



FINANCIAL STATUS REPORT

For the Period Ending March 31, 2019





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

MEMORANDUM

To: Greg Meszaros, Director, Austin Water
From: David Anders, Assistant Director, Austin Water
Date: April 30, 2019
Subject: Financial Status Report for Period Ended March 31, 2019.

Attached is Austin Water's Financial Status Report for the period ended March 31, 2019. The combined fund balance at the end of March for Fiscal Year 2019 was \$177.87 million, or \$2.84 million greater than projected, as detailed in the Executive Summary. The beginning balance was \$20.76 million more than projected, fiscal year requirements were \$3.71 million below budget, and revenues and transfers in were \$21.64 million below projections.

The Buchanan and Travis lake system were at 97% full at the end of March. In early October 2018, the Lake LBJ and Lake Buchanan watershed basins received heavy rainfall amounts that caused significant flooding, and water from the rainfall drained into the Colorado River system. Austin Water experienced challenges maintaining water production capacity and issued a boil water notice on October 22, 2018.

Water service revenues are \$14.32 million below projections, and wastewater service revenues are \$7.00 million below projections for this fiscal year. Water and Wastewater actual service revenues for the current fiscal year continue to trend below budgeted projections due to above average rainfall. Actual spending for operating requirements for March was below budget by \$2.63 million, and spending for other requirements are on budget. The Executive Summary includes more discussion of revenue and requirements highlights.

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:

Assistant Directors, Austin Water
Division Managers, Austin Water



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

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Executive Summary

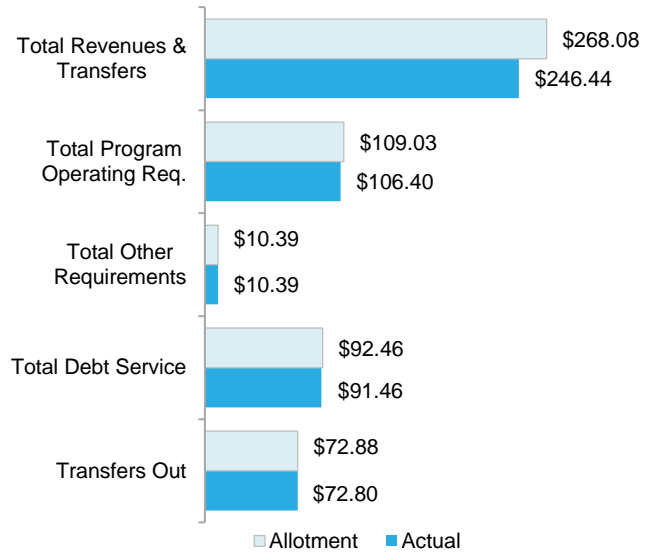
The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of March 31, 2019, was \$177.87 million. The combined balance was \$2.84 million more than projected for this date, as shown below:

	YTD Allotment	YTD Actual	Difference
Beginning Balance	191.72	212.48	20.76
Water Services	123.38	109.06	(14.32)
Wastewater Services	130.81	123.81	(7.00)
Reclaimed Services	0.85	0.64	(0.21)
Reserve Fund Surcharge	0.88	0.80	(0.08)
Other Revenues	5.74	7.34	1.60
Transfers In	6.42	4.79	(1.63)
Total Revenues & Transfers	268.08	246.44	(21.64)
Program Operating Req.	109.03	106.40	2.63
Other Requirements	10.39	10.39	0.00
Debt Service	92.46	91.46	1.00
Transfers Out	72.88	72.80	0.08
Total Revenue Requirements	284.76	281.05	3.71
Ending Balance	175.03	177.87	2.84
Debt Service Coverage	1.44	1.26	

Note: Numbers may not add due to rounding.

Revenue & Requirements Summary

Year-to-Date in Millions



Revenue Highlights

Total revenues and transfer in for the fiscal year were \$246.44 million; \$21.64 million (8.1%) continues to trend below budget projections due to above average rainfall.

The following sources are below projections:

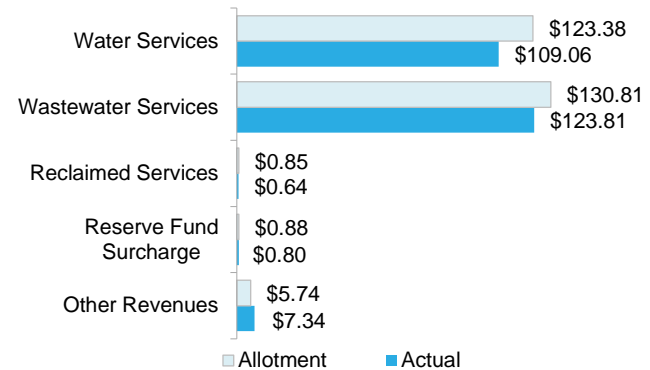
- Water service totaled \$109.06 million (11.6% below)
- Wastewater service totaled \$123.81 million (5.4% below)
- Reclaimed service totaled \$0.64 million (24.5% below)
- Reserve fund surcharges totaled \$0.80 million (8.7% below)
- Transfers In totaled \$4.79 million (25.5% below)

The following sources are above projections:

- Other revenues totaled \$7.34 million (27.9% above)

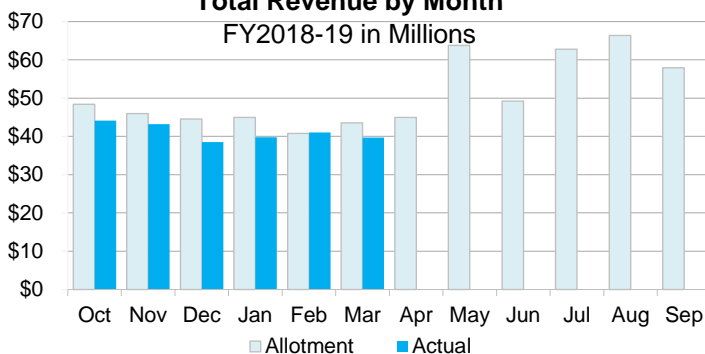
Revenue - Budget vs. Actual

Year-to-Date in Millions



Total Revenue by Month

FY2018-19 in Millions

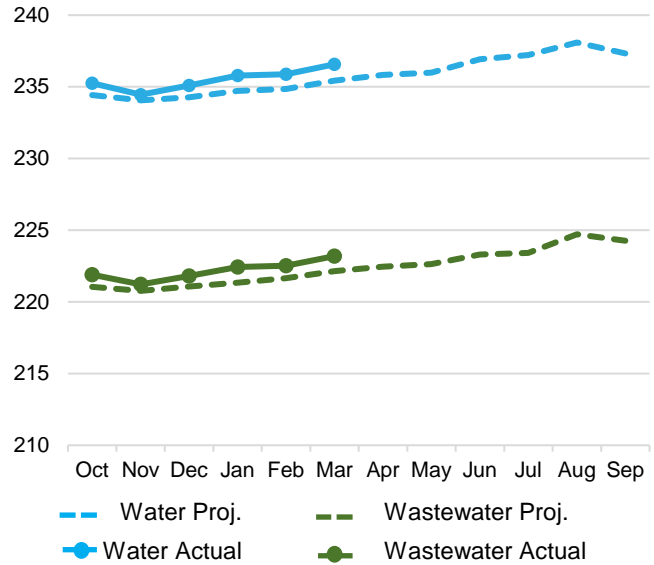


- Water and Wastewater service revenue continues to trend below budget projections due to year-to-date above average rainfall.
- March total revenue and transfers in of \$39.67 million was \$3.84 million below projections by 8.81%.

User Characteristics

	Projected	Actual	Variance
Water Customers	235,423	236,571	1,148
Wastewater Customers	222,149	223,192	1,043
Monthly Pumpage	3.51	3.52	0.01
YTD Pumpage	21.10	19.94	(1.16)
Monthly Billed Use	2.96	2.34	(0.62)
YTD Billed Use	19.07	16.52	(2.55)
Monthly Influent Flow	3.81	3.22	(0.59)
YTD Influent Flow	21.36	21.47	0.11
Monthly Billed Flow	2.33	1.92	(0.41)
YTD Billed Flow	14.04	13.17	(0.87)
(Above in Billions of Gallons)			
Avg. Residential Use (gal)	4,700	3,657	(1,043)
Avg. Residential Flow (gal)	3,840	3,058	(782)

Number of Customers by Month FY 2018-19 in Thousands



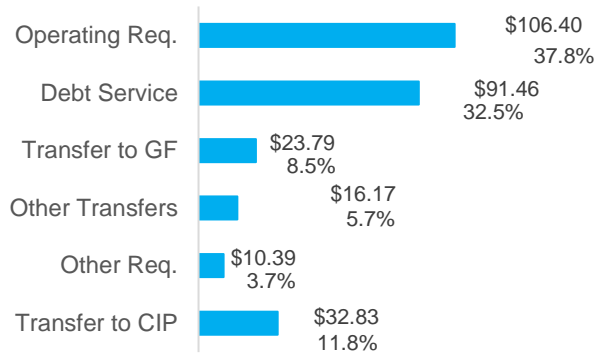
Requirement Highlights

Total requirements for the fiscal year were \$281.05 million, \$3.71 million (1.3%) less than the allotment to date.

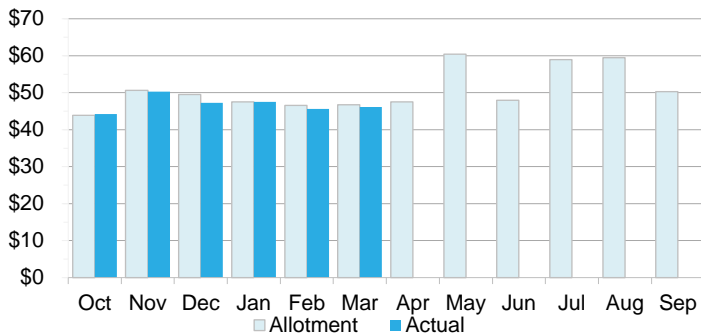
The following uses are at or below projections:

- Program operating requirements totaled \$106.40 million (2.4% below)
- Other requirements totaled \$10.39 million (0.0%)
- Debt service requirements totaled \$91.46 million (1.1% below)
- Transfers out to Capital Improvement Projects, the General Fund, Debt Defeasances, and Other Uses totaled \$72.80 million (0.1% below)

Total Requirements by Type FY 2018-19 in Millions



Total Requirements by Month FY 2018-19 in Millions



- Total Requirements of \$46.12 million for the month were greater than to projection by 1.3%.

- Other Utilities Program Requirements and Engineering Services were above projection by 20.4% and 12.5%, respectively. All other spending was below projection.

- Pages 14 and 15 provide details on variances in spending by program area and object code.

City of Austin, Texas
Austin Water
FUND SUMMARY - COMBINED
As of March 2019

	2018-19 APPROVED	2018-19 AMENDED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
BEGINNING BALANCE	191,715,190	191,715,190	191,715,190	0	212,482,937	20,767,747	10.8%
REVENUE							
Water Revenue	285,460,133	285,460,133	123,382,333	17,211,540	109,062,483	(14,319,850)	-11.6%
Wastewater Revenue	264,646,577	264,646,577	130,813,040	20,228,206	123,812,914	(7,000,126)	-5.4%
Reserve Fund Surcharge	1,986,876	1,986,876	879,606	127,904	803,126	(76,480)	-8.7%
Other Revenue	4,926,280	4,926,280	2,463,174	313,677	2,060,874	(402,300)	-16.3%
Reclaimed Revenue	1,881,845	1,881,845	845,384	87,892	638,055	(207,329)	-24.5%
Interest	3,647,168	3,647,168	1,823,584	654,432	3,556,314	1,732,730	95.0%
Public Health Licenses, Permits,	710,600	710,600	355,296	55,143	387,272	31,976	9.0%
Other Fines	589,200	589,200	294,600	90,975	461,275	166,675	56.6%
Miscellaneous	66,800	66,800	33,402	0	50,554	17,152	51.3%
Building Rental/Lease	117,600	117,600	58,800	0	61,535	2,735	4.7%
Land & Infrastructure Rental/Lease	72,000	72,000	36,000	5,500	27,500	(8,500)	-23.6%
Scrap Sales	46,800	46,800	23,400	3,810	108,090	84,690	361.9%
Development Fees	1,298,300	1,298,300	649,152	138,798	617,948	(31,204)	-4.8%
Parking Revenue	100	100	48	0	0	(48)	-100.0%
Total Revenue	565,450,279	565,450,279	261,657,819	38,917,877	241,647,941	(20,009,878)	-7.6%
TRANSFERS IN							
CIP	34,200,000	34,200,000	0	0	0	0	0.0%
Community Benefit Charge Transfer	9,132,323	9,132,323	4,183,738	403,681	2,547,886	(1,635,852)	-39.1%
Austin Water Utility	4,000,000	4,000,000	1,999,998	333,300	2,000,200	202	0.0%
Support Services/Infrastructure Funds	300,582	300,582	187,782	18,800	187,782	0	0.0%
Austin Resource Recovery Fund	53,334	53,334	53,334	0	53,334	0	0.0%
Total Transfers In	47,686,239	47,686,239	6,424,852	755,781	4,789,202	(1,635,650)	-25.5%
TOTAL AVAILABLE FUNDS	613,136,518	613,136,518	268,082,671	39,673,658	246,437,143	(21,645,528)	-8.1%
PROGRAM REQUIREMENTS							
Operations	140,449,135	140,449,135	69,454,364	11,381,008	67,840,626	1,613,738	2.3%
Support Services	31,117,783	31,117,783	15,673,867	1,870,656	14,102,886	1,570,981	10.0%
Other Utility Program Requirements	9,487,966	9,487,966	5,457,083	89,211	6,569,080	(1,111,997)	-20.4%
Environmental Affairs & Conservation	12,395,666	12,395,666	6,610,789	1,060,617	5,872,296	738,493	11.2%
Engineering Services	13,089,466	13,089,466	6,754,911	468,610	7,598,418	(843,507)	-12.5%
Water Resources Management	9,370,556	9,370,556	4,791,760	802,754	4,147,711	644,050	13.4%
One Stop Shop	0	0	0	0	0	0	0.0%
Reclaimed	571,388	571,388	283,819	40,143	267,721	16,098	5.7%
Total Program Requirements	216,481,960	216,481,960	109,026,593	15,712,999	106,398,738	2,627,856	2.4%
OTHER REQUIREMENTS							
Utility Billing	20,562,342	20,562,342	10,281,168	1,713,529	10,281,173	(5)	0.0%
Market Study Adjustment	0	0	0	0	0	0	0.0%
Accrued Payroll	764,067	764,067	0	0	0	0	0.0%
Interdepartment	73,955	73,955	36,967	6,163	36,977	(10)	0.0%
Trf to PID Fund	75,000	75,000	75,000	0	75,000	0	0.0%
Total Other Requirements	21,475,364	21,475,364	10,393,135	1,719,692	10,393,150	(15)	0.0%
DEBT SERVICE REQUIREMENTS							
Trf to Util D/S Separate Lien	147,149,281	147,149,281	63,404,009	10,512,867	62,118,070	1,285,940	2.0%
Interest payment D/S funds	0	0	0	88,054	88,054	(88,054)	0
Trf to Utility D/S Prior Lien	27,963,926	27,963,926	20,976,450	4,673,922	20,992,781	(16,331)	-0.1%
Trf to Utility D/S Sub Lien	9,294,800	9,294,800	6,678,450	1,451,701	6,693,053	(14,603)	-0.2%
Trf to GO Debt Service	2,042,881	2,042,881	1,021,441	0	1,021,442	(1)	0.0%
Trf to Util D/S Tax/Rev Bonds	976,802	976,802	94,887	94,887	94,887	(0)	0.0%
Commercial paper interest	572,064	572,064	286,032	68,508	448,464	(162,432)	-56.8%
Total Debt Service Requirements	187,999,754	187,999,754	92,461,269	16,889,938	91,456,750	1,004,519	1.1%
TRANSFERS							
Trf to General Fund	47,585,534	47,585,534	23,792,534	3,965,500	23,792,534	0	0.0%
Trf to Wastewater CIP Fund	41,000,000	41,000,000	20,274,000	3,271,000	20,274,000	0	0.0%
Trf to Water CIP Fund	27,000,000	27,000,000	12,112,000	1,829,000	12,112,000	0	0.0%
TRF CRF to Debt Defeasance	34,200,000	34,200,000	0	0	0	0	0.0%
TRF Operating to Debt Defeasance	0	0	0	0	0	0	0.0%
Administrative Support	13,446,037	13,446,037	6,723,037	1,120,500	6,723,037	0	0.0%
Trf to Water Revenue Stab Rsv	1,986,876	1,986,876	879,606	127,904	803,126	76,480	8.7%
CTM Support	4,811,624	4,811,624	2,406,824	400,800	2,406,824	0	0.0%
Trf to Reclaimed Water Fund	4,000,000	4,000,000	2,000,200	333,300	2,000,200	0	0.0%
Trf to Economic Development	3,867,071	3,867,071	1,962,641	317,405	1,962,641	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)	2,943,935	2,943,935	1,471,985	245,325	1,471,985	0	0.0%
Workers' Compensation	1,135,888	1,135,888	568,288	94,600	568,288	0	0.0%
Regional Radio System	454,320	454,320	227,160	37,860	227,160	0	0.0%
CTECC Support	12,590	12,590	12,590	0	12,590	0	0.0%
Total Transfers Out	183,443,875	183,443,875	72,879,865	11,808,194	72,803,385	76,480	0.1%
TOTAL REQUIREMENTS	609,400,953	609,400,954	284,760,862	46,130,823	281,052,022	3,708,840	1.3%
EXCESS (DEFICIENCY) OF TOTAL							
AVAILABLE FUNDS OVER TOTAL	3,735,565	3,735,564	(16,678,191)	(6,457,165)	(34,614,879)	(17,936,688)	-107.5%
ADJUSTMENT TO GAAP	0	0	0	0	0	0	
ENDING BALANCE	195,450,755	195,450,754	175,036,999	(6,457,165)	177,868,058	2,831,059	1.6%
<i>Note: Numbers may not add due to rounding.</i>							
DEBT SERVICE COVERAGE RATIO	1.65	1.65	1.44		1.26		

City of Austin, Texas
Austin Water
FUND SUMMARY - WATER
As of March 2019

	2018-19 APPROVED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
BEGINNING BALANCE	109,071,100	109,071,100	-	121,826,604	12,755,504	11.7%
REVENUE						
Water Revenue	285,460,133	123,382,333	17,211,540	109,062,483	(14,319,850)	-11.6%
Reserve Fund Surcharge	1,986,876	879,606	127,904	803,126	(76,480)	-8.7%
Other Revenue	1,982,312	991,194	137,295	732,448	(258,746)	-26.1%
Development Fees	1,294,700	647,352	138,566	617,484	(29,868)	-4.6%
Other Fines	589,200	294,600	90,975	461,275	166,675	56.6%
Interest	1,879,033	939,516	350,504	1,944,484	1,004,968	107.0%
Miscellaneous Franchise Fees	58,400	29,202	0	50,554	21,352	73.1%
Land & Infrastructure Rental/Lease	72,000	36,000	5,500	27,500	(8,500)	-23.6%
Building Rental/Lease	58,900	29,448	0	31,368	1,920	6.5%
Public Health Licenses, Permits, Inspections	55,700	27,852	5,978	35,829	7,977	28.6%
Scrap Sales	26,400	13,200	1,905	54,045	40,845	309.4%
Parking Revenue	100	48	0	0	(48)	-100.0%
Total Revenue	293,463,754	127,270,352	18,070,167	113,820,596	(13,449,756)	-10.6%
TRANSFERS IN						
CIP	24,800,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	5,321,483	2,300,065	226,708	1,449,437	(850,628)	-37.0%
Support Services/Infrastructure Funds	150,291	93,891	9,400	93,891	0	0.0%
Total Transfers In	30,271,774	2,393,956	236,108	1,543,328	(850,628)	-35.5%
TOTAL AVAILABLE FUNDS	323,735,528	129,664,308	18,306,275	115,363,924	(14,300,384)	-11.0%
PROGRAM REQUIREMENTS						
Operations	74,507,371	36,674,329	5,280,368	34,175,552	2,498,777	6.8%
Support Services	15,697,926	7,898,638	942,965	7,129,850	768,788	9.7%
Environmental Affairs & Conservation	9,133,279	4,951,677	837,928	4,419,792	531,885	10.7%
Other Utility Program Requirements	4,988,549	2,794,093	164,564	4,292,337	(1,498,244)	-53.6%
Engineering Services	5,056,675	1,854,239	47,131	2,270,157	(415,918)	-22.4%
Water Resources Management	4,385,972	2,229,020	415,882	1,876,474	352,546	15.8%
Total Program Requirements	113,769,772	56,401,996	7,688,838	54,164,162	2,237,834	4.0%
OTHER REQUIREMENTS						
Utility Billing System Support	12,473,371	6,236,685	1,039,448	6,236,686	(1)	0.0%
Accrued Payroll	383,833	0	0	0	0	0.0%
Interdepartmental Charges	36,978	18,484	3,082	18,486	(2)	0.0%
Trf to PID Fund	37,500	37,500	0	37,500	0	0.0%
Expense Refund - Insurance	0	0	0	0	0	0.0%
Total Other Requirements	12,931,682	6,292,669	1,042,530	6,292,672	(4)	0.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	80,283,229	35,026,086	5,838,266	34,279,455	746,631	2.1%
Interest payment D/S funds	0	0	32,584	32,584	(32,584)	0.0%
Tfr to Utility D/S Prior Lien	13,107,542	9,832,300	2,190,838	9,839,537	(7,237)	-0.1%
Tfr to Utility D/S Sub Lien	5,213,100	3,768,600	822,081	3,776,872	(8,272)	-0.2%
Trf to GO Debt Service	910,449	455,225	0	455,226	(1)	0.0%
Tfr to Util D/S Tax/Rev Bonds	408,212	36,119	36,119	36,119	(0)	0.0%
Commercial paper interest	316,314	158,157	42,646	269,756	(111,599)	-70.6%
Total Debt Service Requirements	100,238,846	49,276,486	8,962,533	48,689,548	586,938	1.2%
TRANSFERS						
Trf to Water CIP Fund	27,000,000	12,112,000	1,829,000	12,112,000	0	0.0%
Trf to General Fund	25,404,402	12,702,402	2,117,000	12,702,402	0	0.0%
TRF CRF to Debt Defeasance	24,800,000	0	0	0	0	0.0%
TRF Operating to Debt Defeasance	0	0	0	0	0	0.0%
Trf to Water Revenue Stab Rsv	1,986,876	879,606	127,904	803,126	76,480	8.7%
Administrative Support	7,277,235	3,638,625	606,435	3,638,625	0	0.0%
Trf to Reclaimed Water Fund	4,000,000	2,000,200	333,300	2,000,200	0	0.0%
CTM Support	2,415,274	1,207,624	201,275	1,207,624	0	0.0%
Trf to Economic Development	2,046,374	1,023,194	170,530	1,023,194	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,194,441	597,231	99,535	597,231	0	0.0%
Workers' Compensation	567,944	284,144	47,300	284,144	0	0.0%
Regional Radio System	227,160	113,580	18,930	113,580	0	0.0%
CTECC Support	6,295	6,295	0	6,295	0	0.0%
Total Transfers Out	96,926,001	34,564,901	5,551,209	34,488,421	76,480	0.2%
TOTAL REQUIREMENTS	323,866,301	146,536,052	23,245,110	143,634,803	2,901,249	2.0%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	(130,773)	(16,871,744)	(4,938,835)	(28,270,879)	(11,399,135)	-67.6%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	108,940,327	92,199,356	(4,938,835)	93,555,725	1,356,369	1.5%
<i>Note: Numbers may not add due to rounding.</i>						
DEBT SERVICE COVERAGE RATIO	1.57	1.21		0.99		

City of Austin, Texas
Austin Water
FUND SUMMARY - WASTEWATER
As of March 2019

	2018-19 APPROVED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
BEGINNING BALANCE	81,801,669	81,801,669	-	89,526,294	7,724,625	9.4%
REVENUE						
Wastewater Revenue	264,646,577	130,813,040	20,228,206	123,812,914	(7,000,126)	-5.4%
Other Revenue	2,943,968	1,471,980	176,382	1,328,426	(143,554)	-9.8%
Interest	1,752,103	876,051	301,828	1,589,255	713,204	81.4%
Public Health Licenses, Permits, Inspections	654,900	327,444	49,165	351,444	24,000	7.3%
Building Rental/Lease	58,700	29,352	0	30,168	816	2.8%
Miscellaneous Franchise Fees	8,400	4,200	0	0	(4,200)	-100.0%
Scrap Sales	20,400	10,200	1,905	54,045	43,845	429.9%
Development Fees	3,600	1,800	232	464	(1,336)	-74.2%
Total Revenue	270,088,648	133,534,067	20,757,717	127,166,715	(6,367,351)	-4.8%
TRANSFERS IN						
CIP	9,400,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	3,810,840	1,883,673	176,973	1,098,449	(785,224)	-41.7%
Support Services/Infrastructure Funds	150,291	93,891	9,400	93,891	0	0.0%
Austin Resource Recovery Fund	53,334	53,334	0	53,334	0	0.0%
Total Transfers In	13,414,465	2,030,898	186,373	1,245,674	(785,224)	-38.7%
TOTAL AVAILABLE FUNDS	283,503,113	135,564,965	20,944,090	128,412,389	(7,152,575)	-5.3%
PROGRAM REQUIREMENTS						
Operations	65,941,764	32,780,035	6,100,640	33,665,074	(885,039)	-2.7%
Support Services	15,419,857	7,775,229	921,161	6,973,036	802,193	10.3%
Engineering Services	8,032,791	4,900,672	421,479	5,328,261	(427,589)	-8.7%
Other Utility Program Requirements	4,468,817	2,648,627	(74,959)	2,270,608	378,019	14.3%
Water Resources Management	4,984,584	2,562,740	386,871	2,271,236	291,504	11.4%
Environmental Affairs & Conservation	3,262,387	1,659,112	222,690	1,452,504	206,608	12.5%
Total Program Requirements	102,110,200	52,326,415	7,977,882	51,960,720	365,695	0.7%
OTHER REQUIREMENTS						
Utility Billing System Support	8,088,971	4,044,483	674,081	4,044,486	(3)	0.0%
Accrued Payroll	370,306	0	0	0	0	0.0%
Interdepartmental Charges	36,977	18,483	3,081	18,491	(8)	0.0%
Trf to PID Fund	37,500	37,500	0	37,500	0	0.0%
Total Other Requirements	8,533,754	4,100,466	677,162	4,100,477	(11)	0.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	63,205,833	26,688,451	4,422,849	26,209,490	478,961	1.8%
Interest payment D/S funds	0	0	55,470	55,470	(55,470)	0.0%
Tfr to Utility D/S Prior Lien	14,856,384	11,144,150	2,483,084	11,153,244	(9,094)	-0.1%
Tfr to Utility D/S Sub Lien	4,081,700	2,909,850	629,620	2,916,181	(6,331)	-0.2%
Trf to GO Debt Service	1,132,432	566,216	0	566,216	0	0.0%
Tfr to Util D/S Tax/Rev Bonds	568,590	58,768	58,768	58,768	(0)	0.0%
Commercial paper interest	226,305	113,153	20,637	149,440	(36,288)	-32.1%
Total Debt Service Requirements	84,071,244	41,480,588	7,670,428	41,108,810	371,778	0.9%
TRANSFERS OUT						
Trf to Wastewater CIP Fund	41,000,000	20,274,000	3,271,000	20,274,000	0	0.0%
Trf to General Fund	22,050,724	11,025,724	1,837,500	11,025,724	0	0.0%
TRF CRF to Debt Defeasance	9,400,000	0	0	0	0	0.0%
TRF Operating to Debt Defeasance	0	0	0	0	0	0.0%
Administrative Support	5,922,484	2,961,244	493,540	2,961,244	0	0.0%
CTM Support	2,394,314	1,197,164	199,525	1,197,164	0	0.0%
Trf to Economic Development	1,762,508	881,258	146,875	881,258	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,589,132	794,582	132,425	794,582	0	0.0%
Trf to Reclaimed Water Fund	0	0	0	0	0	0.0%
Workers' Compensation	567,944	284,144	47,300	284,144	0	0.0%
CTECC Support	6,295	6,295	0	6,295	0	0.0%
Liability Reserve	0	0	0	0	0	0.0%
Regional Radio System	227,160	113,580	18,930	113,580	0	0.0%
Total Transfers Out	84,920,561	37,537,991	6,147,095	37,537,991	0	0.0%
TOTAL REQUIREMENTS	279,635,759	135,445,460	22,472,567	134,707,998	737,462	0.5%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	3,867,354	119,504	(1,528,477)	(6,295,609)	(6,415,113)	5368.10%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	85,669,023	81,921,173	(1,528,477)	83,230,685	1,309,512	1.6%
<i>Note: Numbers may not add due to rounding.</i>						
DEBT SERVICE COVERAGE RATIO	1.81	1.76		1.64		

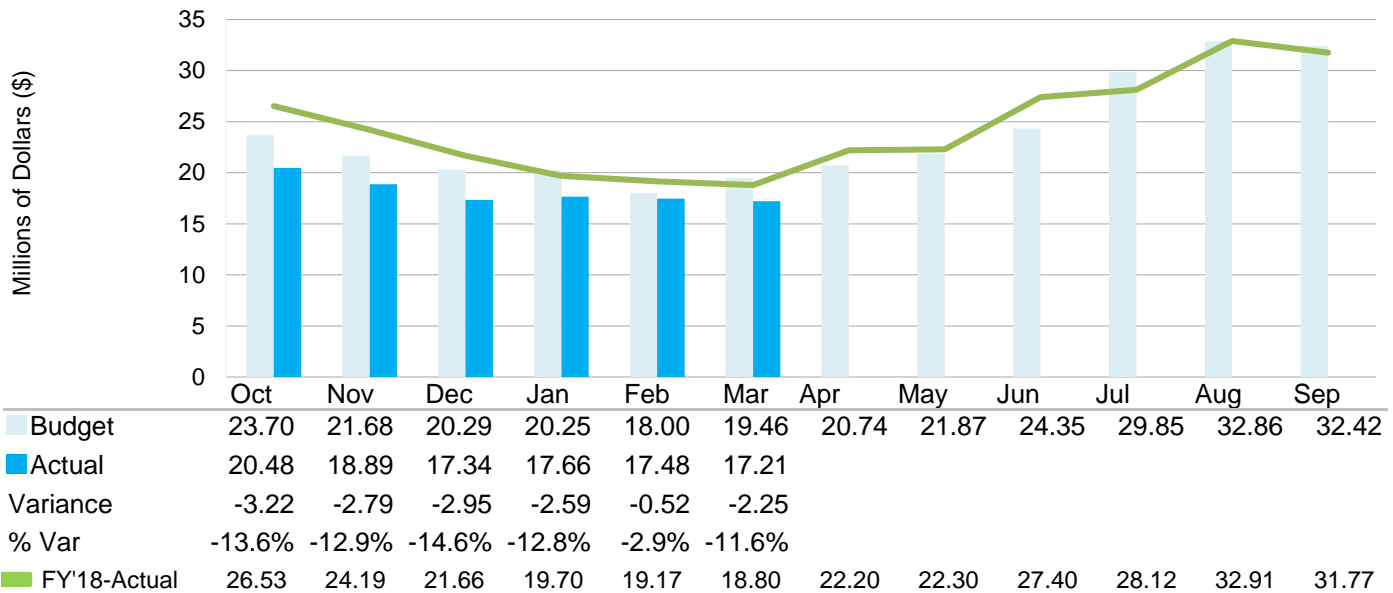
City of Austin, Texas
Austin Water
FUND SUMMARY - RECLAIMED
As of March 2019

	2018-19 APPROVED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
BEGINNING BALANCE	842,421	842,421	0	1,130,040	287,619	34.1%
REVENUE						
Reclaimed Services	1,881,845	845,384	87,892	638,055	(207,329)	-24.5%
Interest	16,032	8,016	2,101	22,574	14,558	181.6%
Total Revenue	1,897,877	853,400	89,993	660,630	(192,770)	-22.6%
TRANSFERS IN						
CIP	0	0	0	0	0	0.0%
Austin Water Utility	4,000,000	1,999,998	333,300	2,000,200	202	0.0%
Total Transfers In	4,000,000	1,999,998	333,300	2,000,200	202	0.0%
TOTAL AVAILABLE FUNDS	5,897,877	2,853,398	423,293	2,660,830	(192,568)	-6.7%
PROGRAM REQUIREMENTS						
Reclaimed Water Services	571,388	283,819	40,143	267,721	16,098	5.7%
Other Utility Program Requirements	30,600	14,363	(394)	6,136	8,228	57.3%
Total Program Requirements	601,988	298,182	39,749	273,856	24,326	8.2%
OTHER REQUIREMENTS						
Accrued Payroll	9,928	0	0	0	0	0.0%
Total Other Requirements	9,928	0	0	0	0	0.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	3,660,219	1,689,472	251,752	1,629,124	60,348	3.6%
Commercial paper interest	29,445	14,723	5,224	29,268	(14,545)	-98.8%
Total Debt Service Requirements	3,689,664	1,704,195	256,977	1,658,392	45,803	2.7%
TRANSFERS						
Trf to Reclaimed Water CIP Fnd	1,000,000	449,000	65,000	449,000	0	0.0%
TRF Operating to Debt Defeasance	0	0	0	0	0	0.0%
Administrative Support	246,318	123,168	20,525	123,168	0	0.0%
Trf to General Fund	130,408	64,408	11,000	64,408	0	0.0%
Trf to CIP Mgm - CPM (5460)	160,362	80,172	13,365	80,172	0	0.0%
Trf to Economic Development	58,189	58,189	0	58,189	0	0.0%
CTM Support	2,036	2,036	0	2,036	0	0.0%
Total Transfers Out	1,597,313	776,973	109,890	776,973	0	0.0%
TOTAL REQUIREMENTS	5,898,893	2,779,350	406,615	2,709,221	70,129	2.5%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE	(1,016)	74,048	16,677	(48,391)	(122,440)	-165.4%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	841,405	916,469	16,677	1,081,648	165,179	18.0%
<i>Note: Numbers may not add due to rounding.</i>						
DEBT SERVICE COVERAGE RATIO	0.24	0.21	0.06	0.11		

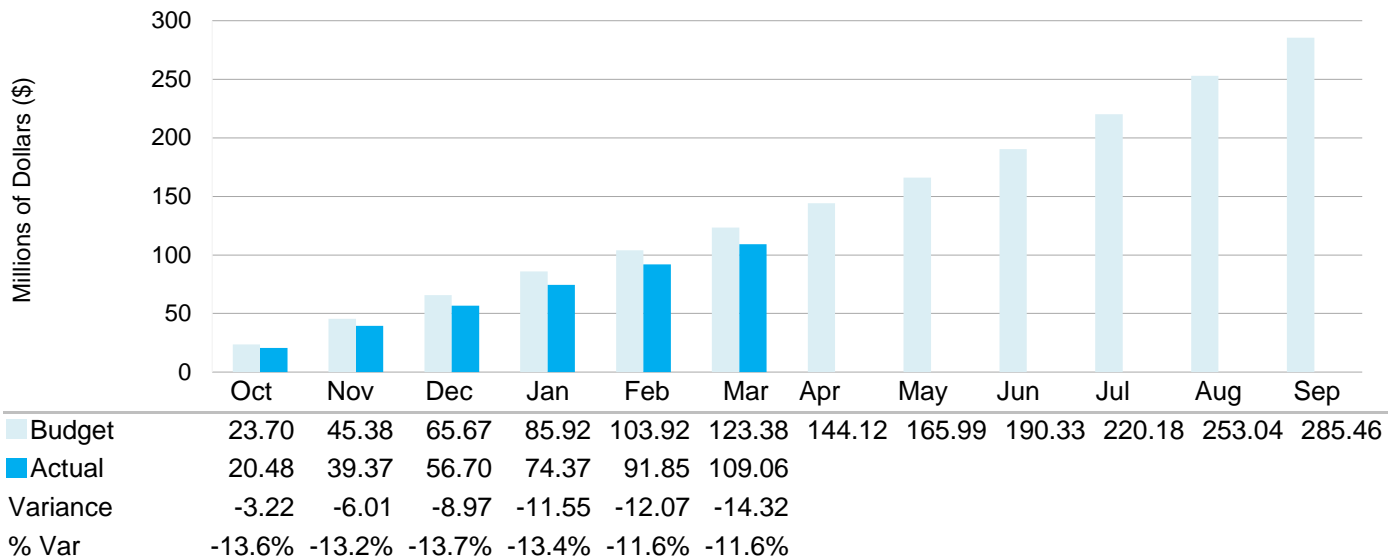
REVENUES

Water Service Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

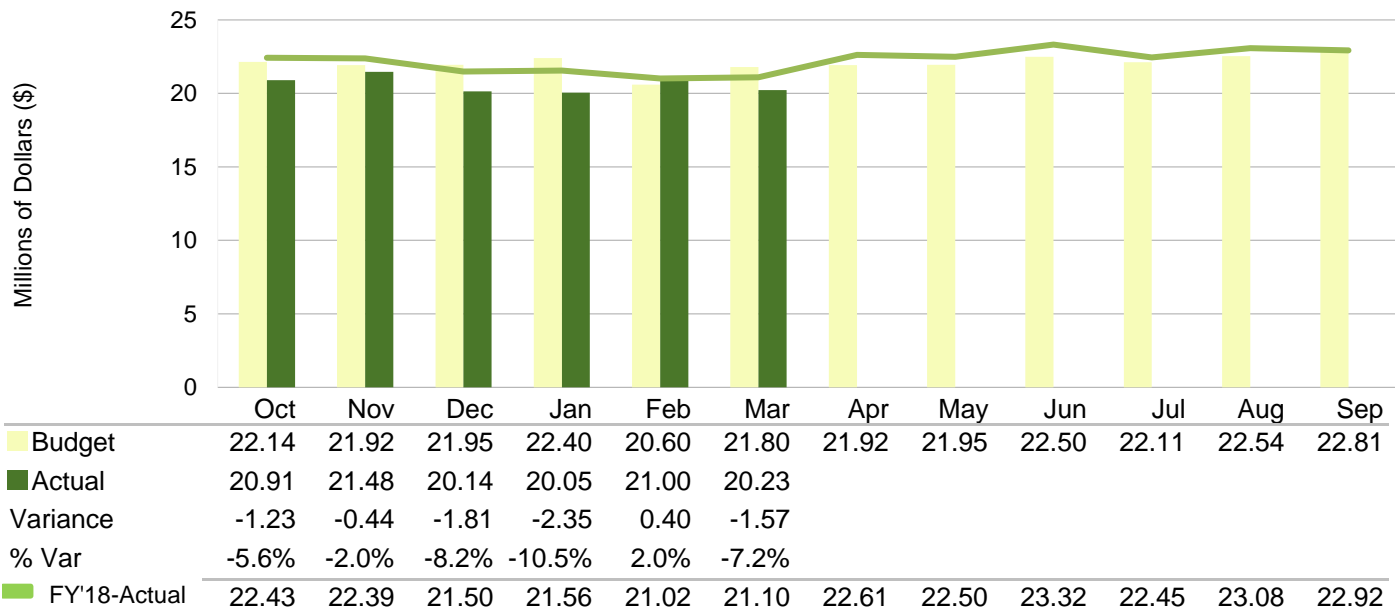


Water service revenues for March 2019 totaled \$17.21 million. This is \$2.25 million, or 11.6%, less than the budget allotment for the month. For the fiscal year, water service revenues totaled \$109.06 million, which is \$14.32 million, or 11.6% less than the budget allotment.

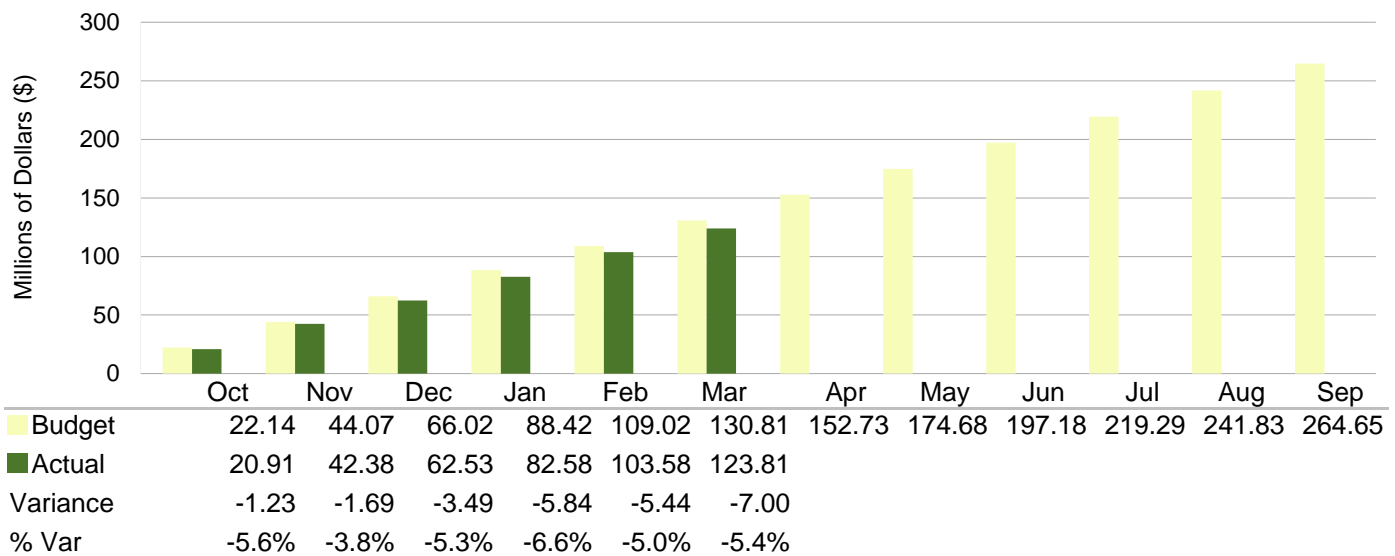
March 2019's billed water consumption totaled 2.34 BG, 0.62 BG (21.1%) lower than projected for the month. Year-to-date, billed water consumption of 16.52 BG is 2.55 BG (13.4%) lower than projected.

Wastewater Service Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

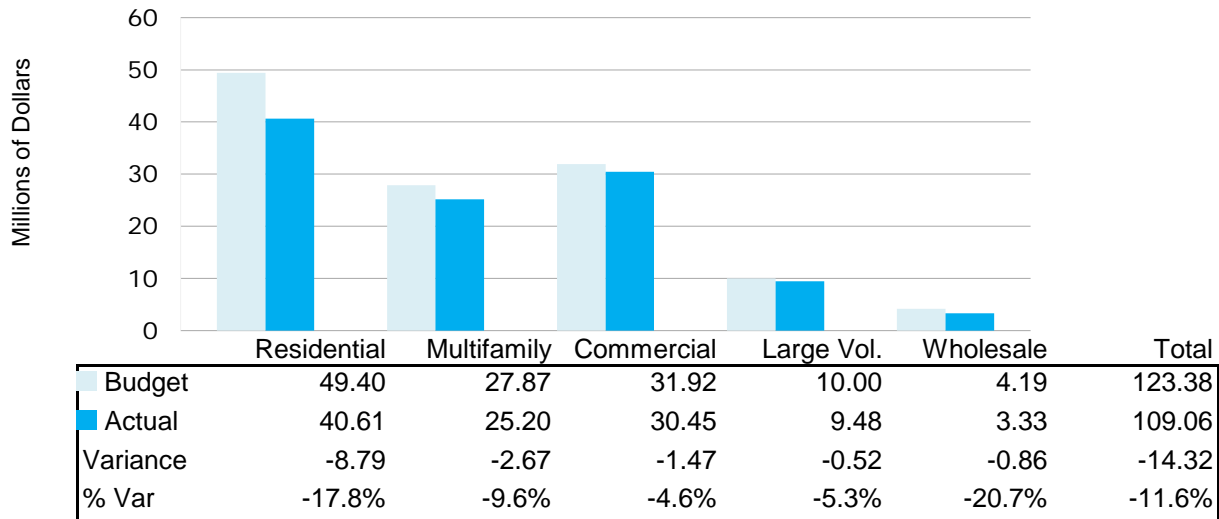


Wastewater service revenues for March 2019 totaled \$20.23 million. This is \$1.57 million, or 7.2% less than the budget allotment for the month. For the fiscal year, wastewater service revenues totaled \$123.81 million, which is \$7.00 million, or 5.4% less than the budget allotment.

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.

Revenue by Customer Class Year-to-Date

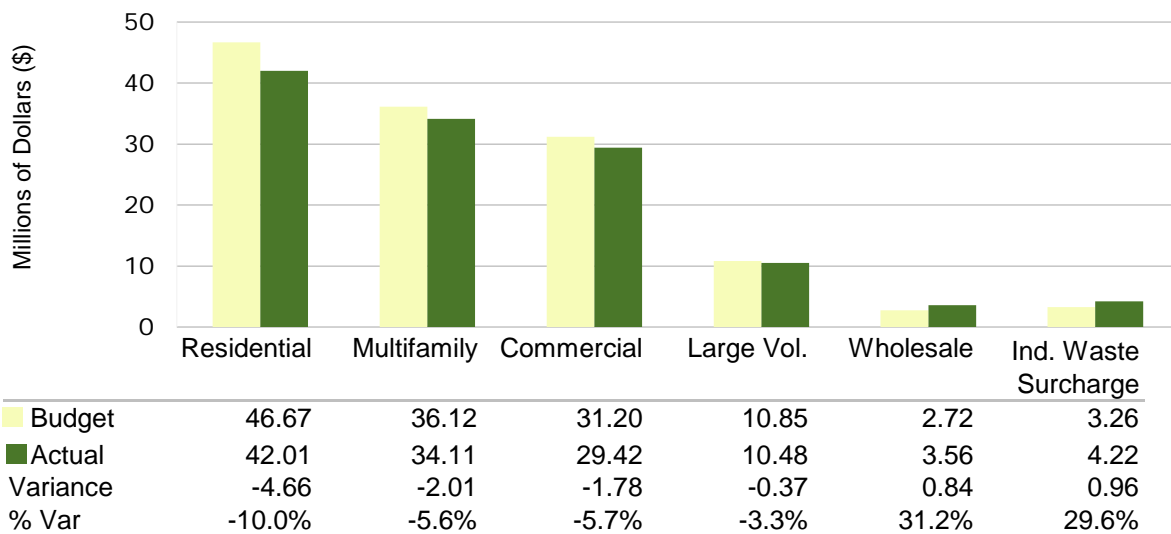
Water Service Revenue



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

All customer classes were below projections. Overall, water revenues are \$14.32 million (11.6%) lower than projected.

Wastewater Service Revenue

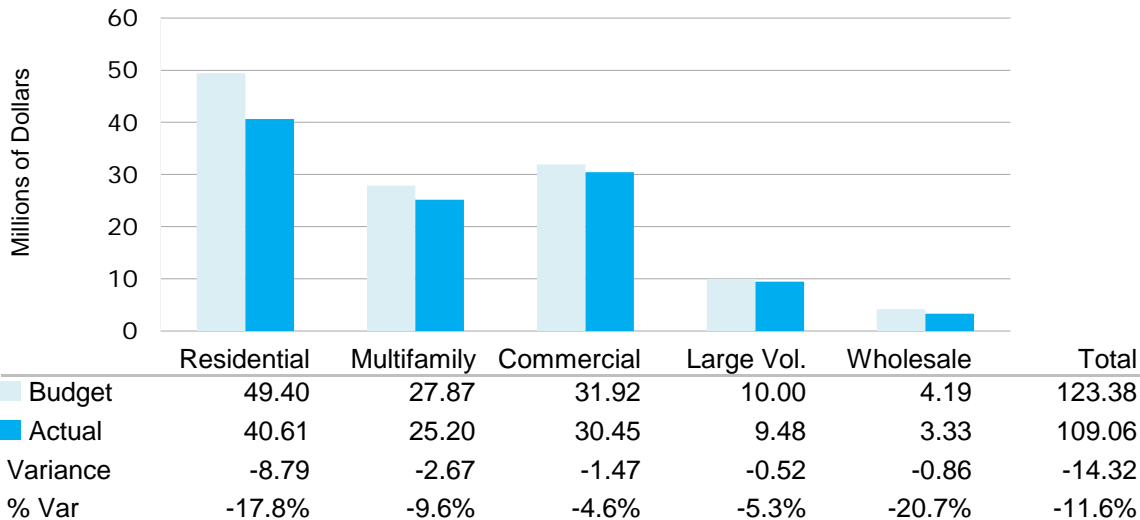


The graph above compares the budgeted and actual wastewater service revenues by customer class through March before any accounts receivable adjustments.

All customer classes were below projections except Wholesale and Industrial Waste Surcharge which was above by \$0.84 million or 31.2% and \$0.96 million or 29.6%, respectively. Overall, wastewater revenues are \$7.00 million (5.4%) lower than projected.

Revenue by Customer Class Year-to-Date

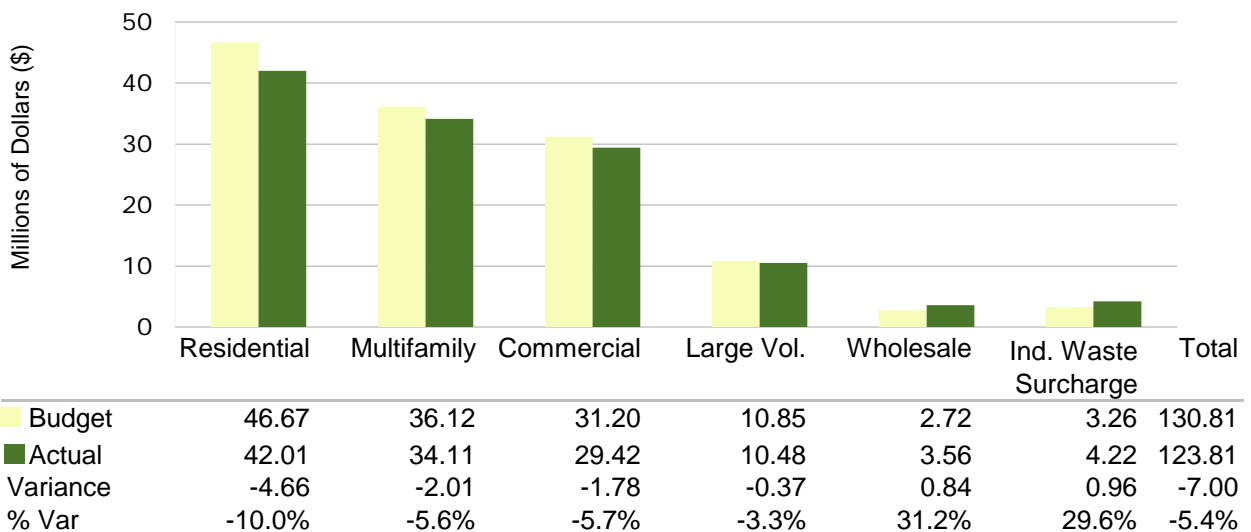
Water Service Revenue



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

All customer classes were below projections. Overall, water revenues are \$14.32 million (11.6%) lower than projected.

Wastewater Service Revenue

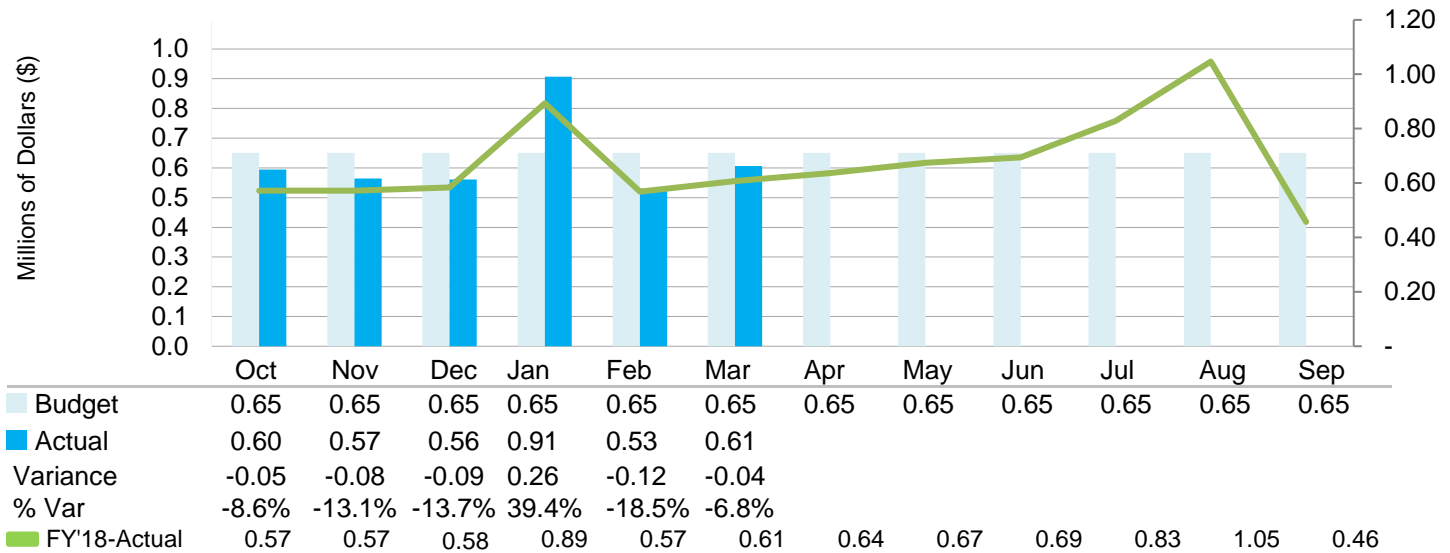


The graph above compares the budgeted and actual wastewater service revenues by customer class through March before any accounts receivable adjustments.

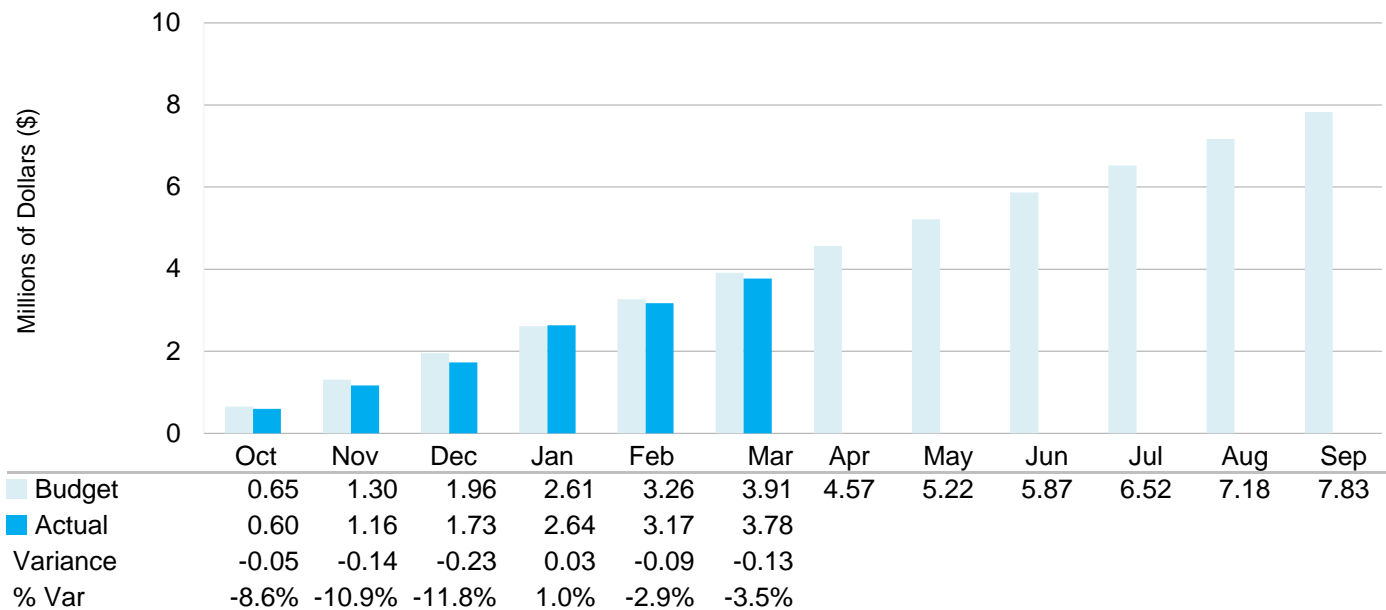
All customer classes were below projections except Wholesale and Industrial Waste Surcharge which was above by \$0.84 million or 31.2% and \$0.96 million or 29.6%, respectively. Overall, wastewater revenues are \$7.00 million (5.4%) lower than projected.

Miscellaneous Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

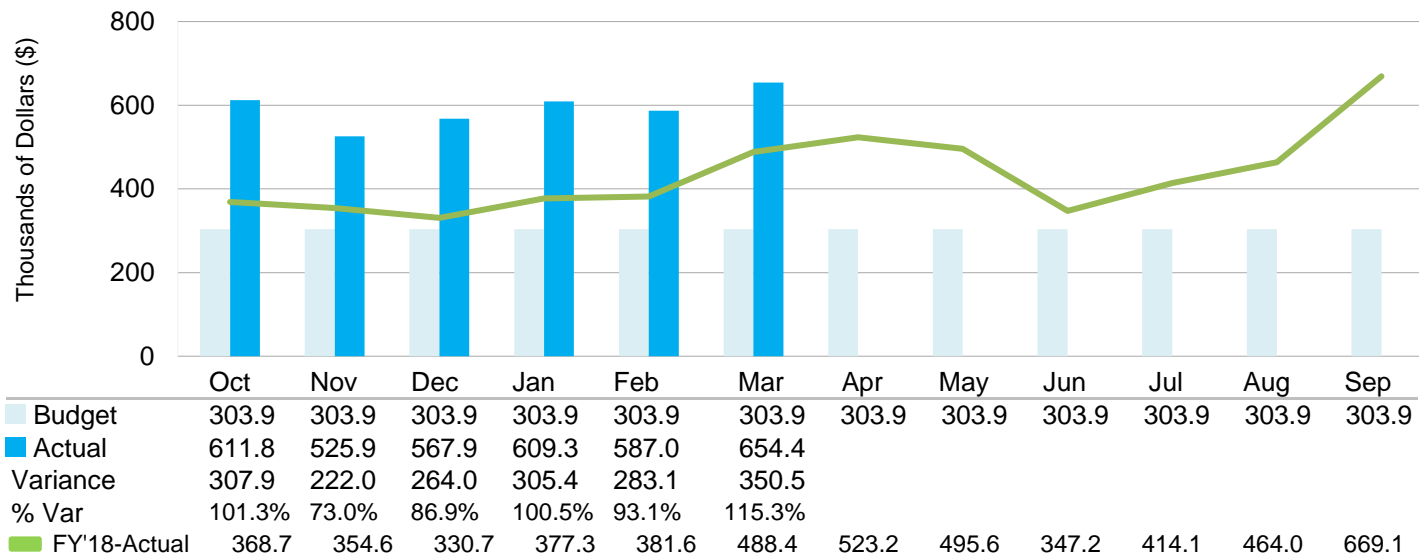


Miscellaneous revenues include revenue from sources other than water and wastewater services, such as late fees, fines, and special billings. Miscellaneous revenues in March 2019 totaled \$0.61 million, \$0.04 million (6.8%), less than the budget allotment for the month.

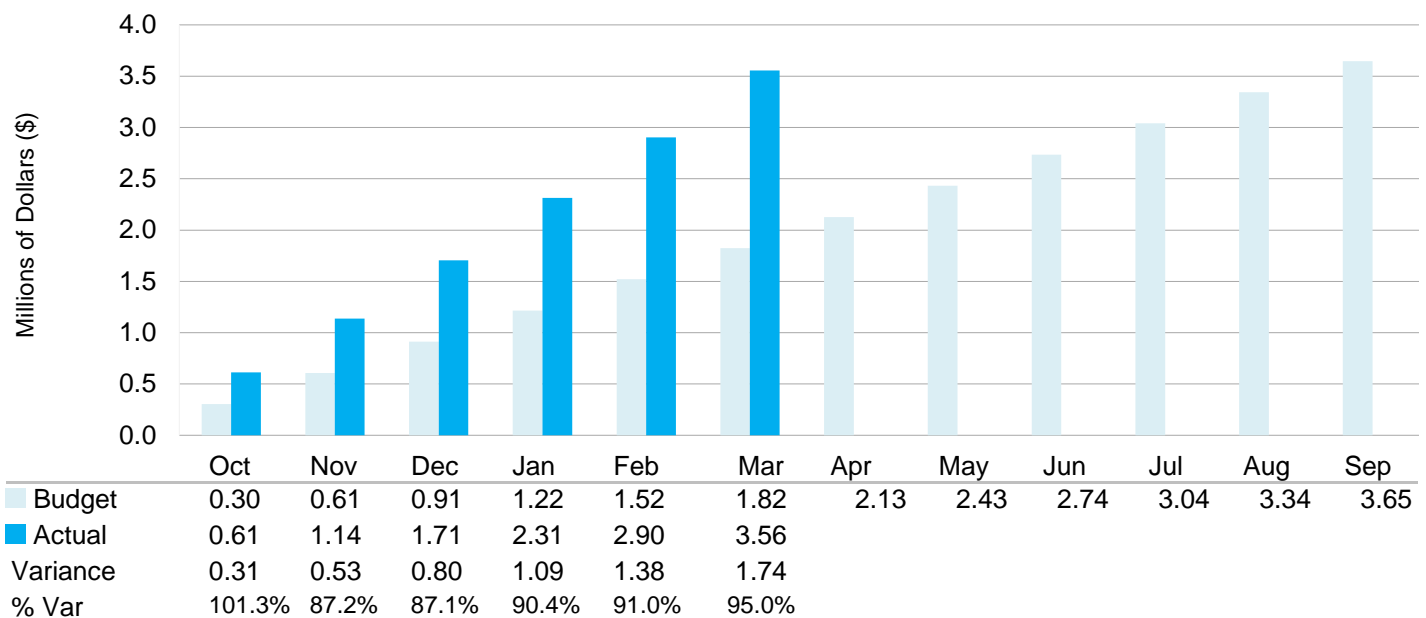
For the fiscal year, miscellaneous revenues totaled \$3.78 million, \$0.13 million (3.5%) less than the budget allotment.

Interest Income

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget



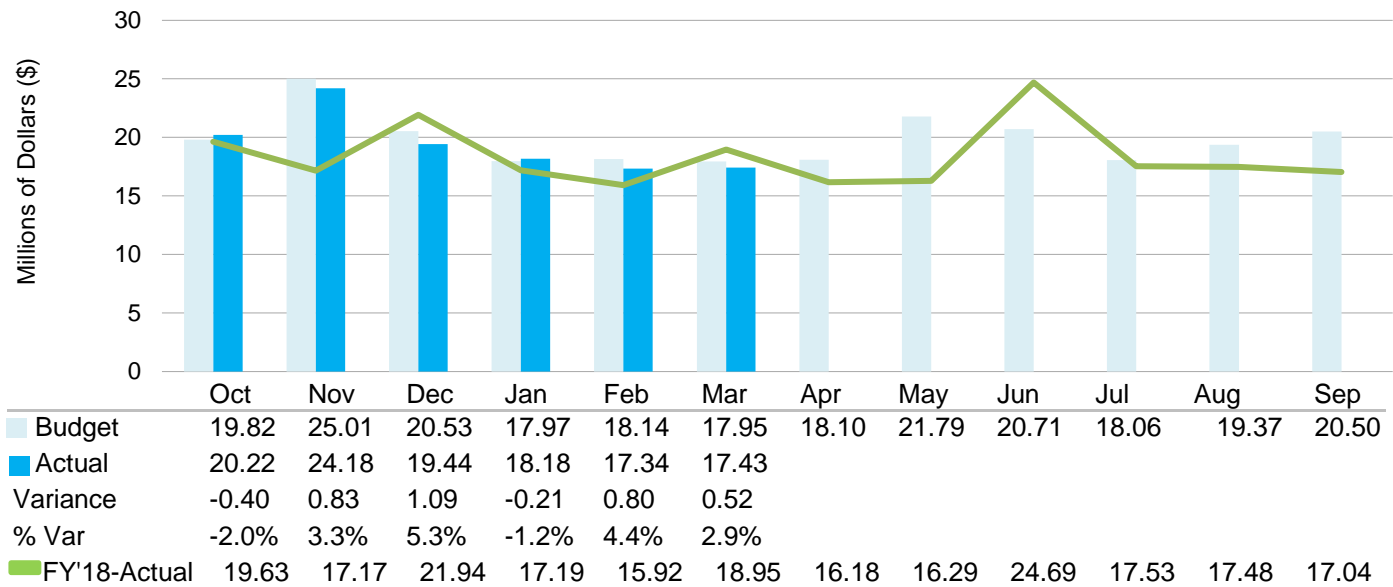
Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income in March 2019 totaled \$654.4 thousand, \$350.5 thousand (115.3%), more than the budget allotment for the month. This is largely due to higher than projected interest rates and cash balances.

For the fiscal year, interest income totaled \$3.56 million, \$1.74 million (95.0%) more than the budget allotment.

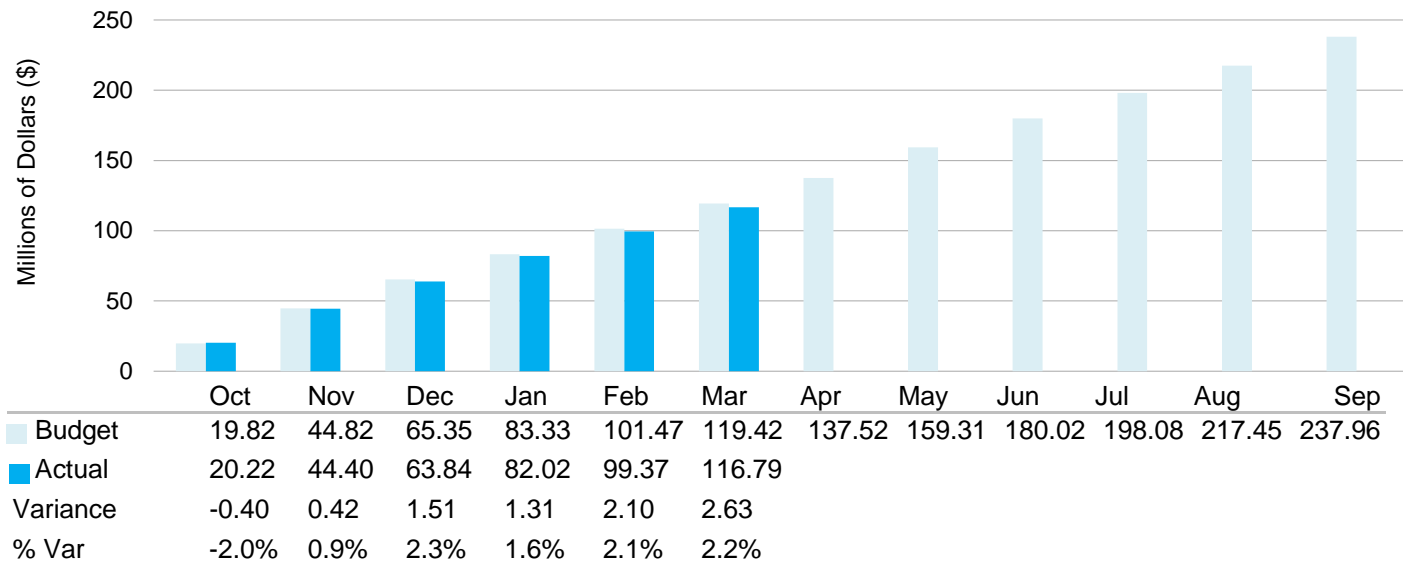
OPERATING REQUIREMENTS

Program Operating and Other Requirement Expenses

Monthly Budget vs. Actual



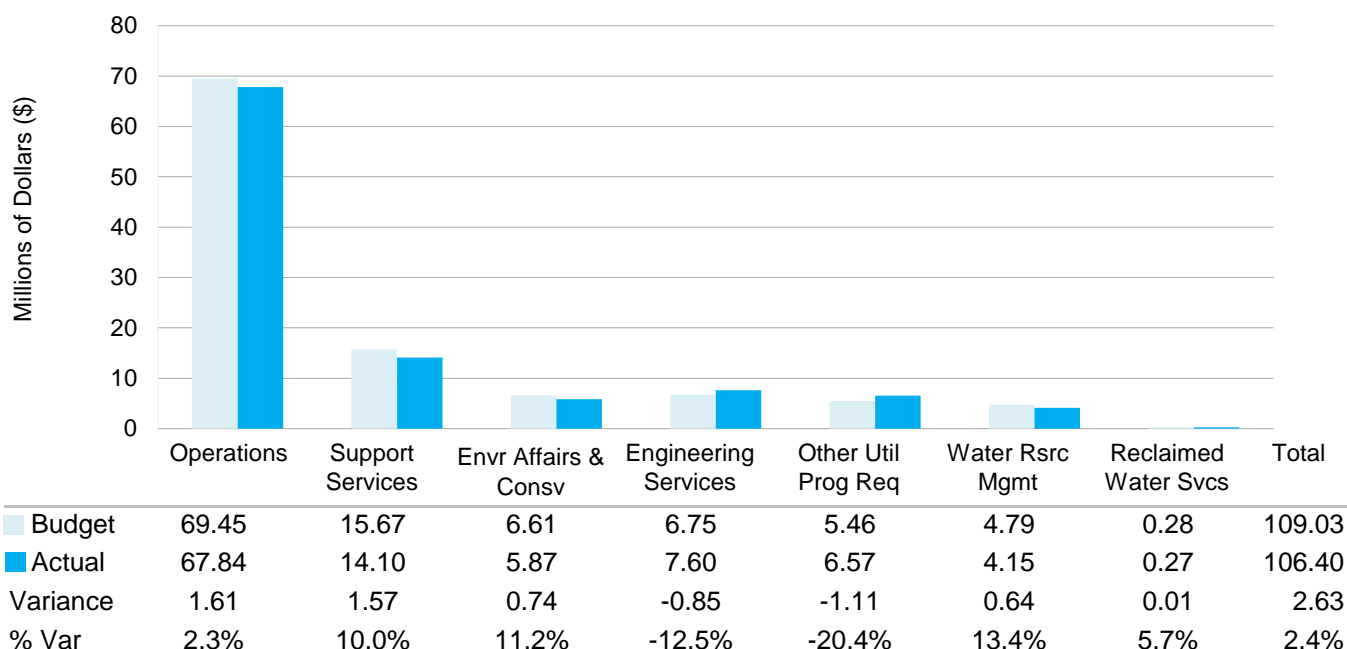
Year-to-Date Budget vs. Actual



Total Program Operating and Other Requirements for the fiscal year through March 2019 were \$60.46 million for Water, \$56.06 million for Wastewater, and \$0.27 million for Reclaimed. The combined Program Operating and Other Requirements of \$116.79 million were \$2.63 million, or 2.2% below the budget allotment.

Operating Program Expenditures Year-to-Date

Expenditures by Operating Program



Total Operating Program Requirements as of March 31, 2019 were \$54.16 million for Water, \$51.96 million for Wastewater, and \$0.27 million for Reclaimed Water. The combined Program Operating Requirements of \$106.40 million were \$2.63 million or 2.4% below allotment.

Support Services was \$1.57 million or 10.0% below allotment mainly due to vacant positions and lower than estimated spending on security services.

Environmental Affairs and Conservation was \$0.74 million or 11.2% below allotment mainly due to vacant positions and lower than estimated spending on commercial incentive programs.

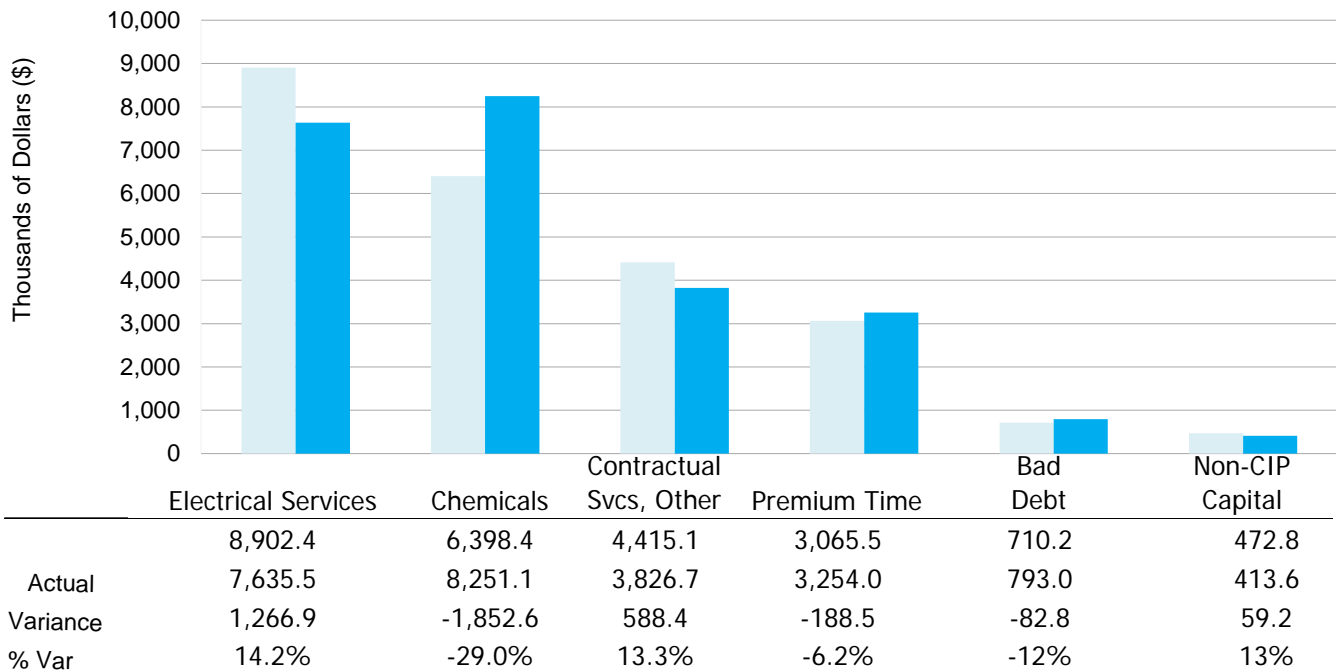
Engineering Services was \$0.85 million or 12.5% above allotment mainly due to higher than estimated spending on pipeline maintenance and chemicals and lower than estimated spending on the CIP related labor costs transfer.

Other Utility Program Requirements were \$1.11 million or 20.4% above allotment mainly due to higher than estimated spending on food and ice and legal claims and damages. Spending on food and ice includes \$1.13 million in purchases as a result of the boil water issue event in October. Truckloads of emergency water were needed to disburse to citizens.

Water Resources Management was \$0.64 million or 13.4% below allotment mainly due to lower than estimated spending on interdepartmental charges and vacant positions. Interdepartmental charges includes spending for service contracts related to taps plans, service extensions, site plan plumbing reviews and easement costs.

Key Object Code Expenditures Year-to-Date

Expenditures by Key Object Code



Electrical Services were \$1.27 million or 14.2% below allotment due to lower than estimated spending in the Pump Stations and Reservoir Maintenance and Water Treatment Divisions. Monthly electrical services can vary from month to month.

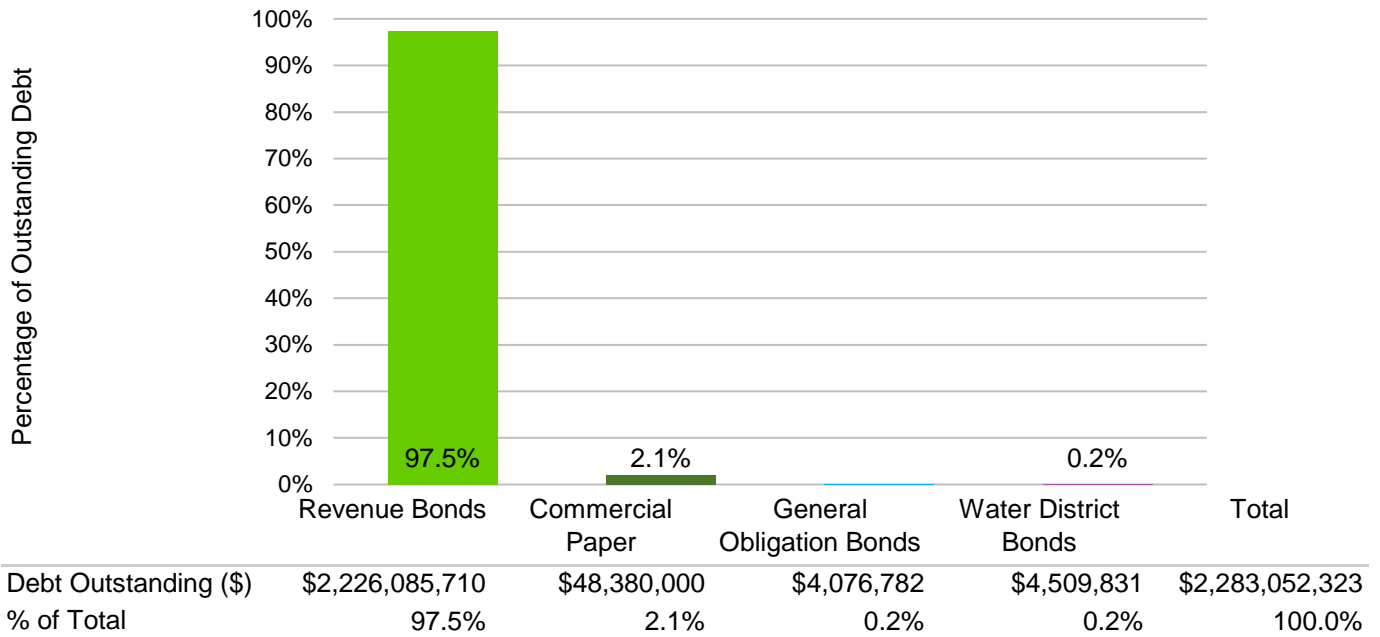
Chemicals were \$1.85 million or 29.0% above allotment due to higher than estimated spending in Collection System Engineering, Water Treatment, and Wastewater Treatment Divisions. The flooding event in October required additional chemical use.

Other contractual services expenses were \$588.4 thousand or 13.3% below allotment due to lower than estimated spending in Special Support.

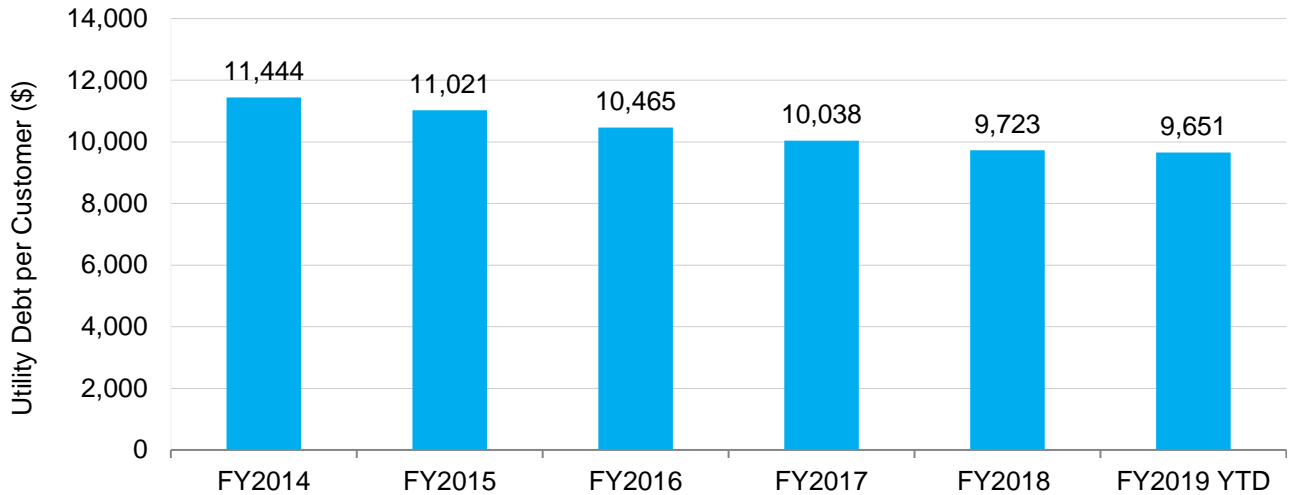
DEBT OUTSTANDING & DEBT SERVICE

Outstanding Utility Debt

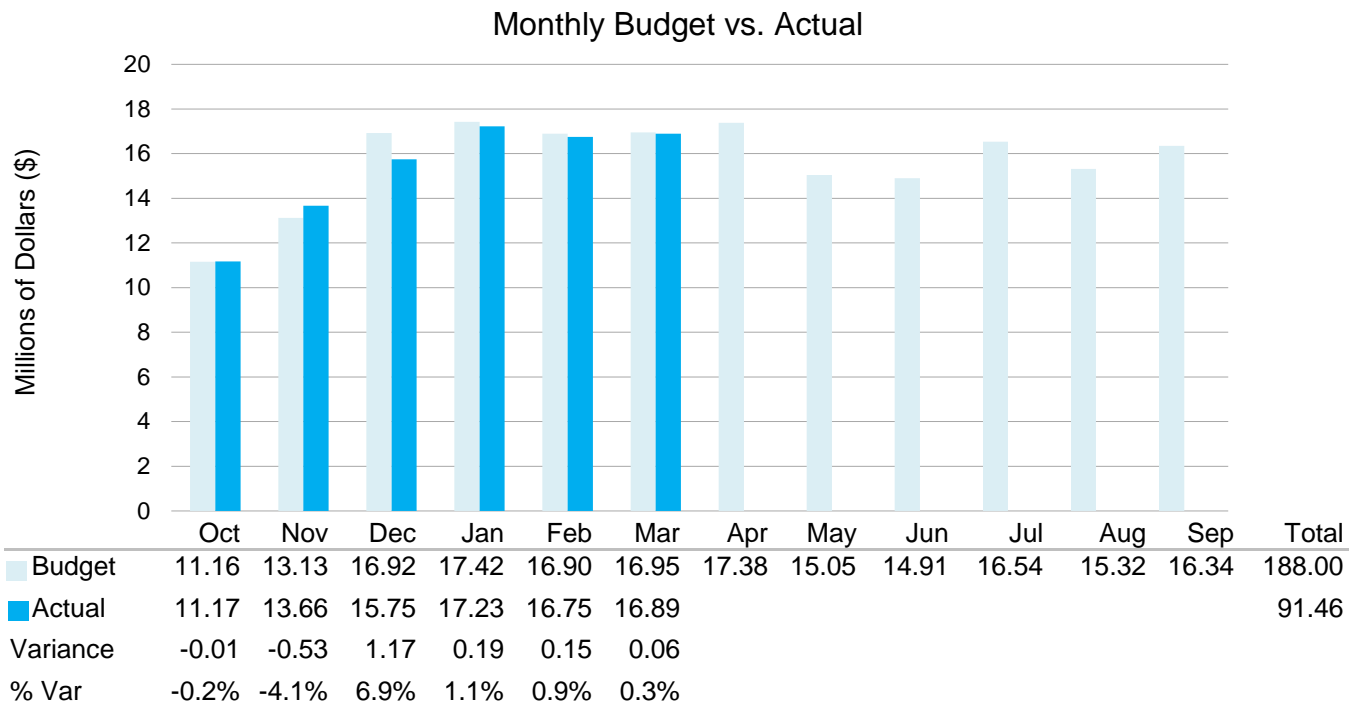
Debt Outstanding by Type



Utility Debt per Customer by Fiscal Year

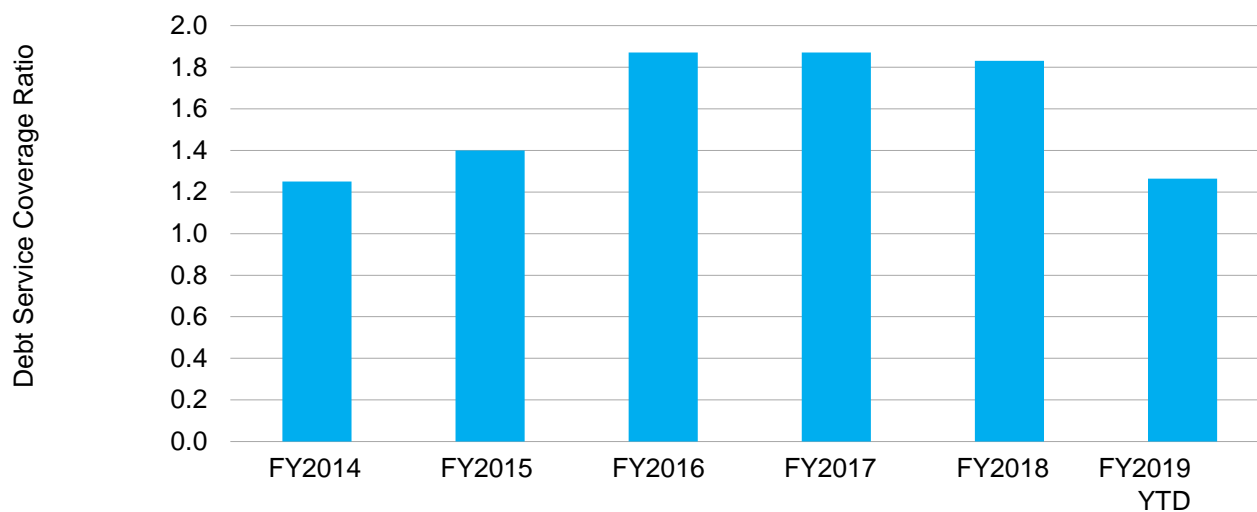


Combined Debt Service Requirement by Month



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 2019 was \$16.89 million, \$0.06 million less than projected for the month. Combined debt service for the fiscal year was \$91.46, \$1 million less or 1.1% than projected, primarily related to beginning debt fund balances, interest income, Build America Bonds (BABs) subsidy, and interest ratios on variable debt.

Debt Service Coverage

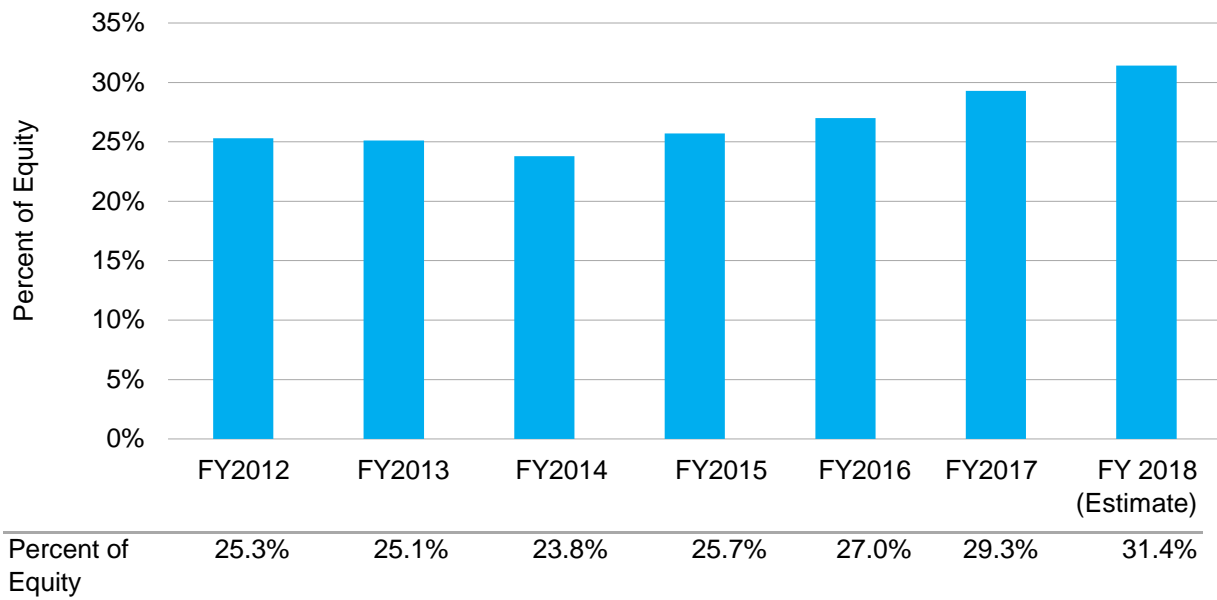


Debt Service Coverage	1.25	1.40	1.87	1.87	1.83	1.26
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The Debt Service Coverage graph above indicates how much revenue, after deducting operating costs, could go towards paying long-term debt service on budget basis. The utility's bond covenants require 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.

Ratios are calculated based on accrued revenues and debt service requirements. As a result, there are slight accounting timing differences in the debt service coverage when compared to the City's Comprehensive Annual Financial Report (CAFR).

Percent of Equity in Utility Systems

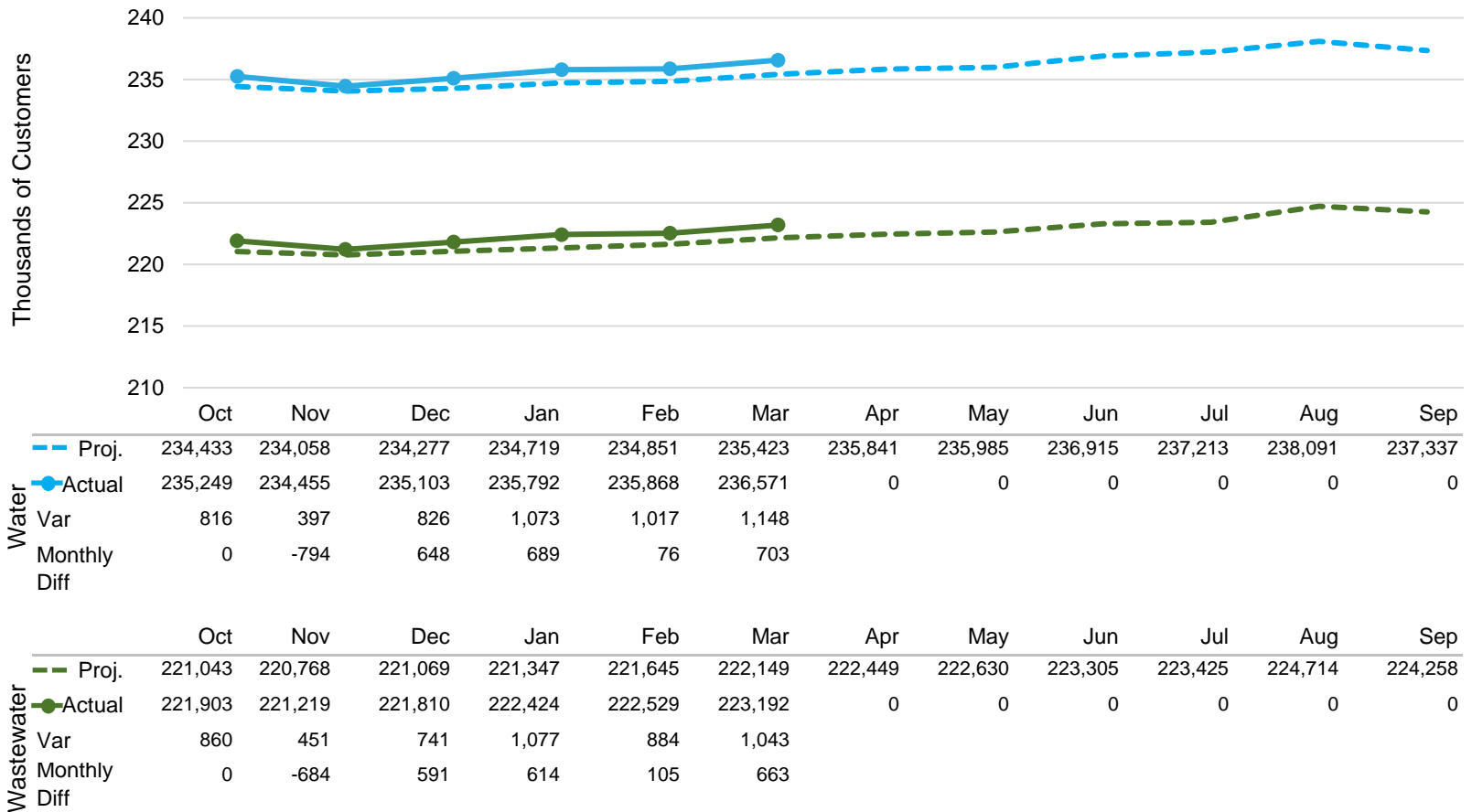


The Percent of Equity in Utility Systems is computed by dividing the combined utility system equity by the combined utility system costs, net of depreciation. The Percent of Equity is calculated based upon the audited financials from the Controller's Office.

CUSTOMER DEMAND CHARACTERISTICS

Number of Customers

Monthly Actual vs. Projections



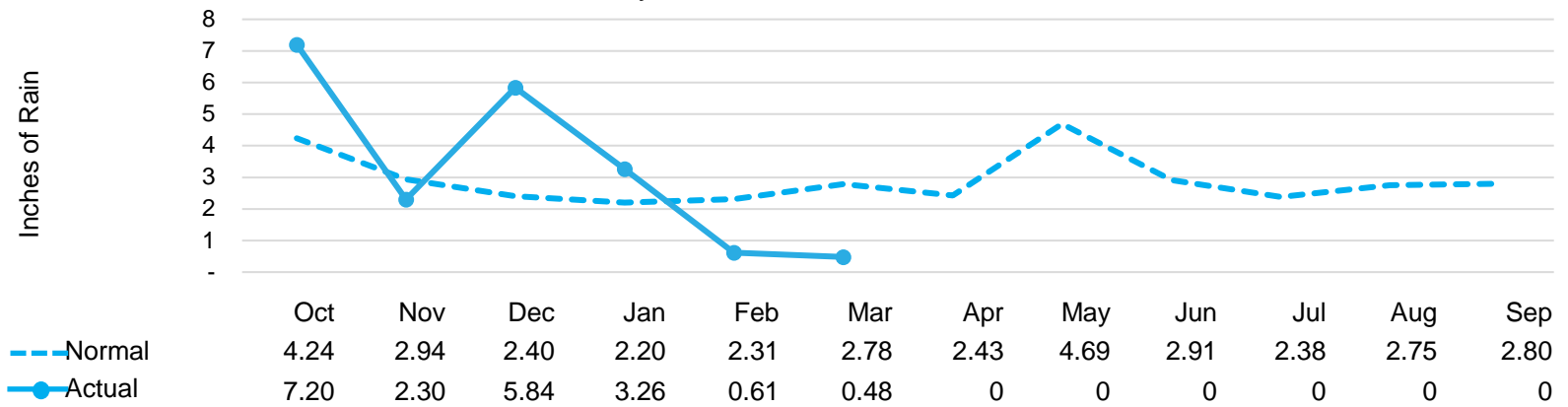
As of March 31, 2019, there were 236,571 water customers, which is 1,148 greater than projected. In March 2018 there were 232,799 customers, a year-over-year increase of 3,772 customers.

As of March 28, 2019, there were 223,192 wastewater customers, which is 1,043 greater than projected. In March 2018 there were 219,537 customers, a year-over-year increase of 3,655 customers.

The projected number of customers for fiscal year 2018-19 was determined in April 2018 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

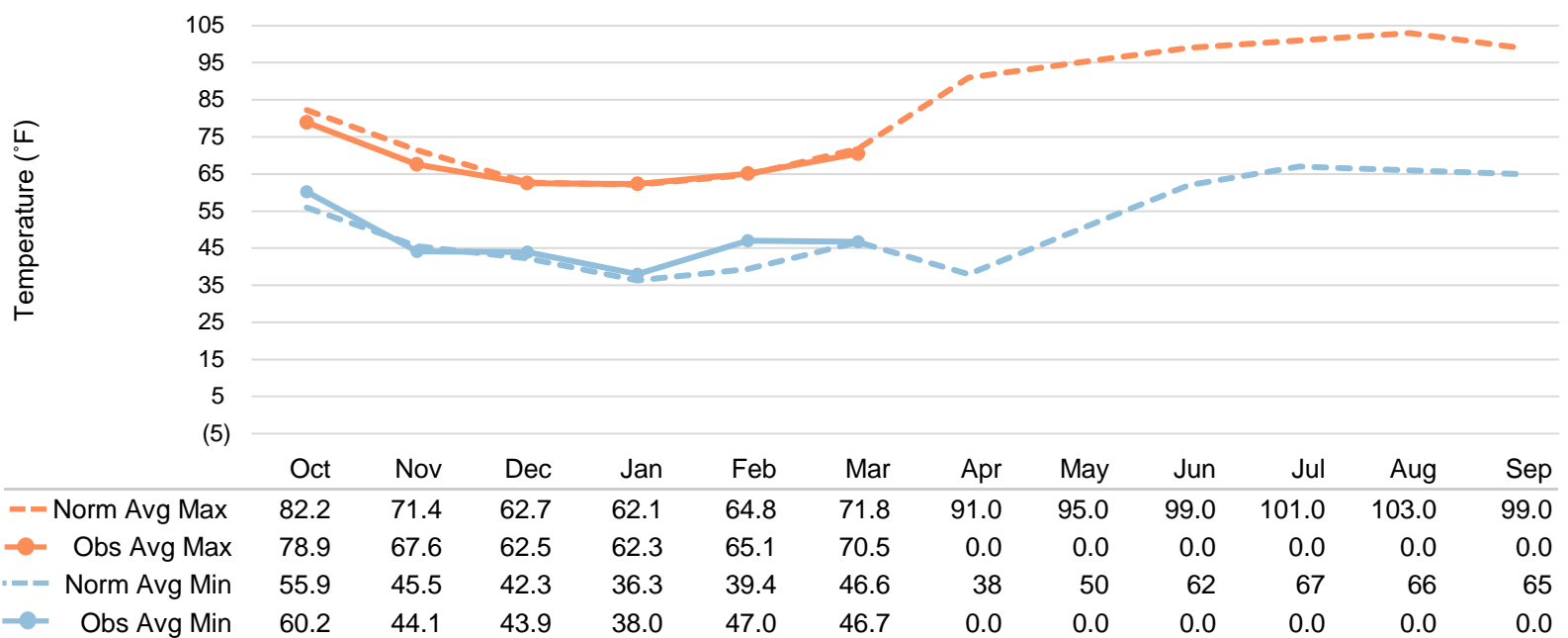
Monthly Rainfall Actual vs. Normal



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

In March, 0.48 inches of rain fell, 2.30 inches below normal for the month. 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

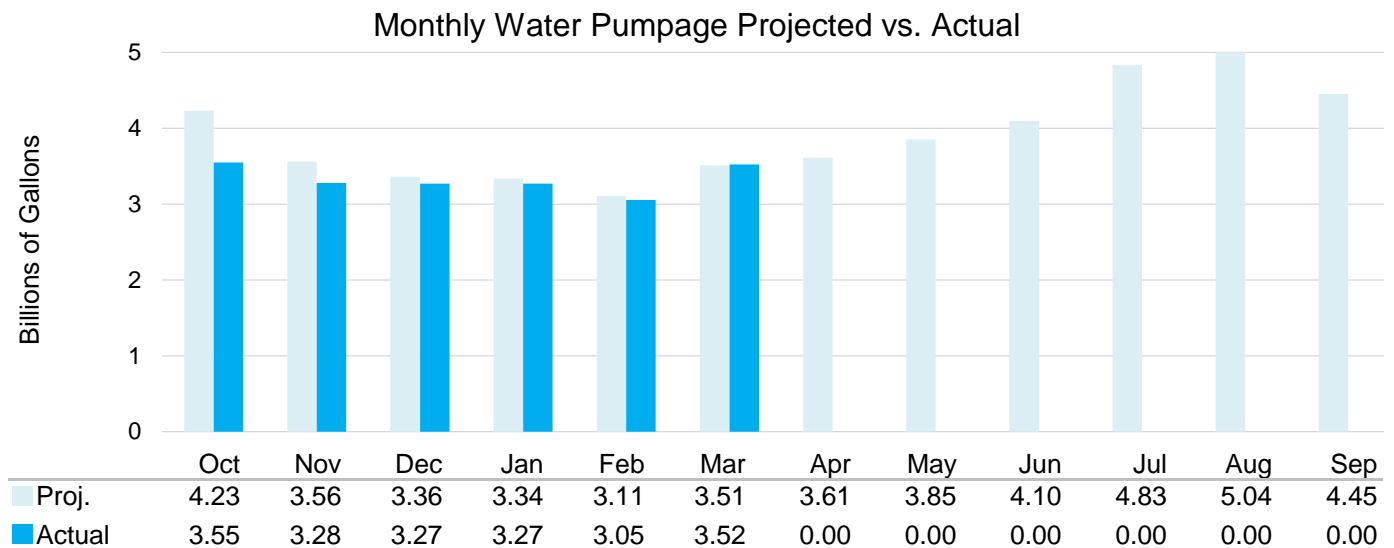


National Weather Service data collected at Austin - Camp Mabry compared to 30-year averages

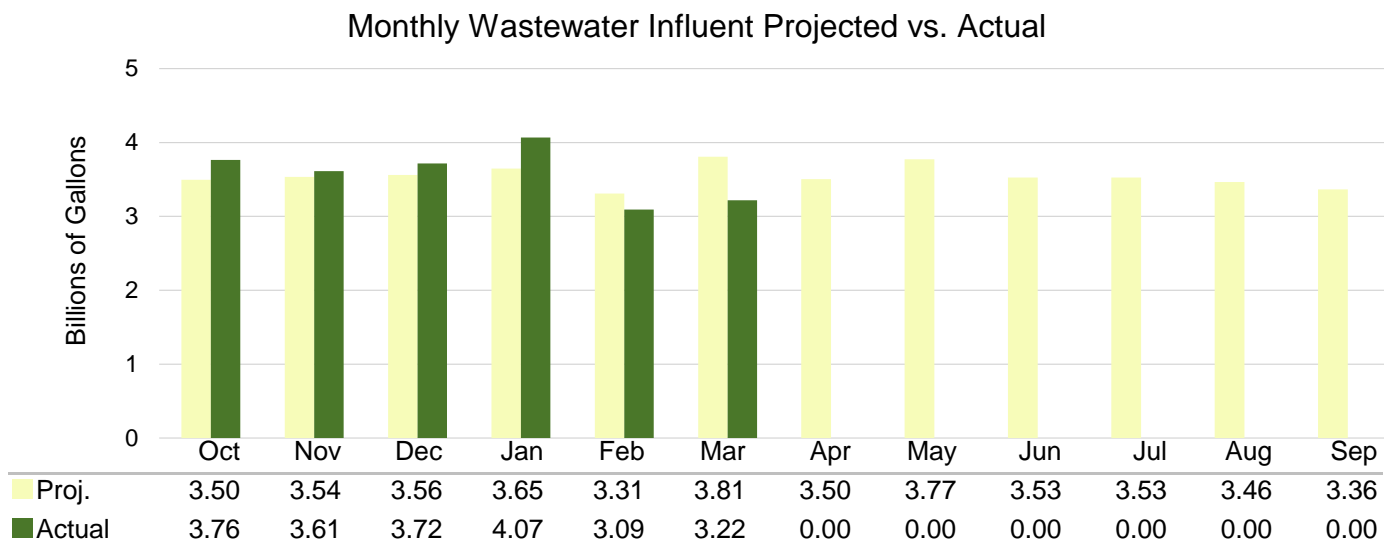
March's average high temperature was below normal levels by 1.3 degrees, and the average low was above normal levels by 0.1 degrees. Over the fiscal year, temperatures have been cooler than historical averages.

The Highland Lakes' two water storage reservoirs, Travis and Buchanan, are at a combined 97% of capacity.

Water Pumpage and Wastewater Influent Flow by Month



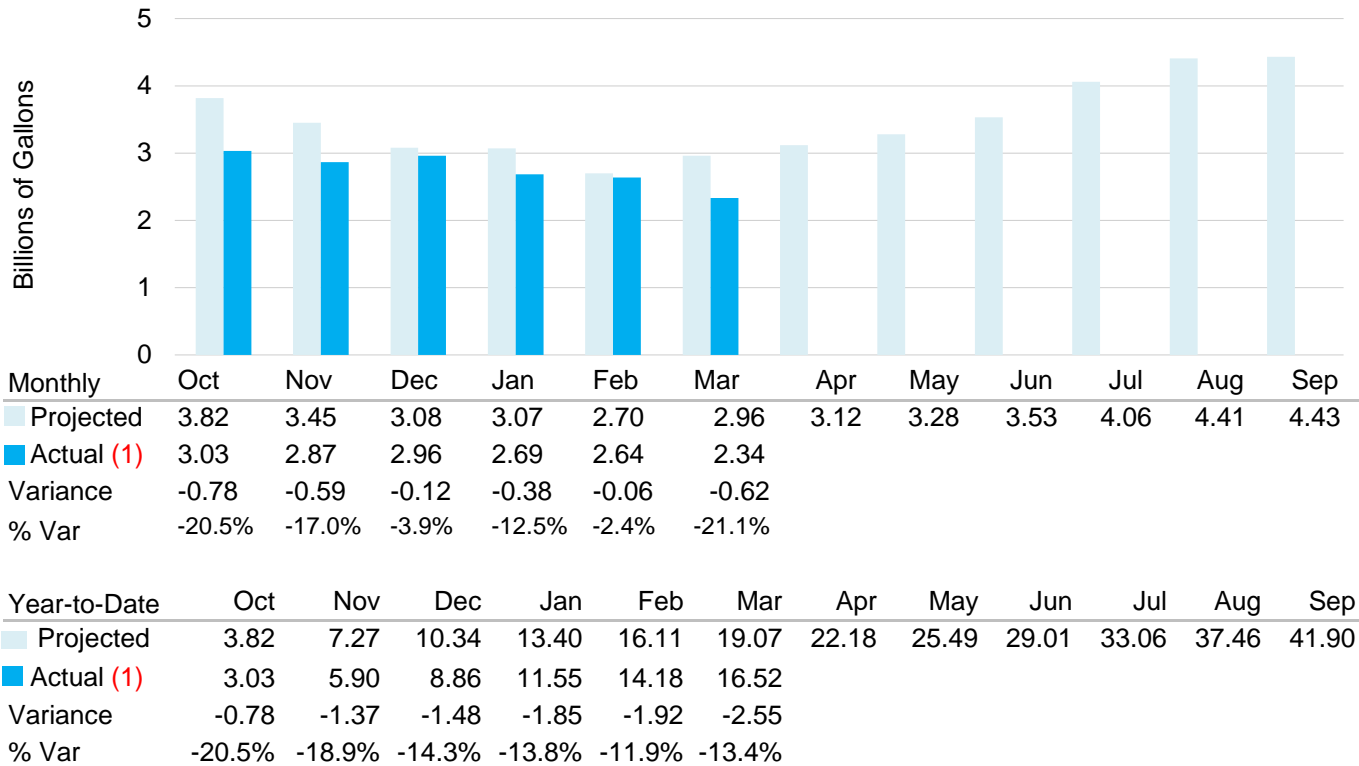
Pumpage during March 2019 averaged 113.63 Million Gallons per Day (MGD) for a total of 3.52 BG for the month. This compares to a daily average of 109.02 MGD for February 2019 and a daily average of 109.56 MGD for fiscal year 2018-19.



Influent during March 2019 averaged 103.79 MGD for a total of 3.22 BG for the month. This compares to a daily average of 110.47 MGD for February 2019 and a daily average of 117.96 MGD for fiscal year 2018-19.

Billed Water Consumption

Monthly Billed Consumption Projected vs. Actual

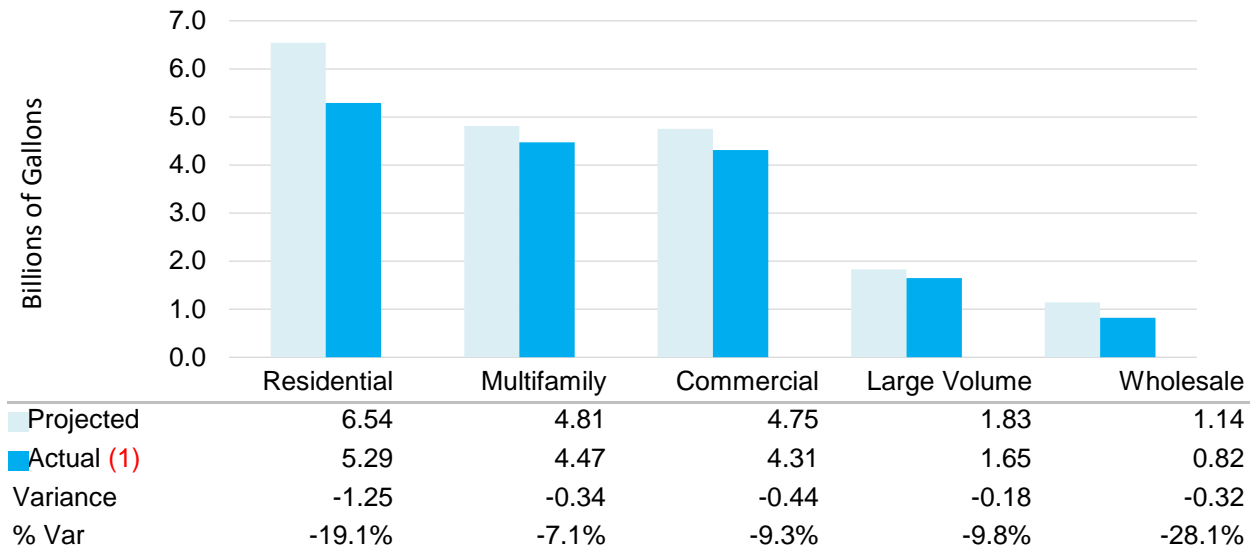


March 2019's billed water consumption totaled 2.34 BG, 0.62 BG (21.1%) lower than projected for the month. Year-to-date, billed water consumption of 16.52 BG is 2.55 BG (13.4%) lower than projected.

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

Billed Water Consumption (continued)

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

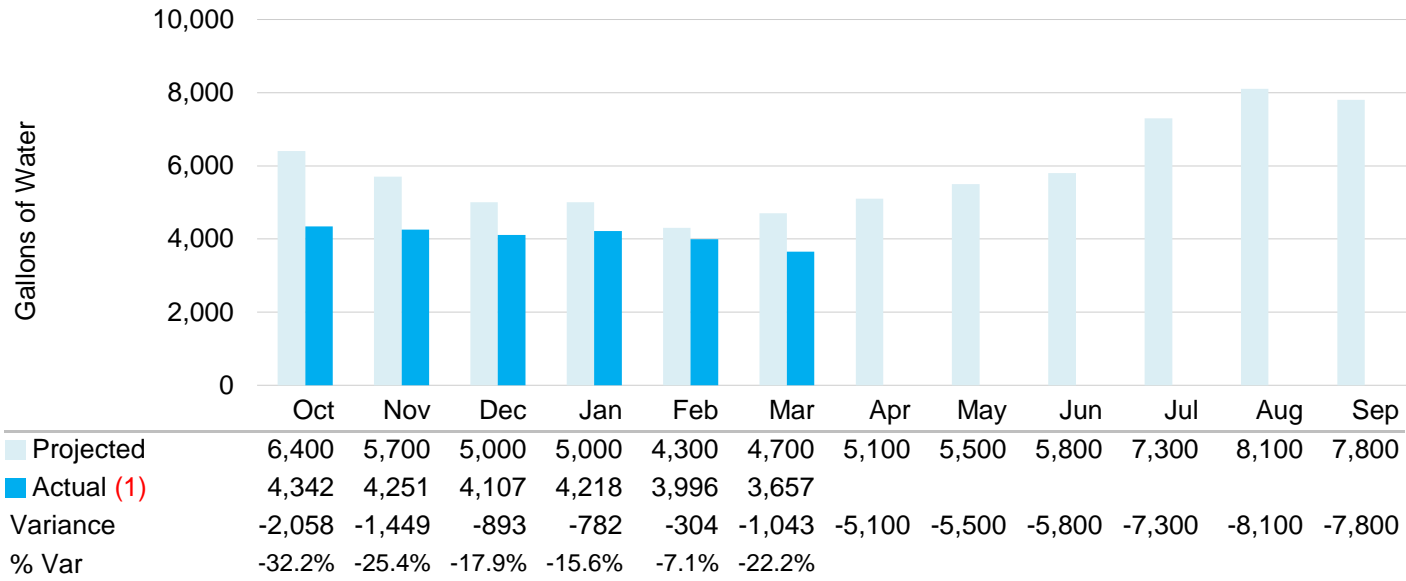


March (YTD) billed water consumption is below projections by 13.4% in all customer classes. This is primarily due to delayed billing, related heavy rains, and temporary water restrictions.

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

Billed Water Consumption (continued)

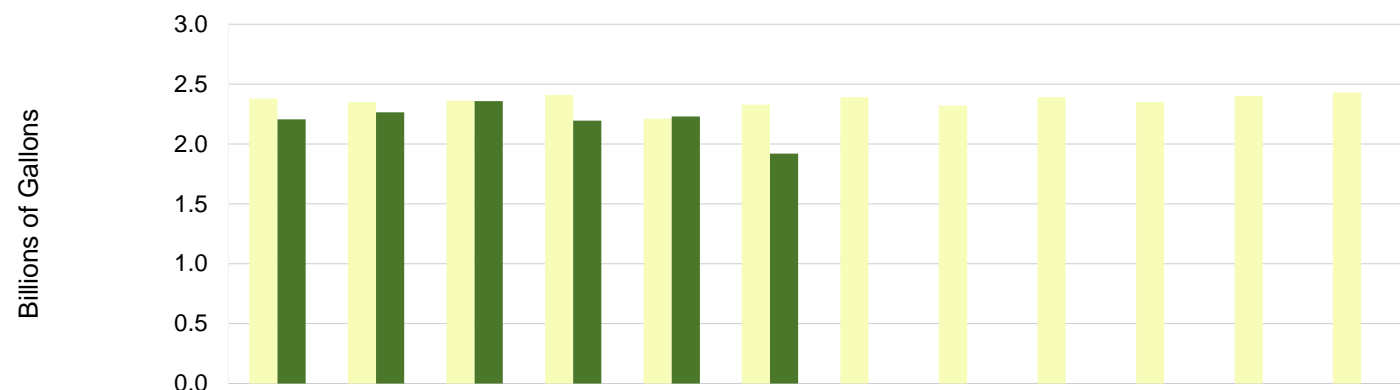
Monthly Average Residential Billed Consumption Projected vs. Actual



March's average residential billed consumption of 3,657 gallons trailed projections by 1,043 gallons (22.2%).

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	2.35	2.36	2.41	2.21	2.33	2.39	2.32	2.39	2.35	2.40	2.43
Actual (1)	2.21	2.27	2.36	2.19	2.23	1.92						
Variance	-0.17	-0.08	0.00	-0.22	0.02	-0.41						
% Var	-7.3%	-3.6%	-0.1%	-8.9%	0.9%	-17.7%						

Year-to-Date	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Projected	2.38	4.73	7.09	9.50	11.71	14.04	16.43	18.75	21.14	23.49	25.89	28.32
Actual (1)	2.21	4.47	6.83	9.02	11.25	13.17						
Variance	-0.17	-0.26	-0.26	-0.48	-0.46	-0.87						
% Var	-7.3%	-5.5%	-3.7%	-5.0%	-3.9%	-6.2%						

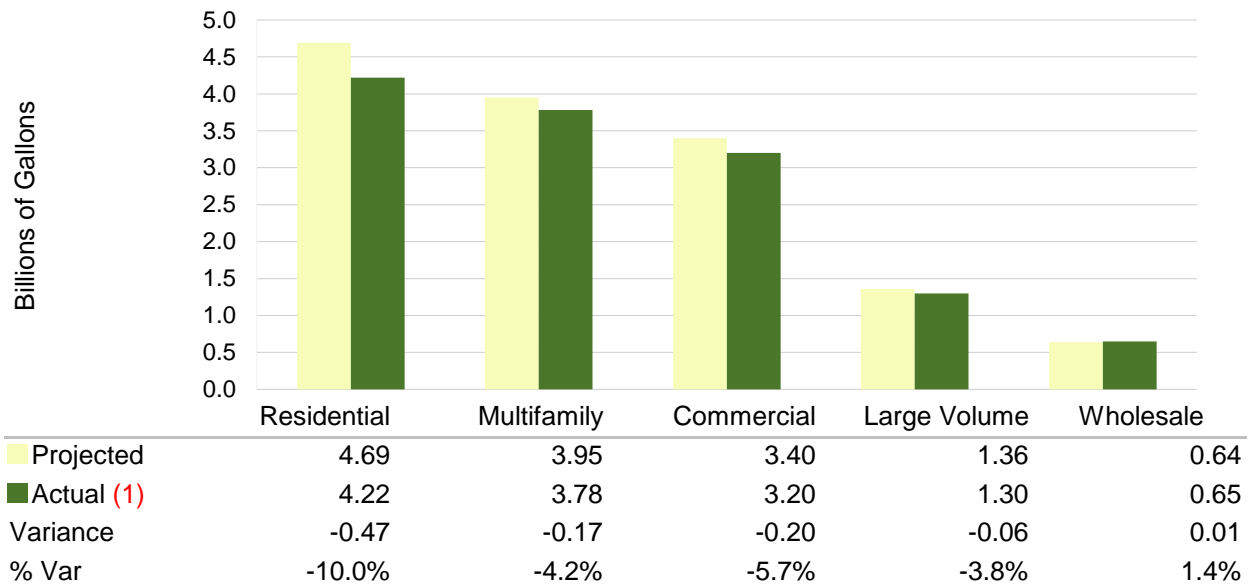
March 2019's billed flows totaled 1.92 BG, 0.41 BG (17.7%) lower than projected for the month. Year-to-date, billed flows of 13.17 BG were 0.87 BG (6.2%) lower than projected.

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 adjustments made subsequent to month end close.

Billed Wastewater Flows (continued)

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

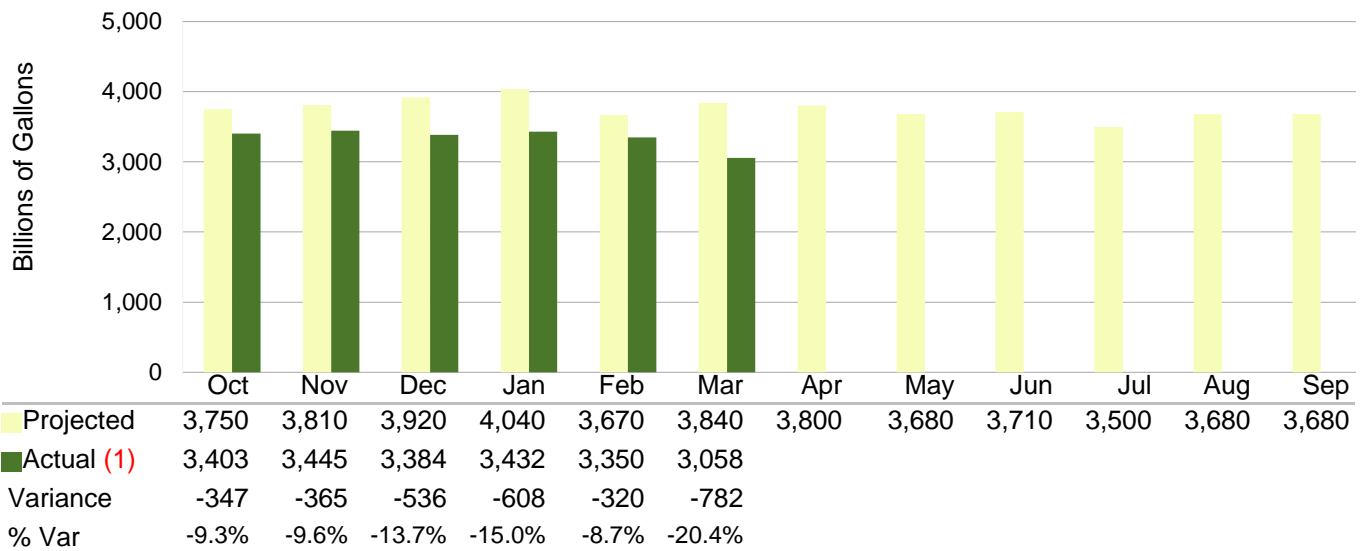


As shown in the table above, billed flows are less than projected in all customer classes except for Wholesale, which is 1.4% greater than projected.

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

Billed Wastewater Flows (continued)

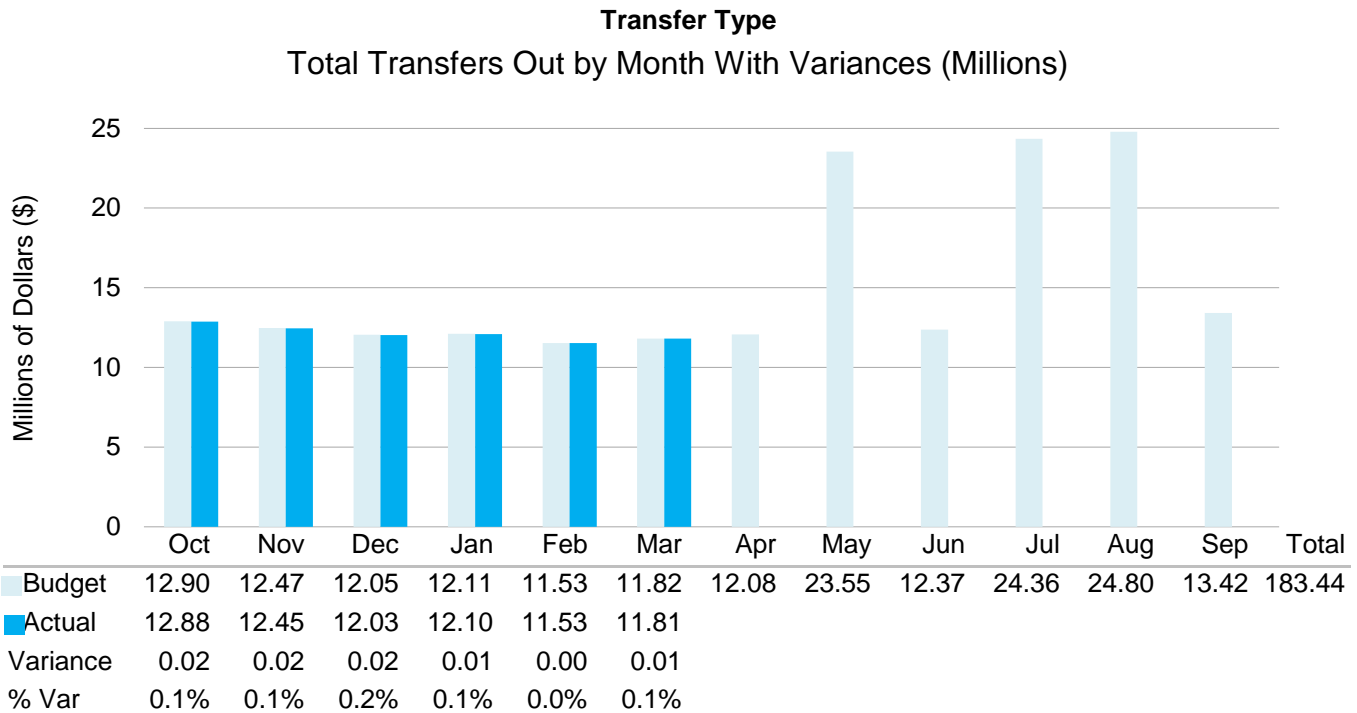
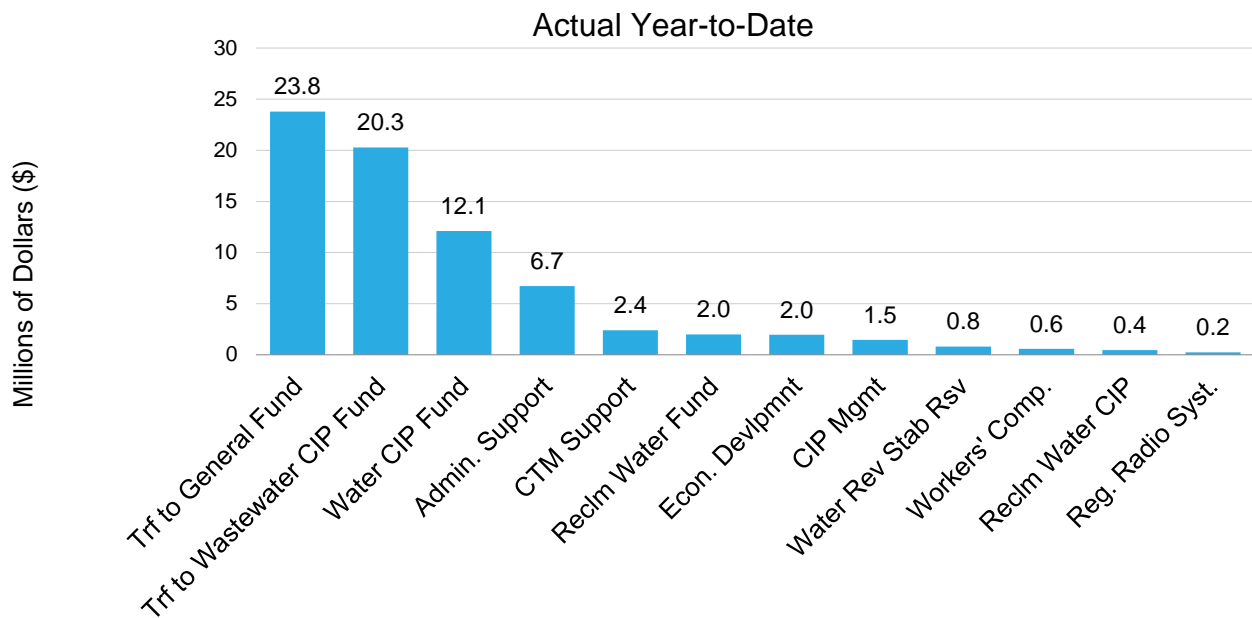
Average Inside-City Residential Wastewater Flows by Month Projected vs. Actual



March's average residential billed flow of 3,058 gallons trailed projections by 782 gallons (20.4%).

OTHER REPORTING

Transfers Out by Type

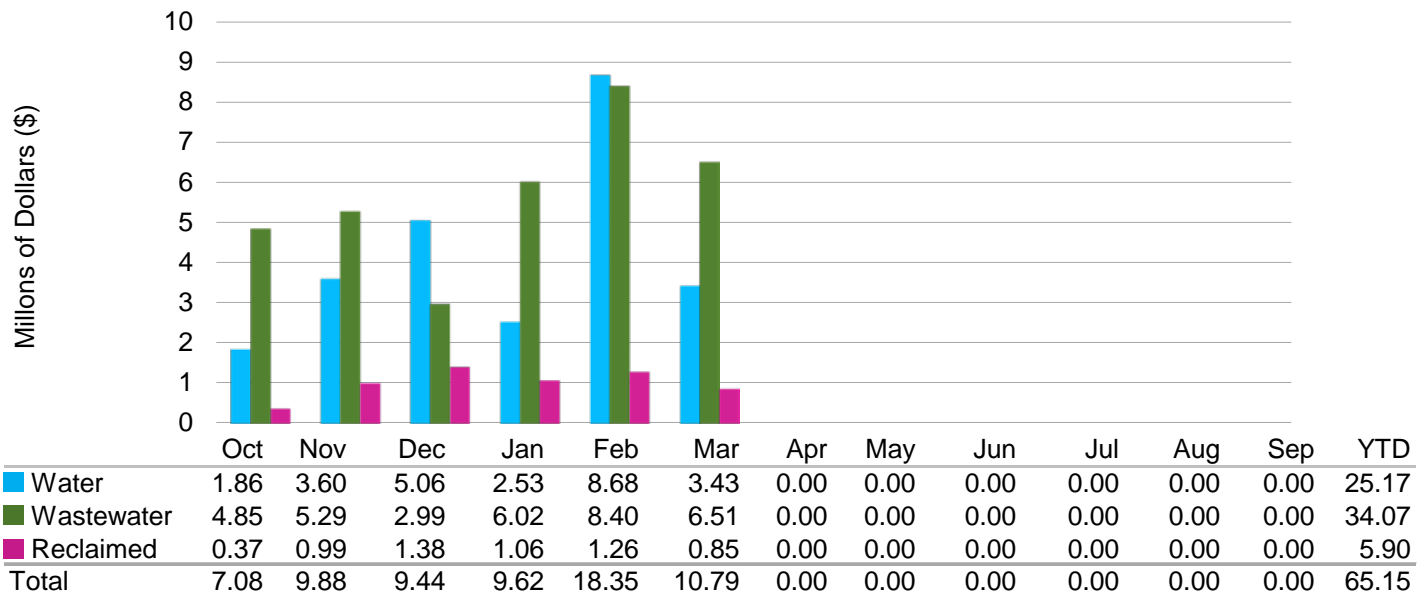


Transfers Out for the fiscal year through March 2019 totaled \$72.80 million, \$0.08 million less than allotments year-to-date.

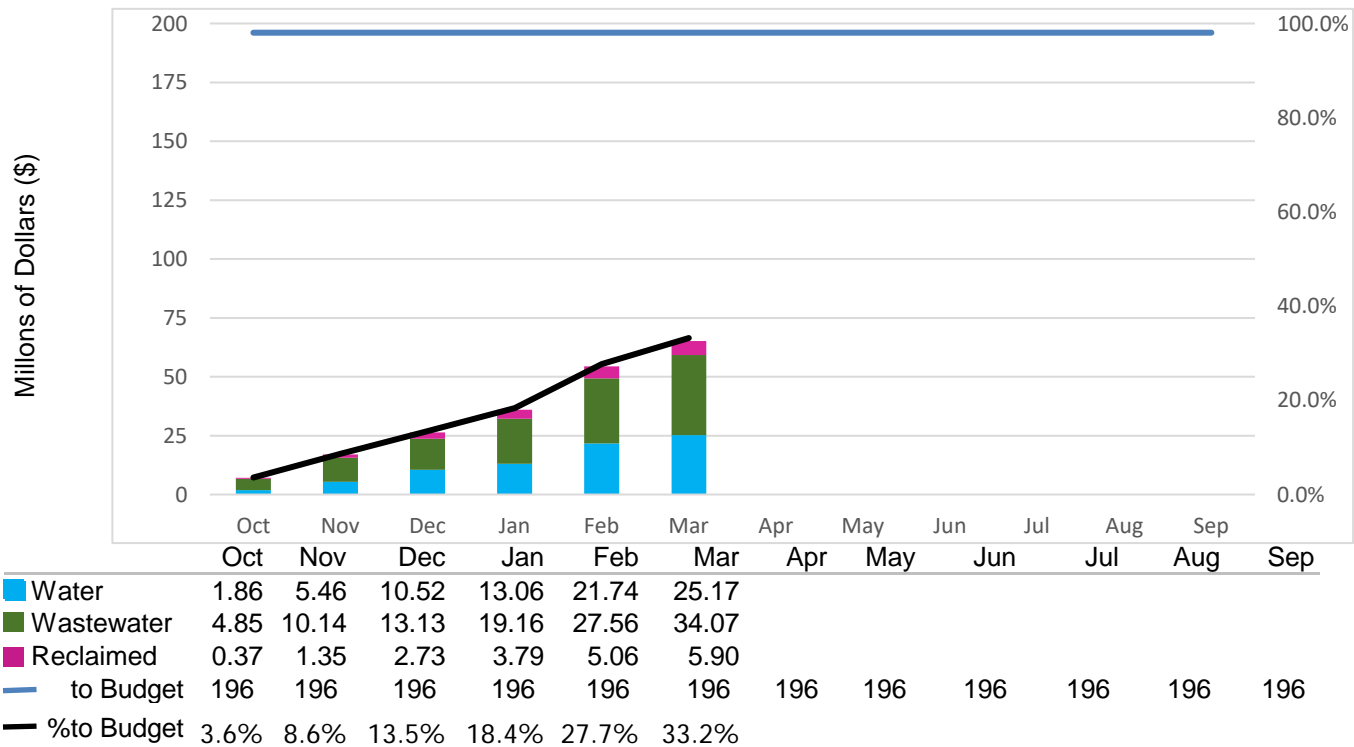
Transfers Out includes transfers for General Fund, Capital Improvement Program, Administrative Support, Water Revenue Stability Reserve Fund, Communication and Technology Management Fund (CTM), Reclaimed Water Fund, Economic Development Fund, Workers' Compensation Fund, Regional Radio System, and Emergency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

CIP Expenditures

Monthly Expenditures



CIP Expenditures Year-to-Date vs. Budget

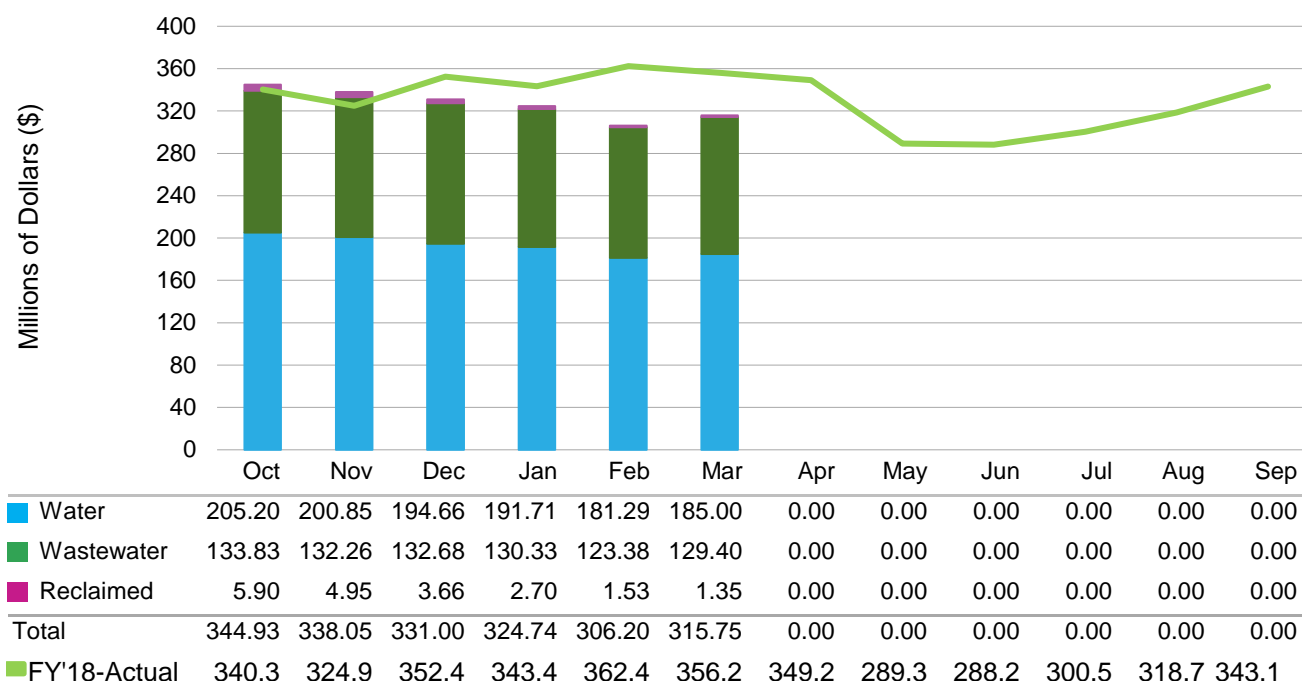


CIP expenditures for the fiscal year through March 2019 totaled \$25.17 million for water, \$34.07 million for wastewater, and \$5.90 million for reclaimed, for a combined total of \$65.15 million, or 33.2% of the approved FY 2018-19 CIP spending plan.

The approved CIP spending plan for FY 2018-19 was \$82.51 million for water, \$102.82 million for wastewater, and \$10.76 million for reclaimed for a combined total of \$196.09 million.

Cash Balance

Cash Balance at Month End by Department



Cash Balance at Month End BY Fund Type

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Operating	207.80	202.27	196.35	190.42	183.55	178.50	0.00	0.00	0.00	0.00	0.00	0.00
Capital Recovery Fee	35.00	37.39	39.86	42.64	44.86	48.35	0.00	0.00	0.00	0.00	0.00	0.00
CIP	56.83	52.88	49.08	45.76	31.66	42.55	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Stability Rsrv	45.30	45.51	45.71	45.92	46.13	46.34	0.00	0.00	0.00	0.00	0.00	0.00
Total	344.93	338.05	331.00	324.74	306.20	315.75	0.00	0.00	0.00	0.00	0.00	0.00

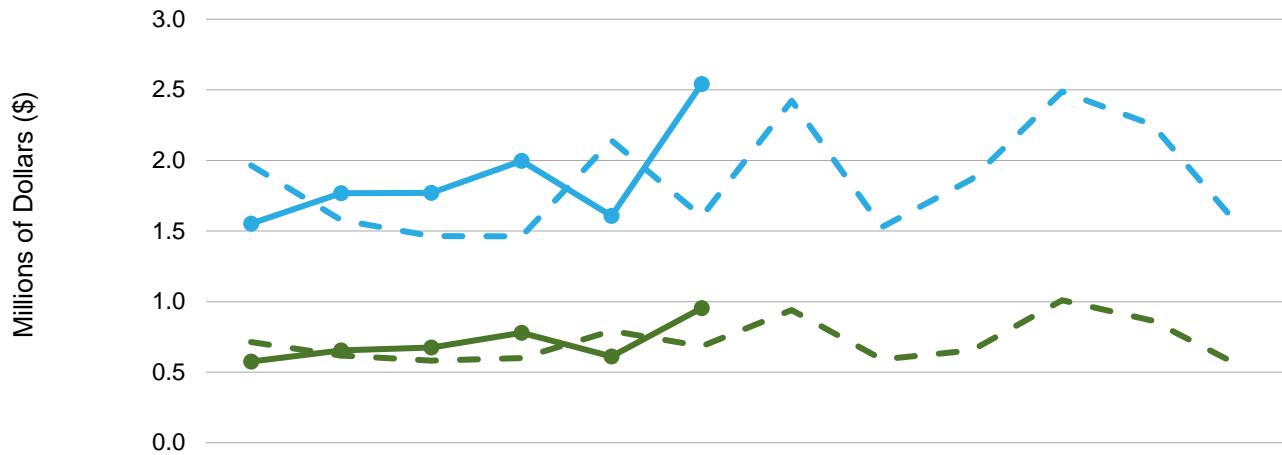
At March 31, 2019 close, combined cash balances for Water, Wastewater, and Reclaimed totaled \$315.75 million. The combined cash balance is made up of Operating, CIP, Capital Recovery Fee, and Revenue Stability Reserve Fund cash balances.

Combined Operating Cash Balances totaled \$178.5 million. Combined CIP Cash Balances totaled \$42.55 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 \$46.35 million.

Capital Recovery Fee (CRF) Cash Balances totaled \$48.35 million at the end of the month. AW primarily utilizes CRF revenues for debt defeasance, a component of the Utility's debt management strategy.

Capital Recovery Fee Collections

CRF Collections by Month



Water	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
FY'19 Actual	1.55	1.77	1.77	2.00	1.61	2.54	0.00	0.00	0.00	0.00	0.00	0.00	11.24
FY'18 Actual	1.97	1.58	1.47	1.46	2.14	1.60	2.42	1.53	1.87	2.49	2.25	1.51	22.28

Wastewater	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
FY'19 Actual	0.58	0.65	0.68	0.78	0.61	0.95	0.00	0.00	0.00	0.00	0.00	0.00	4.25
FY'18 Actual	0.71	0.62	0.58	0.60	0.79	0.68	0.94	0.59	0.66	1.01	0.86	0.54	8.59

Combined	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
FY'19 Actual	2.13	2.42	2.45	2.78	2.22	3.50	0.00	0.00	0.00	0.00	0.00	0.00	15.49
FY'18 Actual	2.68	2.20	2.05	2.06	2.94	2.29	3.36	2.12	2.52	3.50	3.12	2.04	30.87

During March 2019, Austin Water collected \$3.50 million in Capital Recovery Fees (CRF) and interest, with \$2.54 million for Water and \$0.95 million for Wastewater. For the fiscal year, Austin Water has collected \$15.49 million in CRFs.