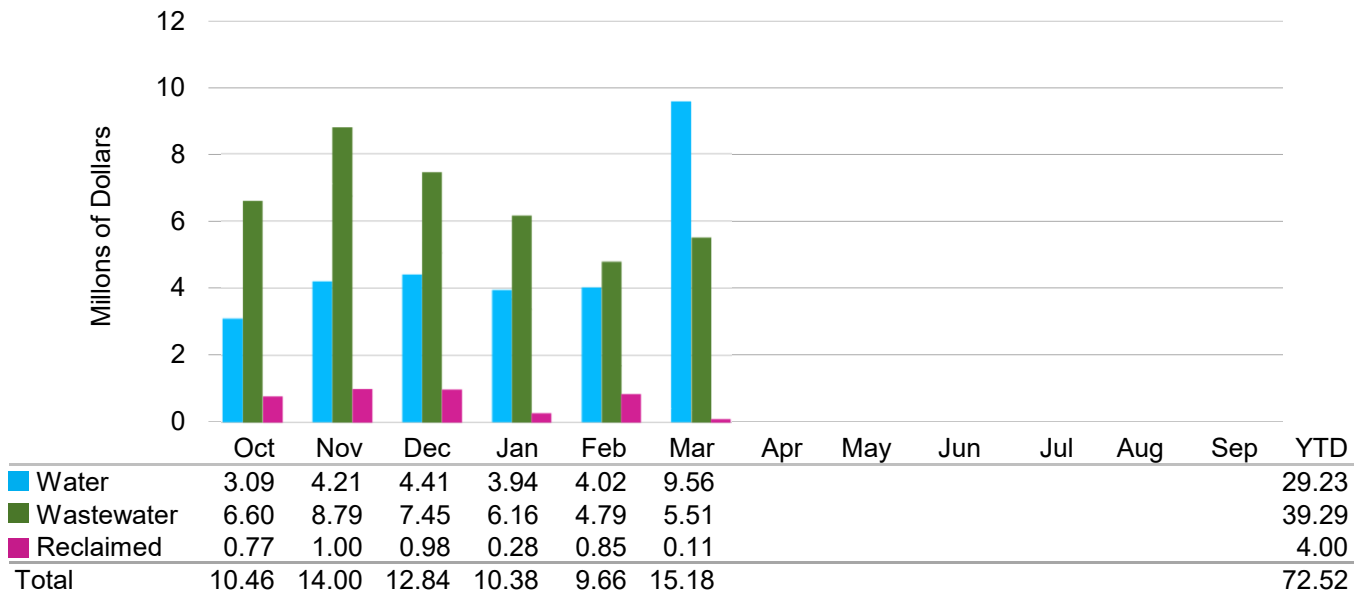
Transfers Out for the fiscal year through March 2018 totaled \$74.01 million, \$0.04 million less than allotments year-to-date.

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).

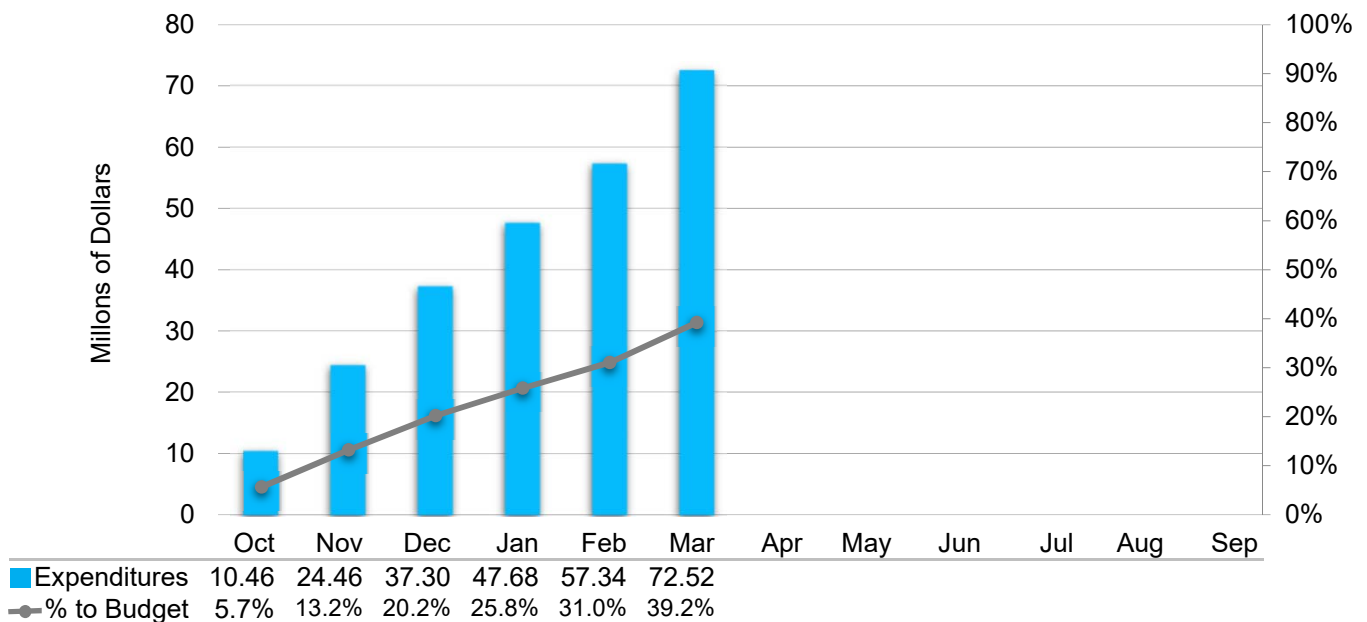


## CIP Expenditures

### Monthly Expenditures



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

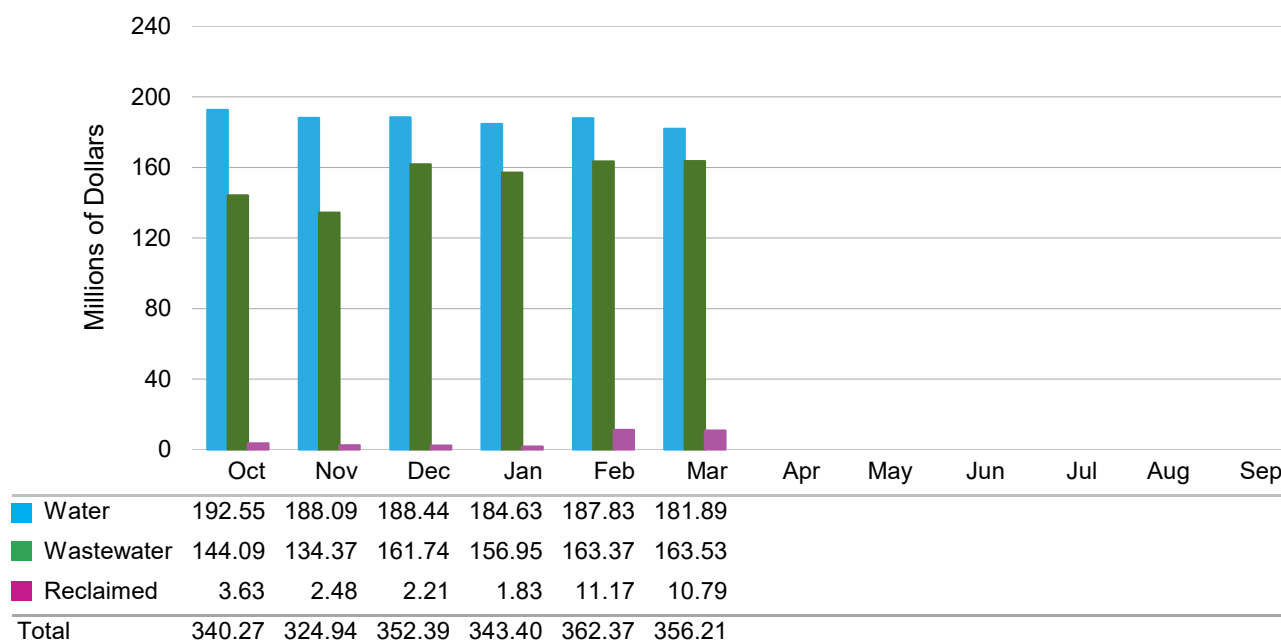


CIP expenditures for the fiscal year through March 2018 totaled \$29.23 million for water, \$39.29 million for wastewater, and \$4.00 million for reclaimed, for a combined total of \$72.52 million, or 39.2% of the FY 2017-18 CIP spending plan.

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						
Capital Recovery Fee	34.68	36.88	38.92	40.99	43.92	46.21						
CIP	46.65	44.72	76.15	71.36	92.26	86.80						
Revenue Stability Rsrv	38.31	38.95	39.53	40.07	40.61	41.15						
<b>Total</b>	<b>340.27</b>	<b>324.94</b>	<b>352.39</b>	<b>343.40</b>	<b>362.37</b>	<b>356.21</b>						

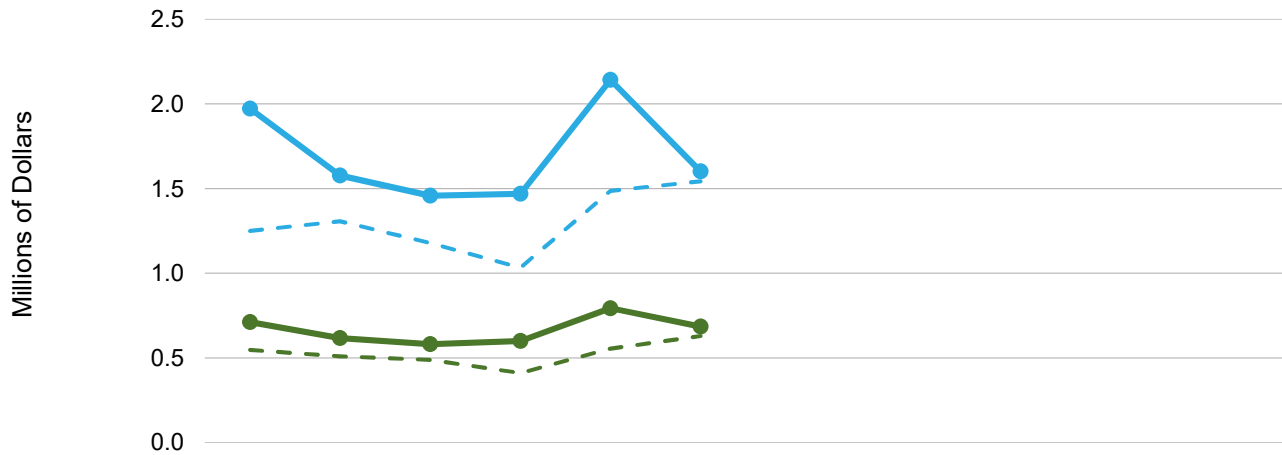
At March close, combined cash balances for Water, Wastewater, and Reclaimed totaled \$356.21 million. The combined cash balance is made up of Operating, CIP, Capital Recovery Fee, and Revenue Stability Reserve Fund cash balances.

Combined Operating Cash Balances totaled \$182.05 million. Combined CIP Cash Balances totaled \$86.80 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 \$41.15 million.

Capital Recovery Fee (CRF) Cash Balances totaled \$46.21 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 March; operating funds were transferred to defease \$9.6 million of debt.

# Capital Recovery Fee Collections

CRF Collections by Month



Water	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
Actual	1.97	1.58	1.46	1.47	2.14	1.60							10.22
3-Year Avg	1.25	1.31	1.18	1.03	1.49	1.54							7.80

Wastewater	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
Actual	0.71	0.62	0.58	0.60	0.79	0.68							3.99
3-Year Avg	0.55	0.51	0.49	0.41	0.55	0.63							3.14

Combined	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
Actual	2.68	2.20	2.04	2.07	2.94	2.29							14.21
3-Year Avg	1.80	1.82	1.67	1.44	2.04	2.17							10.94

During March 2018, Austin Water collected \$2.29 million in Capital Recovery Fees (CRF) and interest, with \$1.60 million for Water and \$0.68 million for Wastewater. For the fiscal year, Austin Water has collected \$14.21 million in CRFs.