

**CITY OF AUSTIN, TEXAS  
AUSTIN WATER UTILITY**

Budget FY 2015-19

Option #14 FYFF

**\*\*\* DRAFT \*\*\***

**Combined Operating Budget  
Fund Summary**

	Actual 2011-12	Actual 2012-13	Amended Budget 2013-14	Estimated 2013-14	1 Proposed 2014-15	2 Projected 2015-16	3 Projected 2016-17	4 Projected 2017-18	5 Projected 2018-19
BEGINNING BALANCE:	\$71,741,693	\$72,928,463	\$51,961,386	\$58,198,887	\$43,123,627	\$68,601,587	\$80,938,313	\$96,484,050	\$107,270,516
REVENUES:									
Water Services	\$218,727,734	\$227,523,326	\$270,680,736	\$244,052,705	\$288,816,239	\$302,608,409	\$315,344,880	\$328,646,919	\$342,541,528
Water Services Drought Surcharge	0	0	0	0	0	0	0	0	0
Wastewater Services	211,374,785	232,520,904	244,539,902	234,590,288	243,653,468	258,579,756	269,363,043	280,752,668	291,181,007
Reclaimed Water Services	567,309	863,859	869,197	1,015,839	1,180,228	1,392,356	1,643,797	1,993,960	2,378,752
Revenue Stability Fee	15,743,313	5,759,521	0	0	0	0	0	0	0
Reserve Fund Surcharge	0	3,410,038	6,551,876	5,950,795	7,669,621	9,389,446	10,004,051	10,514,749	2,981,309
Miscellaneous Revenue	5,218,127	7,923,029	8,310,800	9,200,224	8,800,000	8,698,084	8,812,441	8,925,225	9,035,620
Interest Income	268,296	227,271	296,255	296,255	289,926	438,846	780,253	1,174,134	1,212,310
TOTAL REVENUES:	\$451,899,564	\$478,227,948	\$531,248,766	\$495,106,106	\$550,409,482	\$581,106,897	\$605,948,465	\$632,007,655	\$649,330,526
TRANSFERS IN:									
Public Works	\$300,582	\$300,582	\$300,582	\$300,582	\$300,582	\$300,582	\$300,582	\$300,582	\$300,582
Capital Recovery Fees	4,300,000	4,800,000	9,600,000	9,600,000	9,300,000	10,200,000	11,000,000	11,900,000	12,600,000
Water & Wastewater Utility Fund	0	1,920,000	3,760,000	3,760,000	2,860,000	4,926,000	5,016,000	2,558,000	3,524,000
Austin Resource Recovery	0	0	0	0	0	275,000	275,000	275,000	275,000
Conservation Rebates and Incentives Fund	0	139,892	0	0	0	0	0	0	0
TOTAL TRANSFERS IN:	\$4,600,582	\$7,160,474	\$13,660,582	\$13,660,582	\$12,460,582	\$15,701,582	\$16,591,582	\$15,033,582	\$16,699,582
TOTAL AVAILABLE FUNDS:	\$456,500,146	\$485,388,422	\$544,909,348	\$508,766,688	\$562,870,064	\$596,808,479	\$622,540,047	\$647,041,237	\$666,030,108
OPERATING REQUIREMENTS									
Operations and Maintenance									
Treatment	\$64,702,925	\$77,422,120	\$80,109,776	\$77,601,157	\$77,081,815	\$80,583,907	\$83,227,488	\$85,953,584	\$90,421,640
Pipeline Operations	35,495,891	38,221,945	41,740,477	40,675,814	41,040,678	43,596,237	45,614,349	47,044,046	51,718,928
Engineering Services	10,578,782	11,609,992	11,340,041	11,115,102	11,121,500	11,734,457	12,310,581	12,625,188	12,905,037
Water Resources Management	4,214,826	4,459,929	7,534,434	7,504,394	7,508,524	7,914,452	8,288,109	8,690,659	8,998,236
Environmental Affairs & Conservation	9,651,699	9,838,813	12,750,252	12,422,426	12,437,593	13,467,764	14,083,056	14,660,174	15,032,891
Support Services - Utility	19,161,980	19,570,960	23,680,892	23,329,880	23,511,884	25,361,062	26,855,144	28,231,919	29,333,837
Reclaimed Water Services	201,828	299,280	365,309	365,309	365,309	377,156	387,842	398,846	410,178
One Stop Shop	561,445	653,504	587,863	587,863	587,863	600,453	611,700	623,278	635,197
Other Operating Expenses	5,001,259	10,442,497	11,281,573	12,281,573	12,529,323	13,733,333	15,096,033	16,633,633	18,365,511
Total Operations & Maintenance	\$149,570,635	\$172,519,040	\$189,390,617	\$185,883,518	\$186,184,489	\$197,368,821	\$206,474,302	\$214,861,327	\$227,821,455
(%RR)	32.7%	34.5%	35.2%	35.5%	34.6%	33.8%	34.0%	33.8%	35.5%
Other Requirements:									
Accrued Payroll	\$352,165	\$240,609	\$450,613	\$450,613	\$518,204	\$554,478	\$593,292	\$634,823	\$679,261
Public Improvement District	75,000	0	75,000	75,000	75,000	75,000	75,000	75,000	75,000
AE Billing & Customer Care	16,556,100	18,496,148	17,209,766	17,209,766	18,698,272	19,633,186	20,614,846	21,645,588	22,727,868
311 System Support	1,000,000	1,000,000	270,976	270,976	270,976	270,976	270,976	270,976	277,750
Compensation Adjustment	0	0	0	0	1,915,703	1,699,503	1,750,486	1,803,001	1,857,092
Additional Contribution to Retirement	4,050,769	0	0	0	0	0	0	0	0
Total Other Requirements:	\$22,034,034	\$19,736,757	\$18,006,355	\$18,006,355	\$21,478,155	\$22,233,143	\$23,304,600	\$24,429,388	\$25,616,971
TOTAL OPERATING REQUIREMENTS:	\$171,604,669	\$192,255,797	\$207,396,972	\$203,889,873	\$207,662,644	\$219,601,964	\$229,778,902	\$239,290,715	\$253,438,426
(%RR)	37.6%	38.5%	38.5%	38.9%	38.6%	37.6%	37.9%	37.6%	39.5%
DEBT SERVICE:									
Revenue Bond Debt Service	\$178,097,669	\$191,489,073	\$208,351,431	\$208,094,934	\$211,358,188	\$217,233,044	\$224,951,471	\$239,443,491	\$229,621,427
Commercial Paper Debt Service	265,159	217,066	417,203	371,987	544,330	453,100	1,051,988	595,443	1,366,824
General Obligation Debt Service	5,501,742	5,340,505	4,810,183	4,804,820	4,097,342	4,003,930	3,817,122	3,336,523	2,877,345
Water District Bonds	719,268	715,334	717,086	717,086	714,462	727,005	645,526	648,483	659,459
TOTAL DEBT SERVICE:	\$184,583,838	\$197,761,978	\$214,295,903	\$213,988,827	\$216,714,322	\$222,417,079	\$230,466,107	\$244,023,940	\$234,525,055
(%RR)	40.4%	39.6%	39.8%	40.8%	40.3%	38.1%	38.0%	38.4%	36.6%
TRANSFERS OUT:									
Capital Improvement Program Funds	\$49,900,000	\$44,012,334	\$42,200,000	\$33,200,000	\$35,300,000	\$55,200,000	\$52,800,000	\$55,200,000	\$56,900,000
General Fund	31,919,531	34,524,336	37,909,193	37,909,193	38,956,386	41,648,991	44,461,015	47,490,706	49,721,055
Revenue Stability Reserve Fund	0	5,515,444	8,051,876	5,950,795	7,669,621	9,389,446	10,004,051	10,514,749	2,981,309
Radio Communications Fund	361,978	384,939	279,120	279,120	307,032	337,736	371,510	408,662	449,528
Sustainability Fund	4,587,844	4,788,651	4,843,426	4,843,426	5,504,095	5,811,069	6,059,485	6,320,076	6,493,305
Economic Development Fund	0	0	614,875	614,875	1,168,747	1,893,371	2,594,619	2,672,458	2,752,631
Reclaimed Utility Fund	0	1,920,000	3,760,000	3,760,000	2,860,000	4,926,000	5,016,000	2,558,000	3,524,000
Administrative Support - City	8,272,098	12,281,901	13,126,585	13,126,585	14,439,243	15,883,167	17,471,483	19,218,631	21,140,494
Communication & Technology Mngt Fund	3,125,227	3,447,396	3,546,544	3,546,544	3,901,198	4,291,318	4,720,450	5,192,496	5,711,746
CTECC Emergency Operations Center	5,994	7,117	8,826	8,826	9,708	10,678	11,746	12,920	14,212
Liability Reserve Fund	550,000	500,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Workers' Compensation Fund	1,022,402	1,195,033	1,443,027	1,443,027	1,618,251	1,780,077	1,958,085	2,153,893	2,369,283
Economic Incentives Reserve Fund	333,333	333,333	333,333	333,333	333,333	333,333	333,333	333,333	333,333
PARD CIP-Swimming Pools	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Environmental Remediation Fund	364,191	651,191	447,524	447,524	447,524	447,524	447,524	364,192	364,192
TOTAL TRANSFERS OUT:	\$100,542,598	\$109,661,675	\$117,064,329	\$105,963,248	\$113,015,138	\$142,452,710	\$146,749,301	\$152,940,116	\$153,255,088
(%RR)	22.0%	21.9%	21.7%	20.2%	21.0%	24.4%	24.2%	24.0%	23.9%
TOTAL REQUIREMENTS:	\$456,731,105	\$499,679,450	\$538,757,204	\$523,841,948	\$537,392,104	\$584,471,753	\$606,994,310	\$636,254,771	\$641,218,569
EXCESS / (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS:	(\$230,959)	(\$14,291,028)	\$6,152,144	(\$15,075,260)	\$25,477,960	\$12,336,726	\$15,545,737	\$10,786,466	\$24,811,539
ADJUSTMENT TO GAAP	\$1,417,729	(\$438,548)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENDING BALANCE:	\$72,928,463	\$58,198,887	\$58,113,530	\$43,123,627	\$68,601,587	\$80,938,313	\$96,484,050	\$107,270,516	\$132,082,054
Combined Rate Increases	5.1%	5.5%	4.9%	4.9%	9.0%	3.0%	3.0%	3.0%	2.8%
Debt Service Coverage Ratio			1.53	1.31	1.53	1.56	1.56	1.53	1.60

**CITY OF AUSTIN, TEXAS  
AUSTIN WATER UTILITY**

Budget FY 2015-19

Option #14 FYFF

**\*\*\* DRAFT \*\*\***

**Water Operating Budget  
Fund Summary**

	Actual 2011-12	Actual 2012-13	Amended Budget 2013-14	Estimated 2013-14	1 Proposed 2014-15	2 Projected 2015-16	3 Projected 2016-17	4 Projected 2017-18	5 Projected 2018-19
BEGINNING BALANCE:	\$42,322,379	\$50,463,845	\$23,988,351	\$18,579,959	\$10,957,533	\$33,256,597	\$40,546,018	\$53,379,742	\$62,426,780
REVENUES:									
Water Services	\$218,727,734	\$227,523,326	\$270,680,736	\$244,052,705	\$288,816,239	\$302,608,409	\$315,344,880	\$328,646,919	\$342,541,528
Water Services Drought Surcharge	0	0	0	0	0	0	0	0	0
Wastewater Services	0	0	0	0	0	0	0	0	0
Reclaimed Water Services	0	0	0	0	0	0	0	0	0
Revenue Stability Fee	15,743,313	5,759,521	0	0	0	0	0	0	0
Reserve Fund Surcharge	0	3,410,038	6,551,876	5,950,795	7,669,621	9,389,446	10,004,051	10,514,749	2,981,309
Miscellaneous Revenue	1,920,469	3,353,589	4,187,000	4,700,000	4,730,000	4,662,028	4,715,673	4,767,240	4,816,277
Interest Income	55,319	54,130	142,173	142,173	130,928	215,225	391,762	610,639	646,599
TOTAL REVENUES:	\$236,446,835	\$240,100,604	\$281,561,785	\$254,845,673	\$301,346,788	\$316,875,108	\$330,456,366	\$344,539,547	\$350,985,713
TRANSFERS IN:									
Public Works	\$150,291	\$150,291	\$150,291	\$150,291	\$150,291	\$150,291	\$150,291	\$150,291	\$150,291
Capital Recovery Fees	3,000,000	3,000,000	6,000,000	6,000,000	6,300,000	7,000,000	7,600,000	8,300,000	8,900,000
Water & Wastewater Utility Fund	0	0	0	0	0	0	0	0	0
Austin Resource Recovery	0	0	0	0	0	0	0	0	0
Conservation Rebates and Incentives Fund	0	139,892	0	0	0	0	0	0	0
TOTAL TRANSFERS IN:	\$3,150,291	\$3,290,183	\$6,150,291	\$6,150,291	\$6,450,291	\$7,150,291	\$7,750,291	\$8,450,291	\$9,050,291
TOTAL AVAILABLE FUNDS:	\$239,597,126	\$243,390,787	\$287,712,076	\$260,995,964	\$307,797,079	\$324,025,399	\$338,206,657	\$352,989,838	\$360,036,004
OPERATING REQUIREMENTS									
Operations and Maintenance									
Treatment	\$34,032,153	\$37,552,940	\$39,471,666	\$38,453,771	\$37,921,381	\$39,757,649	\$41,213,575	\$42,693,223	\$44,212,927
Pipeline Operations	21,546,112	22,447,781	24,477,620	23,797,589	23,953,037	25,236,029	26,478,329	27,275,842	29,810,566
Engineering Services	4,850,394	5,430,332	5,164,053	5,092,614	5,097,171	5,408,692	5,794,579	5,960,323	6,091,448
Water Resources Management	2,053,135	2,207,906	3,415,690	3,398,400	3,400,465	3,594,222	3,772,644	3,965,278	4,110,183
Environmental Affairs & Conservation	7,766,156	7,786,305	10,502,602	10,188,776	10,197,921	11,000,653	11,501,474	12,013,195	12,325,465
Support Services - Utility	9,702,143	9,767,337	12,089,353	11,911,203	12,002,205	12,929,208	13,679,177	14,370,510	14,924,432
Reclaimed Water Services	0	0	0	0	0	0	0	0	0
One Stop Shop	219,302	240,615	292,369	292,369	292,369	298,482	303,916	309,512	315,275
Other Operating Expenses	2,860,345	6,197,194	6,795,916	7,395,916	7,611,781	8,235,402	8,940,507	9,735,407	10,630,035
Total Operations & Maintenance (%RR)	\$83,029,740 35.7%	\$91,630,410 33.3%	\$102,209,269 36.7%	\$100,530,638 37.4%	\$100,476,330 35.2%	\$106,460,337 33.6%	\$111,684,201 34.3%	\$116,323,290 33.8%	\$122,420,331 35.6%
Other Requirements:									
Accrued Payroll	\$164,348	\$137,006	\$225,542	\$225,542	\$259,373	\$277,529	\$296,956	\$317,743	\$339,985
Public Improvement District	37,500	0	37,500	37,500	37,500	37,500	37,500	37,500	37,500
AE Billing & Customer Care	10,573,659	12,366,897	13,024,145	13,024,145	13,949,900	14,647,395	15,379,765	16,148,753	16,956,191
311 System Support	500,000	500,000	135,488	135,488	135,488	135,488	135,488	135,488	138,875
Compensation Adjustment	0	0	0	0	950,350	843,097	868,389	894,441	921,274
Additional Contribution to Retirement	2,027,030	0	0	0	0	0	0	0	0
Total Other Requirements:	\$13,302,537	\$13,003,903	\$13,422,675	\$13,422,675	\$15,332,611	\$15,941,009	\$16,718,098	\$17,533,925	\$18,393,825
TOTAL OPERATING REQUIREMENTS: (%RR)	\$96,332,277 41.4%	\$104,634,313 38.0%	\$115,631,944 41.5%	\$113,953,313 42.4%	\$115,808,941 40.6%	\$122,401,346 38.6%	\$128,402,299 39.5%	\$133,857,215 38.9%	\$140,814,156 40.9%
DEBT SERVICE:									
Revenue Bond Debt Service	\$86,854,688	\$95,071,310	\$105,544,704	\$108,146,320	\$111,908,793	\$115,251,162	\$120,435,369	\$127,516,538	\$123,079,614
Commercial Paper Debt Service	133,340	167,829	372,632	329,687	356,358	290,349	527,567	284,515	605,262
General Obligation Debt Service	2,393,499	2,460,184	2,309,885	2,307,504	1,992,324	1,933,737	1,837,248	1,600,177	1,366,418
Water District Bonds	266,158	264,703	265,351	265,351	264,380	269,021	238,871	239,965	244,027
TOTAL DEBT SERVICE: (%RR)	\$89,647,685 38.6%	\$97,964,026 35.6%	\$108,492,572 38.9%	\$111,048,862 41.3%	\$114,521,855 40.1%	\$117,744,269 37.2%	\$123,039,055 37.8%	\$129,641,195 37.7%	\$125,295,321 36.4%
TRANSFERS OUT:									
Capital Improvement Program Funds	\$20,600,000	\$34,901,334	\$10,500,000	\$1,500,000	\$10,000,000	\$25,200,000	\$18,000,000	\$21,600,000	\$23,300,000
General Fund	15,746,956	17,722,306	20,006,684	20,006,684	19,991,412	21,765,344	23,863,847	25,930,539	27,111,141
Revenue Stability Reserve Fund	0	5,515,444	8,051,876	5,950,795	7,669,621	9,389,446	10,004,051	10,514,749	2,981,309
Radio Communications Fund	180,989	192,470	139,560	139,560	153,516	168,868	185,755	204,331	224,764
Sustainability Fund	2,372,240	2,545,077	2,561,713	2,561,713	3,013,468	3,168,751	3,304,564	3,445,395	3,509,857
Economic Development Fund	0	0	324,362	324,362	584,374	946,686	1,297,310	1,336,229	1,376,316
Reclaimed Utility Fund	0	960,000	1,880,000	1,880,000	1,430,000	2,463,000	2,508,000	1,279,000	1,762,000
Administrative Support - City	4,818,042	7,395,973	8,063,474	8,063,474	8,869,821	9,756,803	10,732,483	11,805,731	12,986,304
Communication & Technology Mngt Fund	1,562,613	1,723,698	1,773,272	1,773,272	1,950,599	2,145,659	2,360,225	2,596,248	2,855,873
CTECC Emergency Operations Center	2,997	3,559	4,413	4,413	4,854	5,339	5,873	6,460	7,106
Liability Reserve Fund	275,000	250,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Workers' Compensation Fund	511,201	597,517	721,514	721,514	809,126	890,039	979,043	1,076,947	1,184,642
Economic Incentives Reserve Fund	166,666	166,666	166,666	166,666	166,666	166,666	166,666	166,666	166,666
PARD CIP-Swimming Pools	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Environmental Remediation Fund	182,095	325,595	223,762	223,762	223,762	223,762	223,762	182,096	182,096
TOTAL TRANSFERS OUT: (%RR)	\$46,518,799 20.0%	\$72,399,639 26.3%	\$54,717,296 19.6%	\$43,616,215 16.2%	\$55,167,219 19.3%	\$76,590,363 24.2%	\$73,931,579 22.7%	\$80,444,391 23.4%	\$77,948,074 22.7%
TOTAL REQUIREMENTS:	\$232,498,761	\$274,997,978	\$278,841,812	\$268,618,390	\$285,498,015	\$316,735,978	\$325,372,933	\$343,942,801	\$344,057,551
EXCESS / (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS:	\$7,098,365	(\$31,607,191)	\$8,870,264	(\$7,622,426)	\$22,299,064	\$7,289,421	\$12,833,724	\$9,047,037	\$15,978,453
ADJUSTMENT TO GAAP	\$1,043,101	(\$276,695)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENDING BALANCE:	\$50,463,845	\$18,579,959	\$32,858,615	\$10,957,533	\$33,256,597	\$40,546,018	\$53,379,742	\$62,426,780	\$78,405,232
Water Rate Increases	5.0%	5.0%	7.4%	7.4%	15.2%	3.0%	3.0%	3.0%	3.0%
Debt Service Coverage Ratio			1.53	1.20	1.55	1.57	1.56	1.53	1.57