

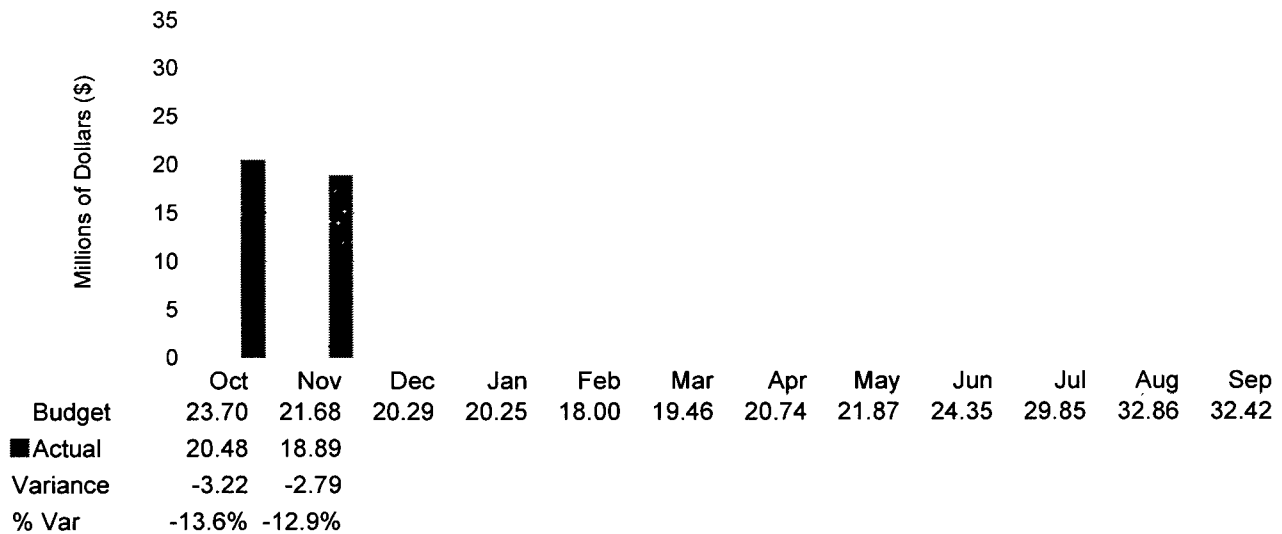
City of Austin, Texas
Austin Water
FUND SUMMARY - RECLAIMED
As of November 2018

	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	322,969	93,105	247,918	(75,051)	-23.2%
Interest	16,032	2,672	4,489	10,155	7,483	290.0%
Total Revenue	1,897,877	325,641	97,594	258,073	(67,568)	-20.7%
TRANSFERS IN						
CIP	0	0	0	0	0	0.0%
Austin Water Utility	4,000,000	666,666	333,300	667,000	334	0.1%
Total Transfers In	4,000,000	666,666	333,300	667,000	334	0.1%
TOTAL AVAILABLE FUNDS	5,897,877	992,307	430,894	925,073	(67,234)	-6.8%
PROGRAM REQUIREMENTS						
Reclaimed Water Services	571,388	106,271	62,477	102,405	3,866	3.6%
Other Utility Program Requirements	30,600	3,706	33	414	3,293	88.8%
Total Program Requirements	601,988	109,977	62,510	102,819	7,159	6.5%
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	843,313	291,925	622,370	220,943	26.2%
Commercial paper interest	29,445	4,908	387	4,176	731	14.9%
Total Debt Service Requirements	3,689,664	848,221	292,312	626,547	221,674	26.1%
TRANSFERS						
Trf to Reclaimed Water CIP Fnd	1,000,000	172,000	83,000	172,000	0	0.0%
TRF Operating to Debt Defeasance	0	0	0	0	0	0.0%
Administrative Support	246,318	41,068	20,525	41,068	0	0.0%
Trf to General Fund	130,406	20,408	11,000	20,408	0	0.0%
Trf to CIP Mgm - CPM (5460)	160,362	26,712	13,365	26,712	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	320,413	127,890	320,413	0	0.0%
TOTAL REQUIREMENTS	5,898,893	1,278,611	482,711	1,049,778	228,833	17.9%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL ADJUSTMENT TO GAAP	(1,016)	(21,070)	(51,818)	(124,706)	(103,636)	491.9%
ENDING BALANCE	841,405	821,351	(51,818)	1,005,334	183,983	22.4%
<i>Note: Numbers may not add due to rounding.</i>						
DEBT SERVICE COVERAGE RATIO	0.24	0.17	0.00	0.14		

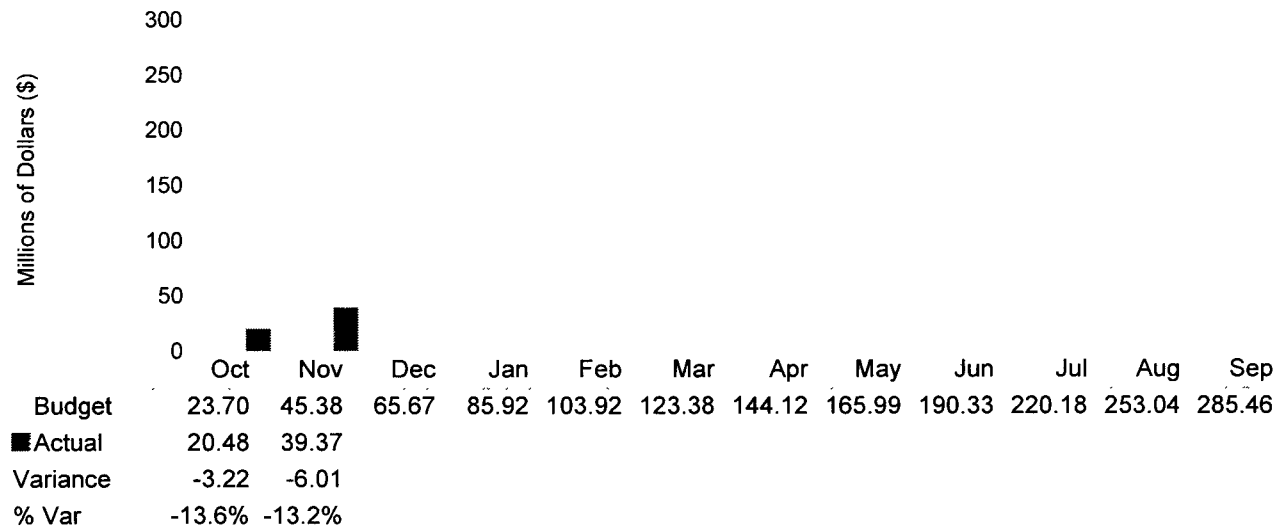
REVENUES

Water Service Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

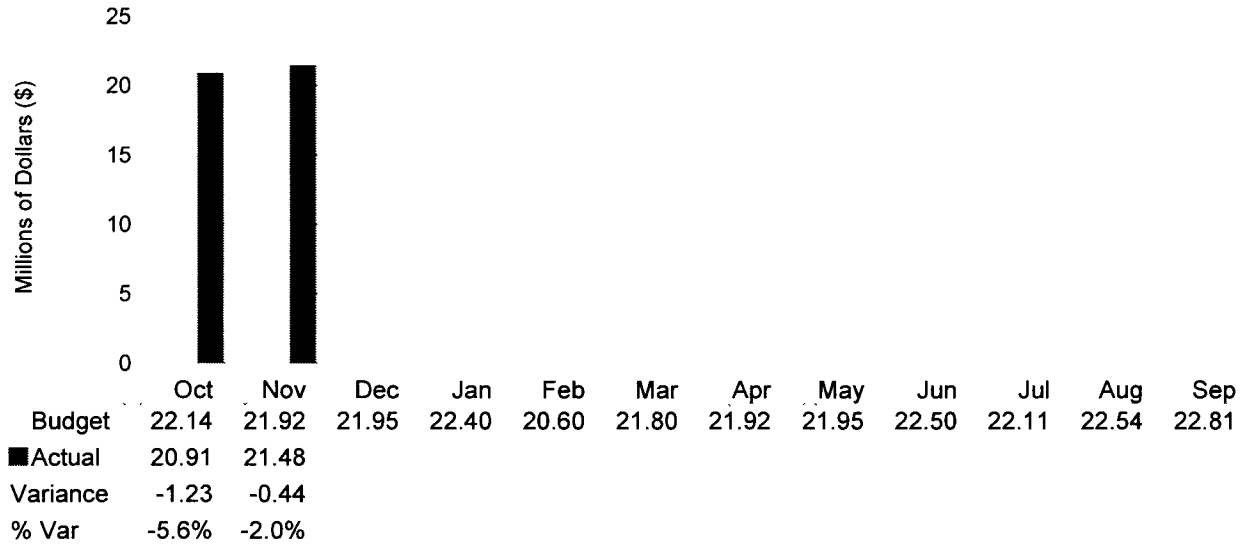


Water service revenues for November 2018 totaled \$18.89 million. This is \$2.79 million, or 12.9%, less than the budget allotment for the month. For the fiscal year, water service revenues totaled \$39.37 million, which is \$6.01 million, or 13.2% less than the budget allotment due primarily to heavy rain in October and boil water notice.

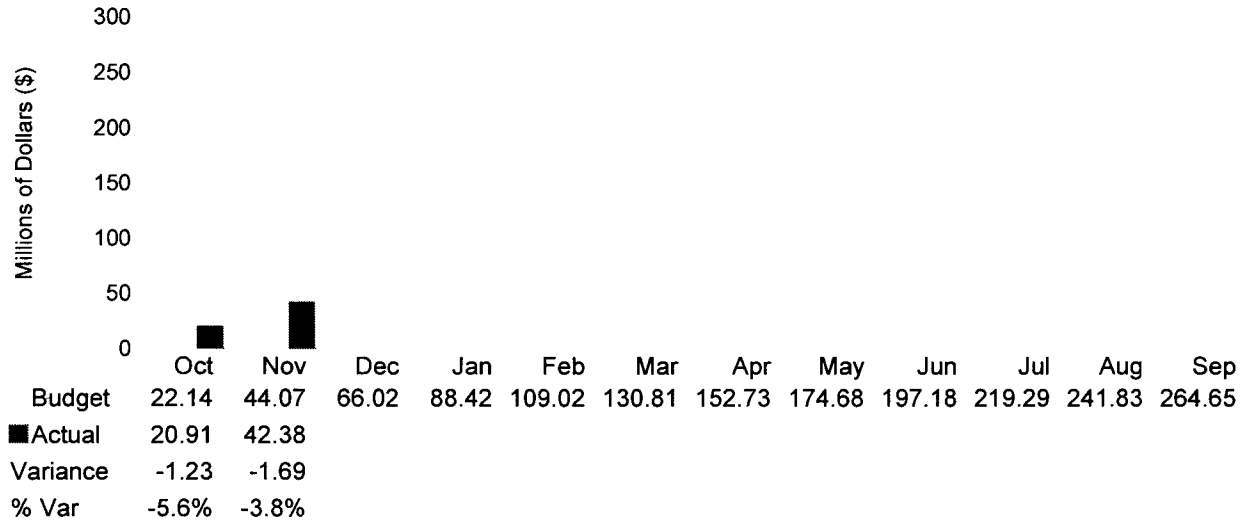
November 2018's billed water consumption totaled 2.60 BG, 0.86 BG (25.0%) lower than projected for the month. Year-to-date, billed water consumption of 5.33 BG is 1.94 BG (26.7%) lower than projected.

Wastewater Service Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

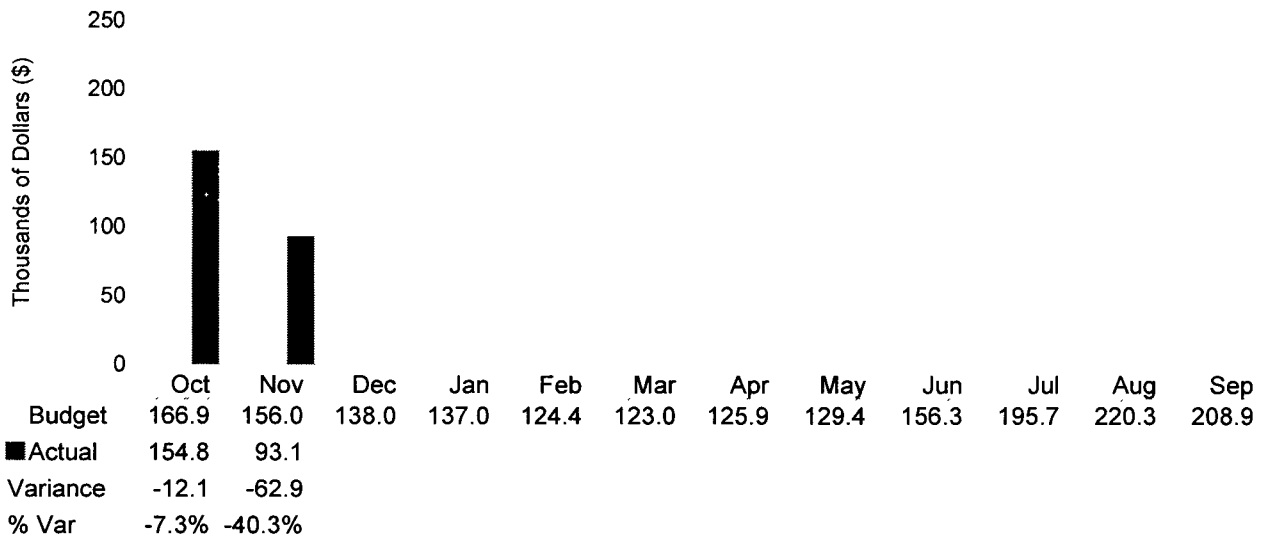


Wastewater service revenues for November 2018 totaled \$21.48 million. This is \$0.44 million, or 2.0% less than the budget allotment for the month. For the fiscal year, wastewater service revenues totaled \$42.38 million, which is \$1.69 million, or 3.8% less than the budget allotment due primarily to boil water notice.

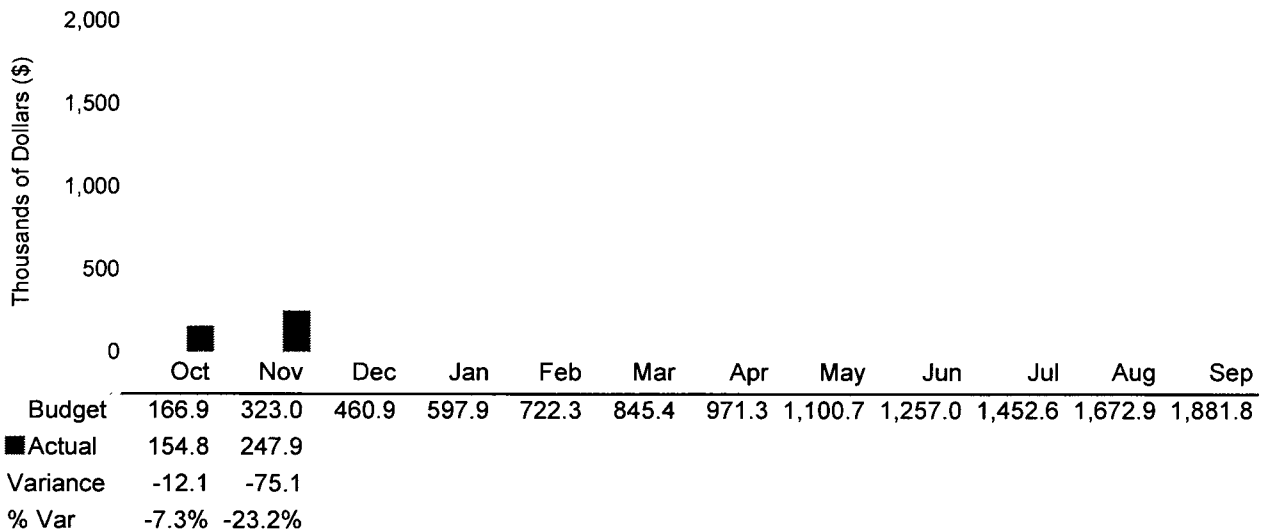
Wastewater bills are determined by each customer's actual water consumption for the month or wastewater winter average, whichever is lower, except for customers who have installed wastewater measuring devices.

Reclaimed Water Service Revenue

Monthly Actuals v. Budget

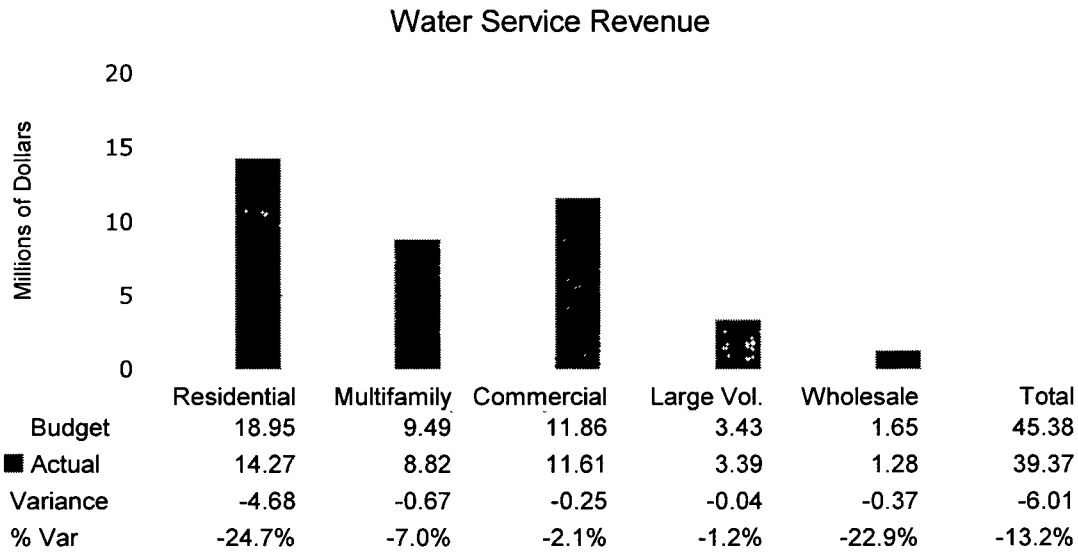


Year-to-Date Actuals v. Budget



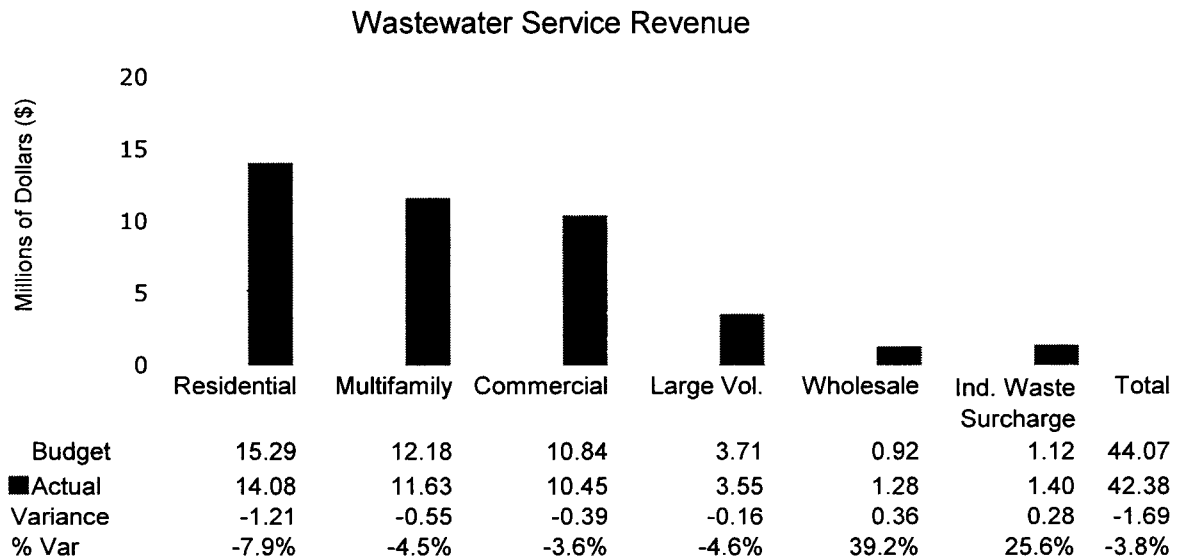
Reclaimed service revenues for November 2018 totaled \$93.1 thousand. This is \$63 thousand, or 40.3% less than the budget allotment for the month. For the fiscal year, reclaimed service revenues totaled \$247.9 thousands, which is \$75.1 thousand, or 23.2% less than the budget allotment.

Revenue by Customer Class Year-to-Date



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

All customer classes were below projections. Overall, water revenues are \$6.01 million (13.2%) lower than projected due primarily to heavy rain in October and boil water notice.

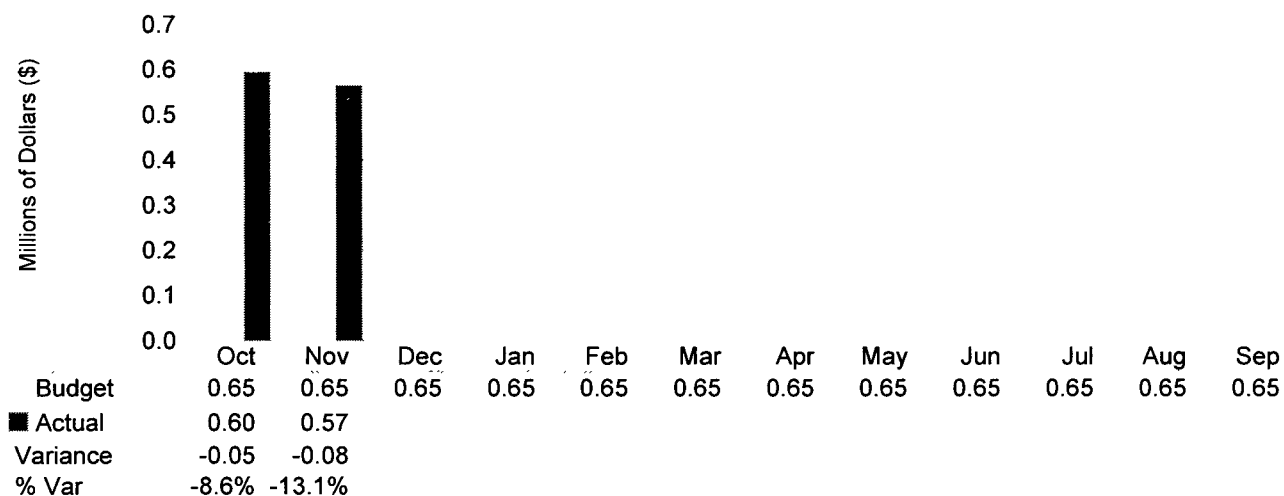


The graph above compares the budgeted and actual wastewater service revenues by customer class through November before any accounts receivable adjustments.

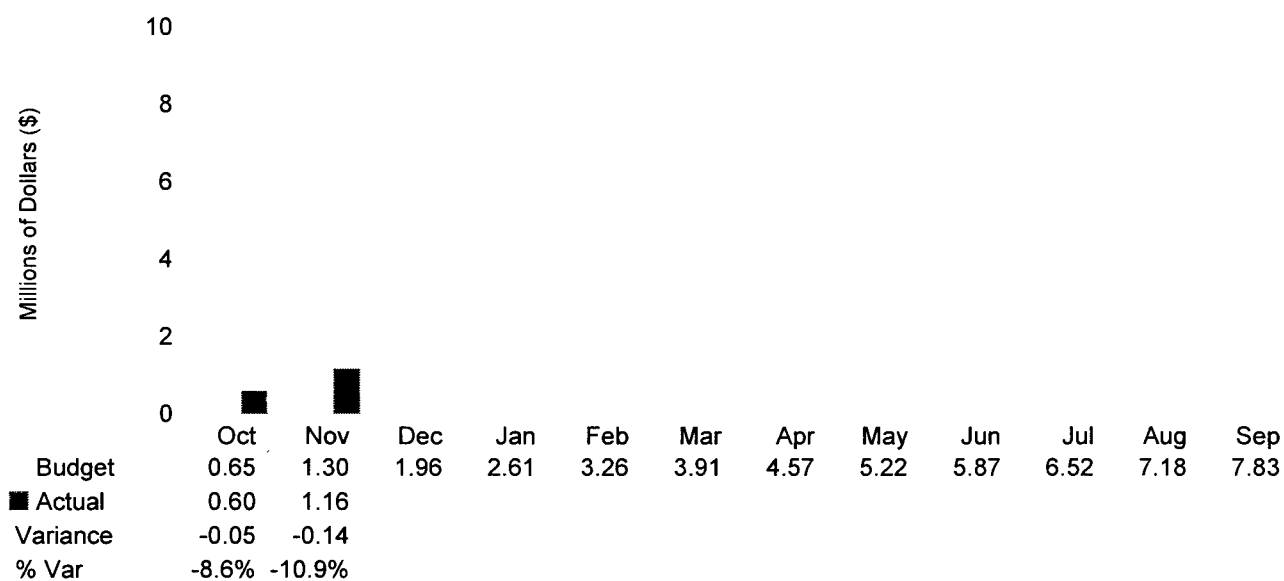
All customer classes were below projections except Wholesale and Industrial Waste Surcharge which was above by \$0.36 or 39.2% and \$0.28 or 25.6% respectively. Overall, wastewater revenues are \$1.68 million (3.8%) lower than projected due primarily to boil water notice.

Miscellaneous Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

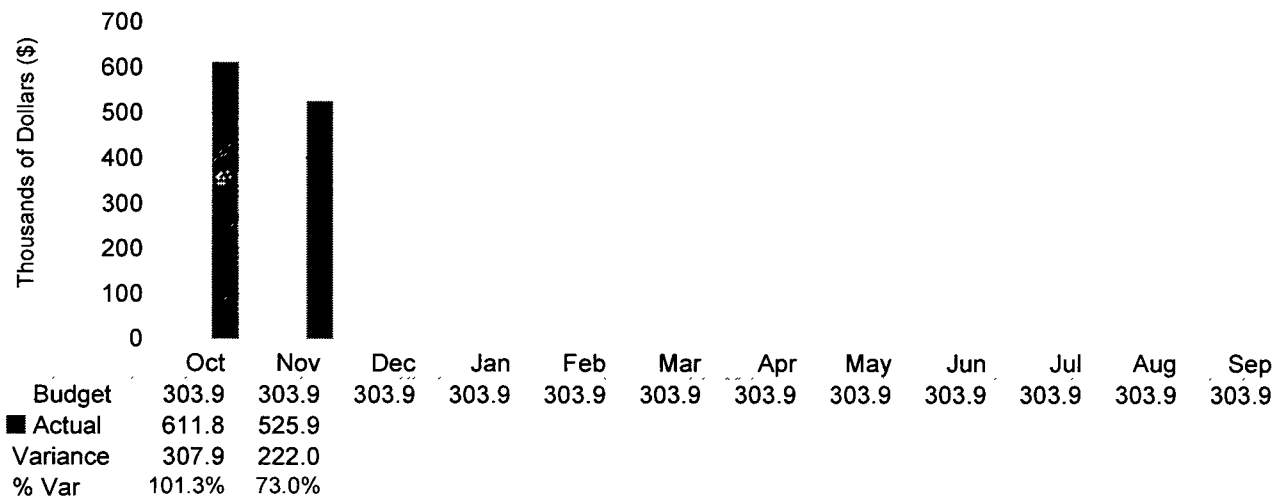


Miscellaneous revenues include revenue from sources other than water and wastewater services, such as late fees, fines and special billings. Miscellaneous revenues in November 2018 totaled \$0.57 million, \$0.08 million (13.1%), less than the budget allotment for the month.

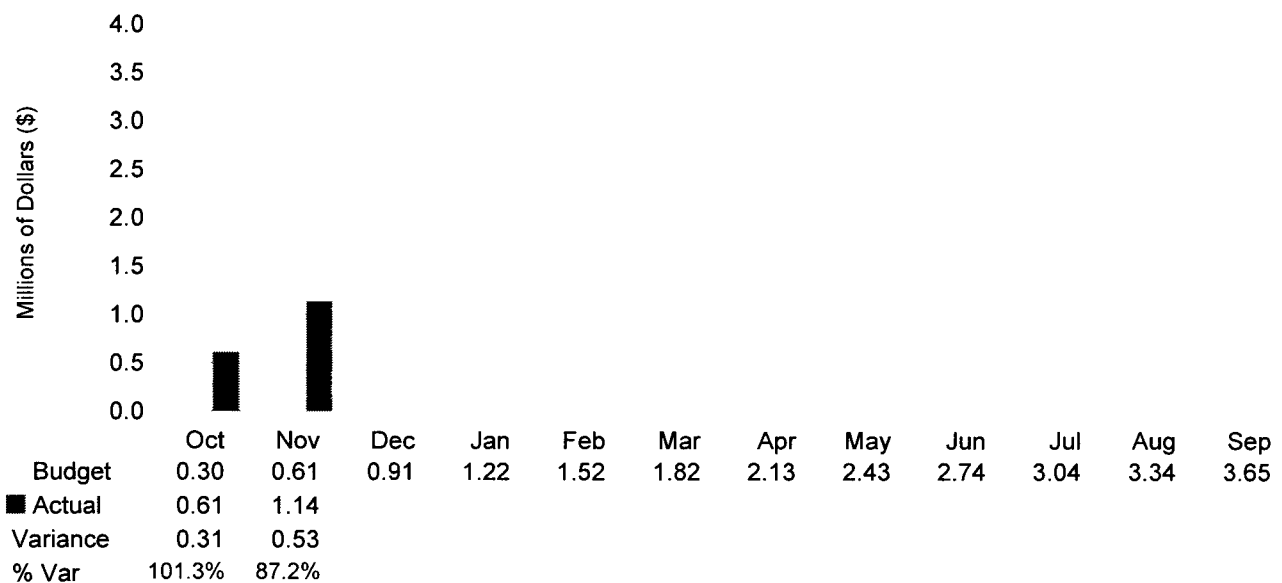
For the fiscal year, miscellaneous revenues totaled \$1.16 million, \$0.14 million (10.9%) less than the budget allotment.

Interest Income

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget



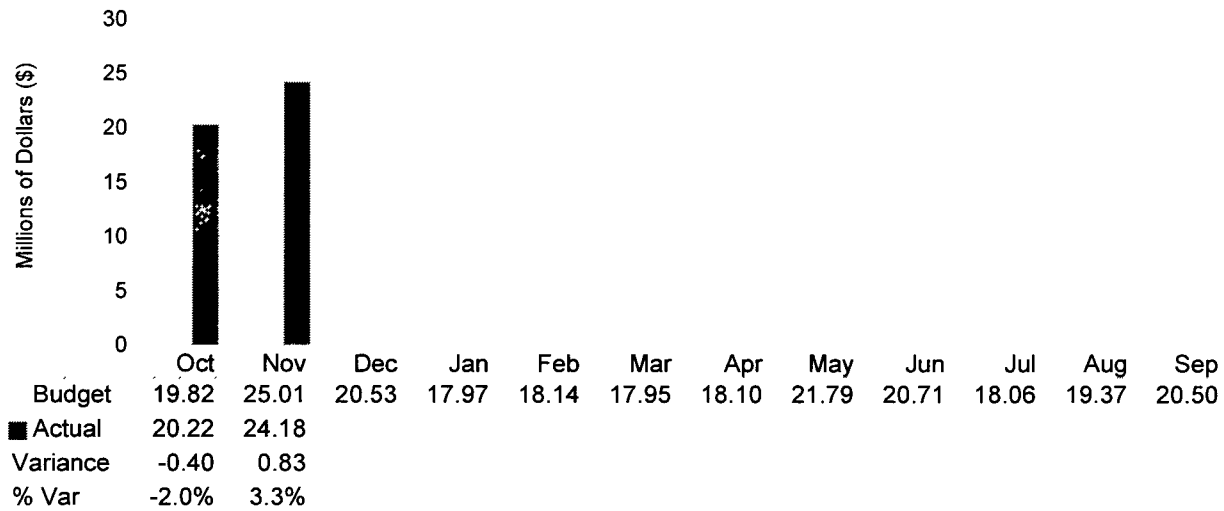
Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income in November 2018 totaled \$525.9 thousand, \$222.0 thousand (73.0%), more than the budget allotment for the month. This is largely due to higher than projected interest rates and cash balances.

For the fiscal year, interest income totaled \$1.14 million, \$0.53 million (87.2%) more than the budget allotment.

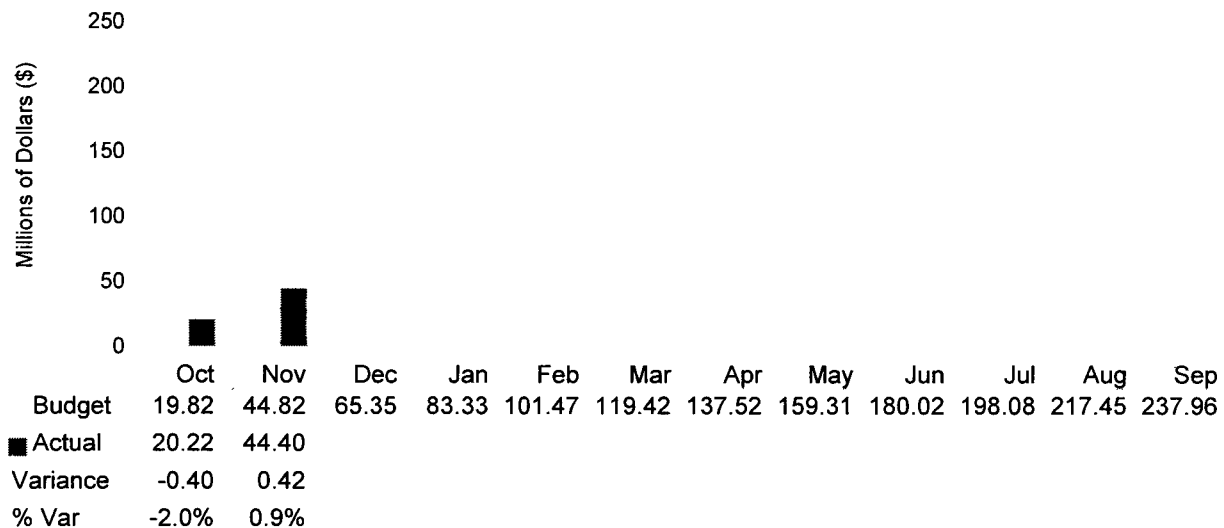
OPERATING REQUIREMENTS

Program Operating and Other Requirement Expenses

Monthly Budget vs. Actual



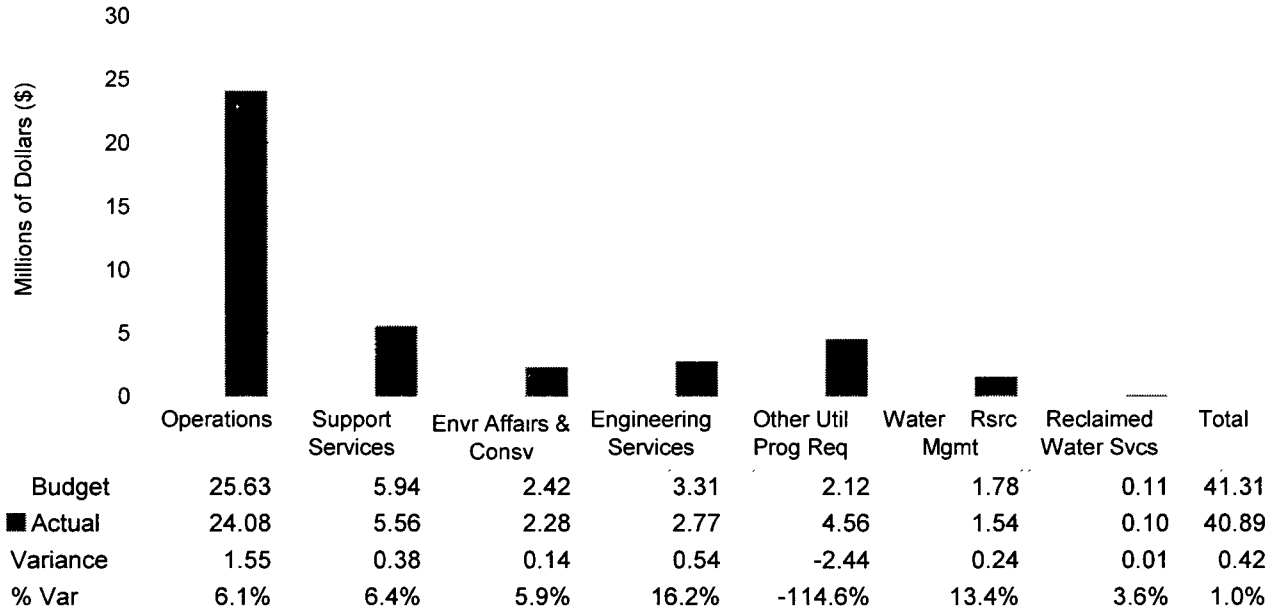
Year-to-Date Budget vs. Actual



Total Program Operating and Other Requirements for the fiscal year through November 2018 were: \$23.16 million for Water, \$21.14 million for Wastewater, and \$0.10 million for Reclaimed. The combined Program Operating and Other Requirements of \$44.40 million were \$0.42 million, or 0.9% below the budget allotment. We see the affect of boil water notice in Other Utiltiy Program Requirements.

Operating Program Expenditures Year-to-Date

Expenditures by Operating Program



Total Operating Program Requirements as of November 30, 2018 were \$21.04 million for Water, \$19.75 million for Wastewater, and \$0.10 million for Reclaimed Water. The combined Program Operating Requirements of \$40.89 million were \$0.42 million or 1.0% below allotment.

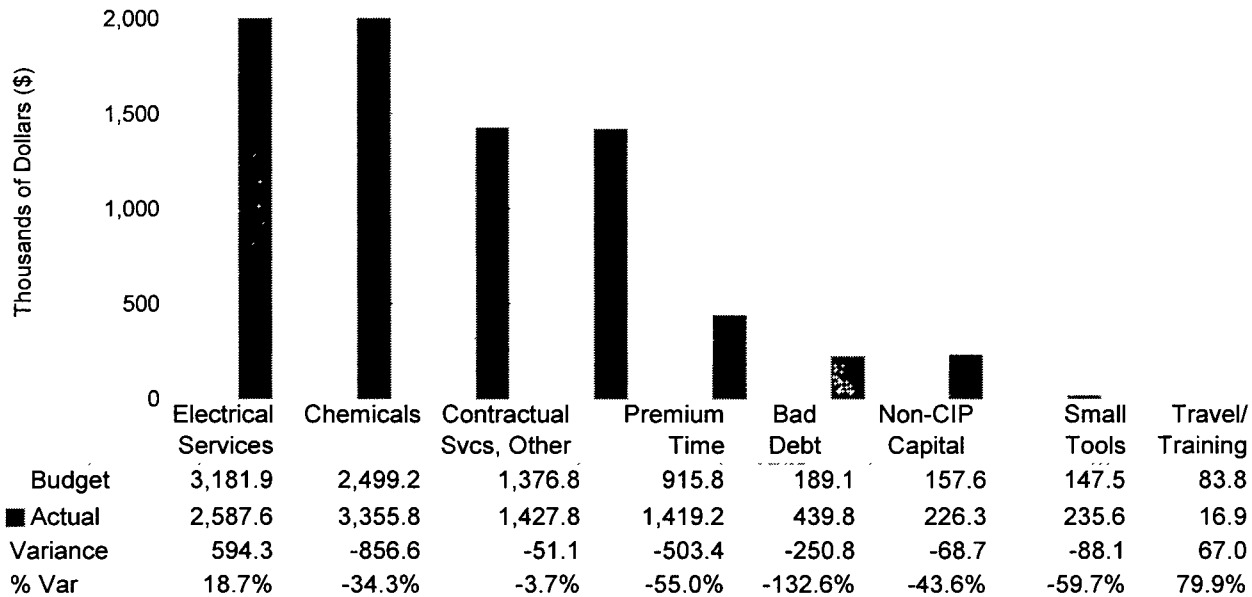
Engineering Services was \$0.54 million or 16.2% below allotment mainly due to lower than estimated spending on other contractual services. No payments were processed for the Collection System Engineering division's flow monitoring service contract in the month of November.

Other Utility Program Requirements were \$2.44 million or 114.6% above allotment mainly due to higher than estimated spending on food and ice, other contractual services, legal claims and damages, and bad debt expense. 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. Other contractual services includes encumbrances for unforeseen events, such as water treatment plant repairs. Bad Debt expenses are processed by Customer Care and Billing and adjustments can vary widely from month to month.

Water Resources Management was \$0.24 million or 13.4% below allotment mainly due to lower than estimated spending on interdepartmental charges and vacant positions. Interdepartmental charges from the Development Services Department for AMANDA programming costs can vary throughout the year. The program area currently has five vacant positions.

Key Object Code Expenditures Year-to-Date

Expenditures by Key Object Code



Premium time was \$503.4 thousand or 55.0% above allotment primarily due to higher than estimated spending in several divisions: Lift Stations and Remote Facilities, Water Treatment, Wastewater Treatment, Pump Stations and Reservoir Maintenance, Collection System Services, and Construction and Rehabilitation Services.

Travel and training expenses were \$67.0 thousand or 79.9% below allotment due to lower than estimated spending. Timing of city travel and training dates can vary from year to year.

Small tools were \$88.1 thousand or 59.7% above allotment primarily due to higher than estimated spending in Special Support and Laboratory Services. Additional spending on small tools purchases were largely a result of the boil water issue event in October, including supplies to test waters, distribute emergency water to citizens, and run the Department Operations Center.

Bad Debt was \$250.8 thousand or 132.6% above allotment. Bad Debt expenses are processed by Customer Care and Billing and adjustments can vary widely from month to month.

Non-CIP Capital was \$68.7 thousand or 43.6% above allotment due to higher than anticipated spending based on a historical analysis.

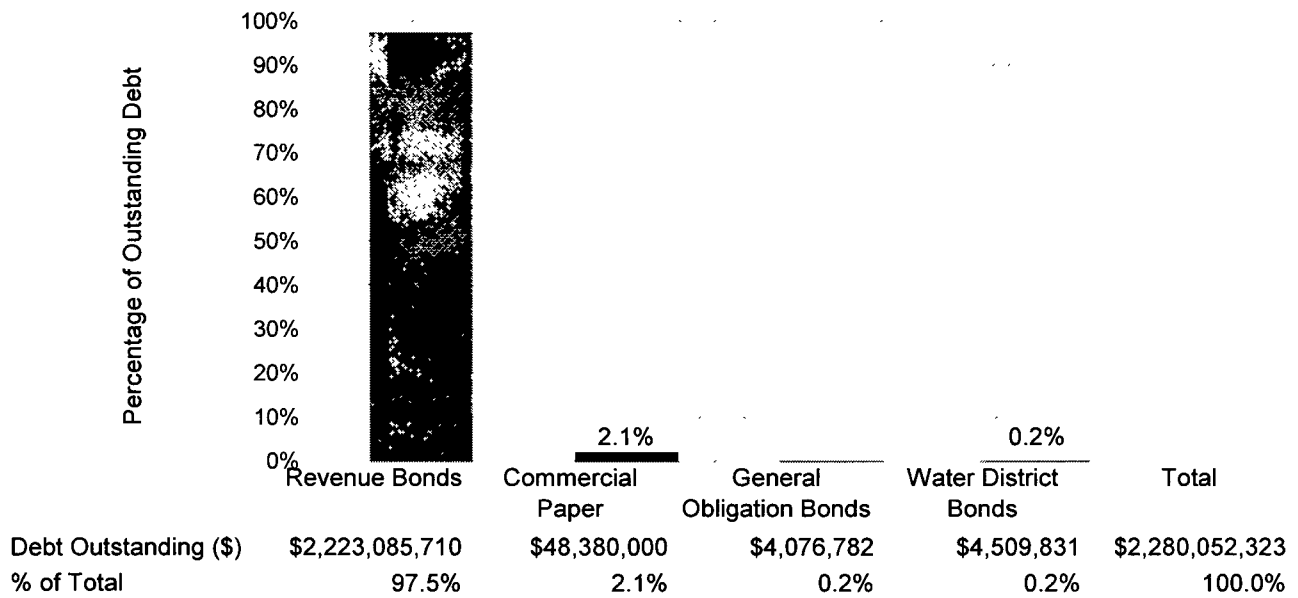
Chemicals were \$856.6 thousand or 34.3% above allotment due to higher than estimated spending in the Collection System Engineering, Wastewater Treatment, and Water Treatment Divisions. The flooding event in October required additional chemical use.

Electrical Services were \$594.3 thousand or 18.7% below allotment due to lower than estimated spending in the Pump Stations and Reservoir Maintenance, Lift Stations and Remote Facilities, and Water Treatment Divisions. Monthly electrical services can vary from month to month.

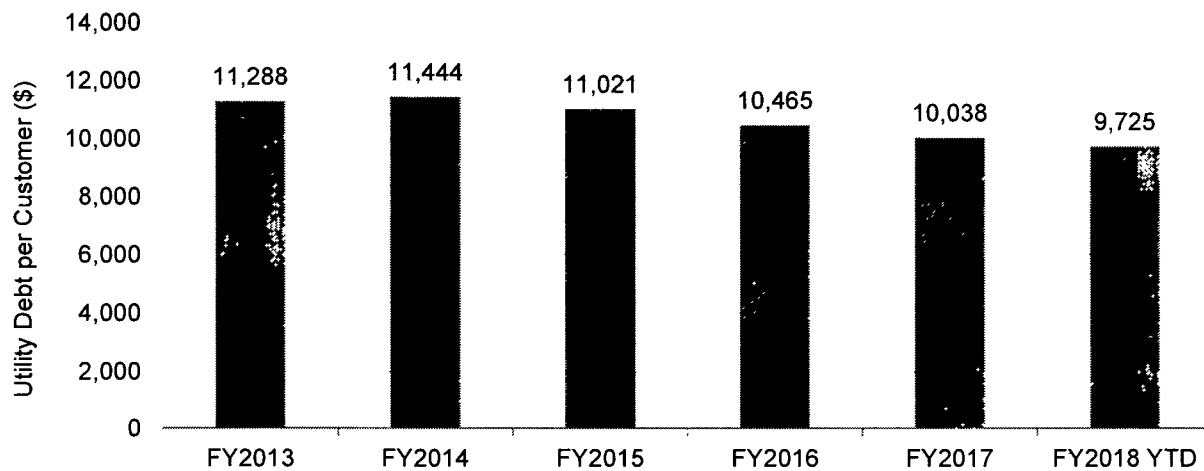
DEBT OUTSTANDING & DEBT SERVICE

Outstanding Utility Debt

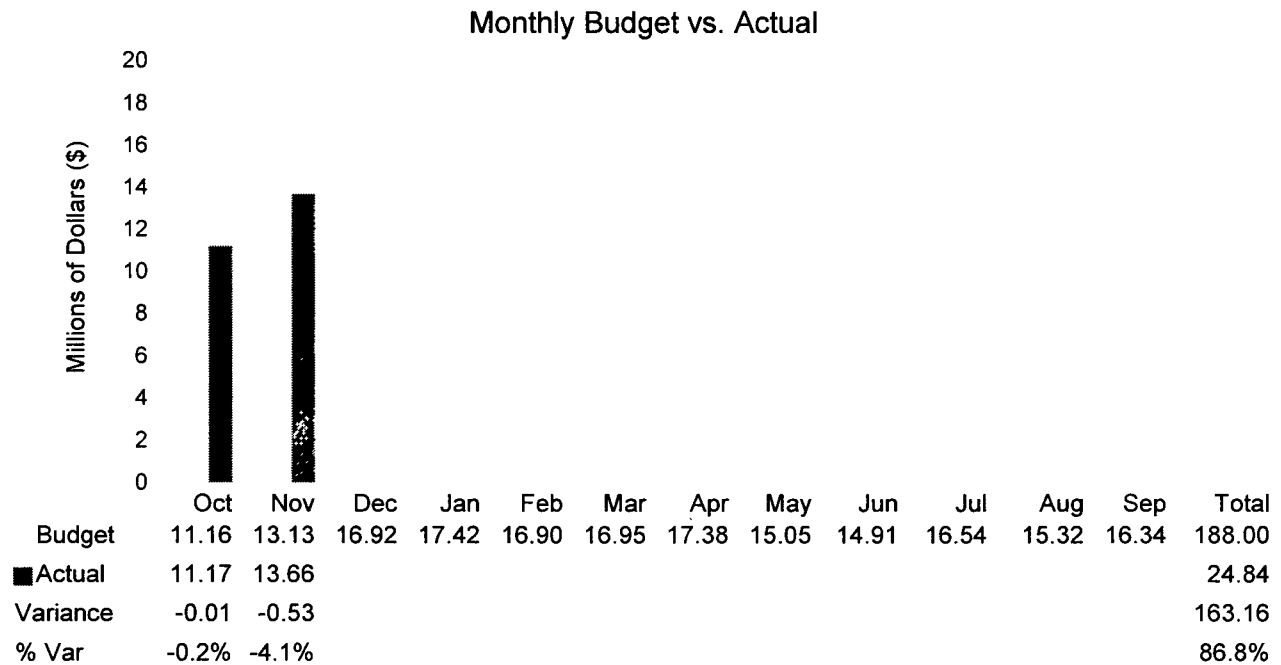
Debt Outstanding by Type



Utility Debt per Customer by Fiscal Year

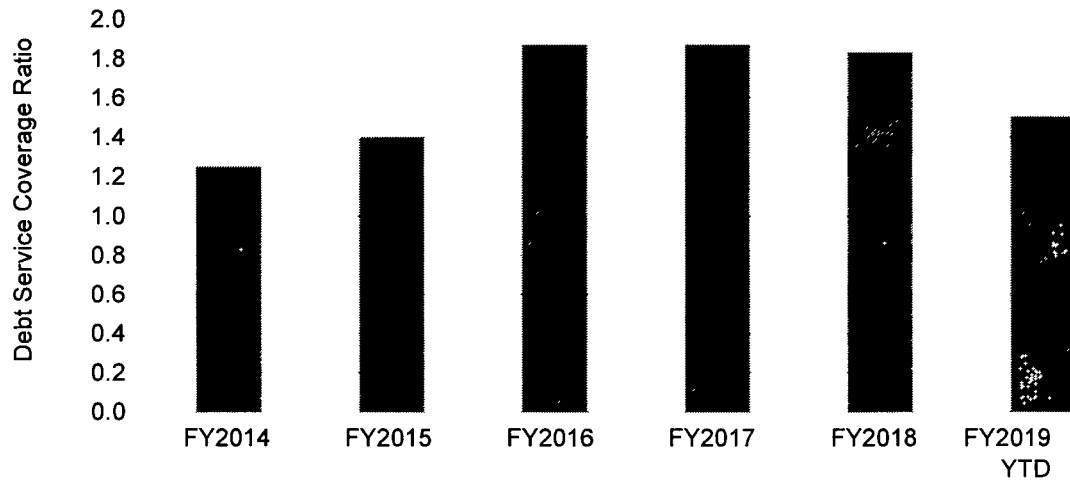


Combined Debt Service Requirement by Month



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 November 2018 was \$13.66 million, \$-0.53 million more than projected for the month. Combined debt service for the fiscal year was \$24.84, \$-0.56 million more than projected due to the 2010 BABS (Build America Bonds Subsidy) being recorded in December 2018 instead of November 2018.

Debt Service Coverage



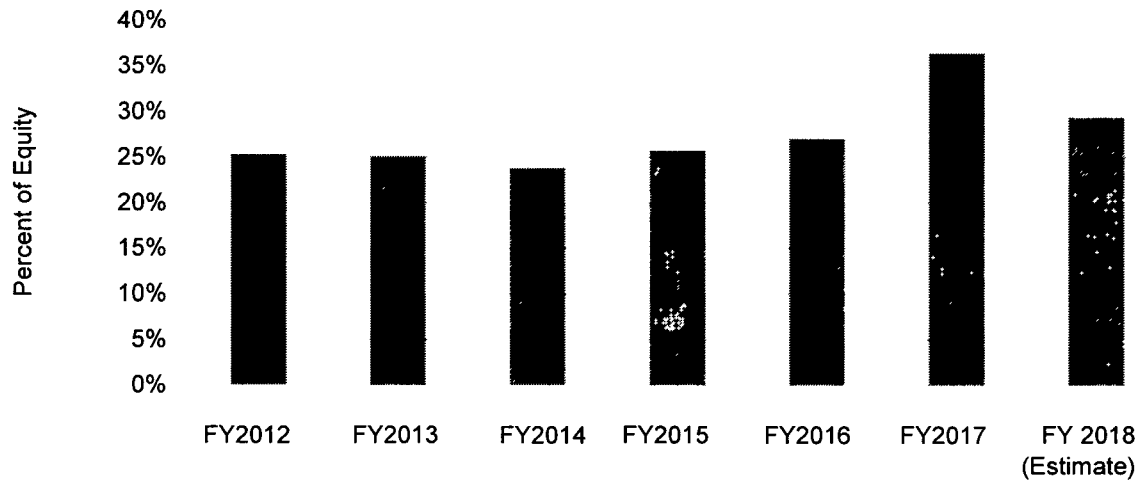
Debt Service Coverage	1.25	1.40	1.87	1.87	1.83	1.50
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The Debt Service Coverage (DSC) graph above indicates how much revenue, after deducting operating costs, could go towards paying long-term debt service. The utility's bond covenants require debt service coverage of 1.25 times long-term debt service requirements. City of Austin financial policies target minimum debt service coverage of 1.5 times.

Ratios reflected for FY2013 through FY2016 are audited, as reflected in the City's Comprehensive Annual Financial Report (CAFR) and the DSC reported at a cash basis. The coverage calculation presented considers all Water and Wastewater debt service obligations, regardless of type or designation. This methodology closely approximates but does not follow exactly the coverage calculation required by the master ordinance.

Ratios for FY2017 to current year are calculated based on accrued revenues and debt service requirements. As a result, there are slightly accounting timing differences in the debt service coverage. AW Management projects FY2018 coverage to improve to 1.83 times, which is nearly aligned with the long-term internal target of 1.85 times.

Percent of Equity in Utility Systems

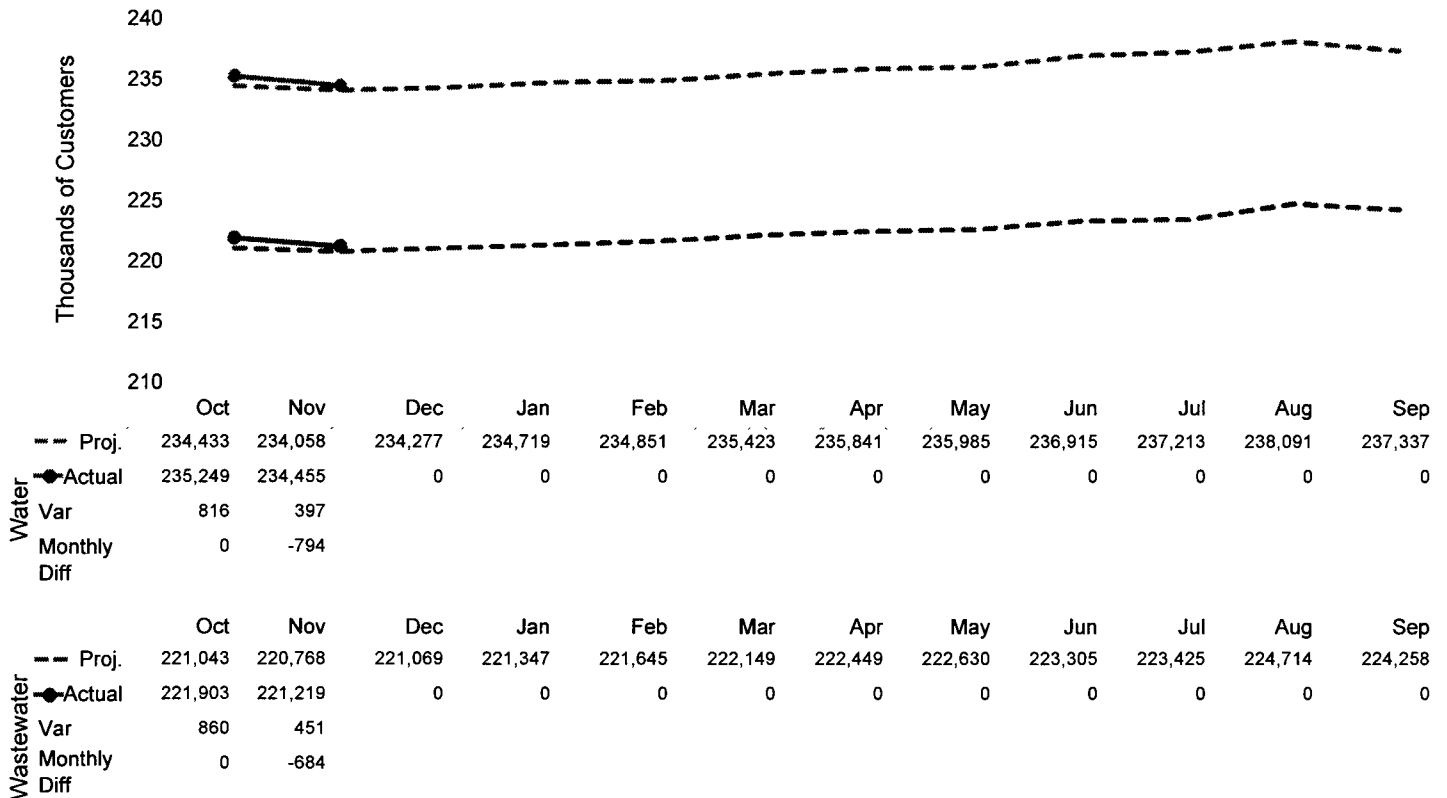


The Percent of Equity in Utility Systems is computed by dividing the combined utility system equity by the combined utility system costs, net of depreciation. The Percent of Equity is calculated based upon the audited financials from the Controller's Office.

CUSTOMER DEMAND CHARACTERISTICS

Number of Customers

Monthly Actual vs. Projections



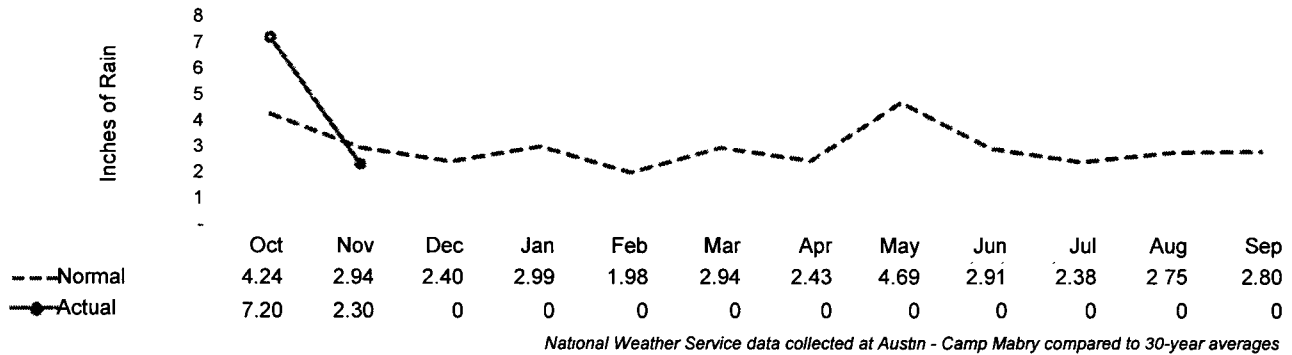
As of November 30, 2018, there were 234,455 water customers; which is 397 greater than projected. November 2017 there were 231,146 customers compared to this November of 234,455 a 3,309 increase.

As of November 30, 2018, there were 221,219 wastewater customers; which is was 451 greater than projected. Prior year November there were 3,410 more 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.

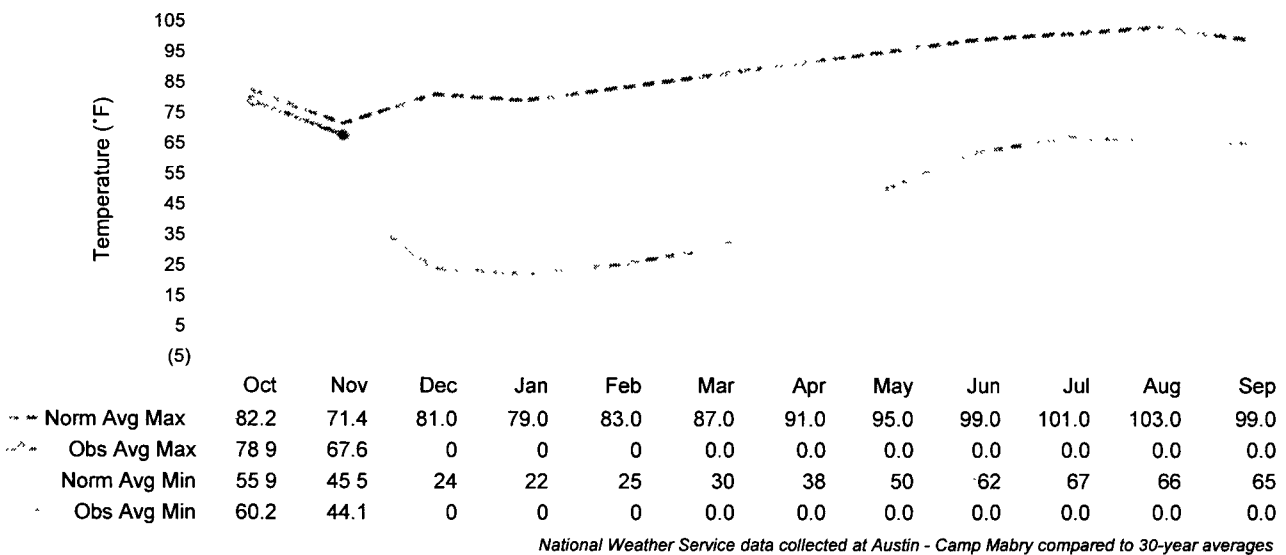
Rainfall and Average Temperatures by Month

Monthly Rainfall Actual vs. Normal



In November, 2.3 inches of rain fell, 0.64 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.

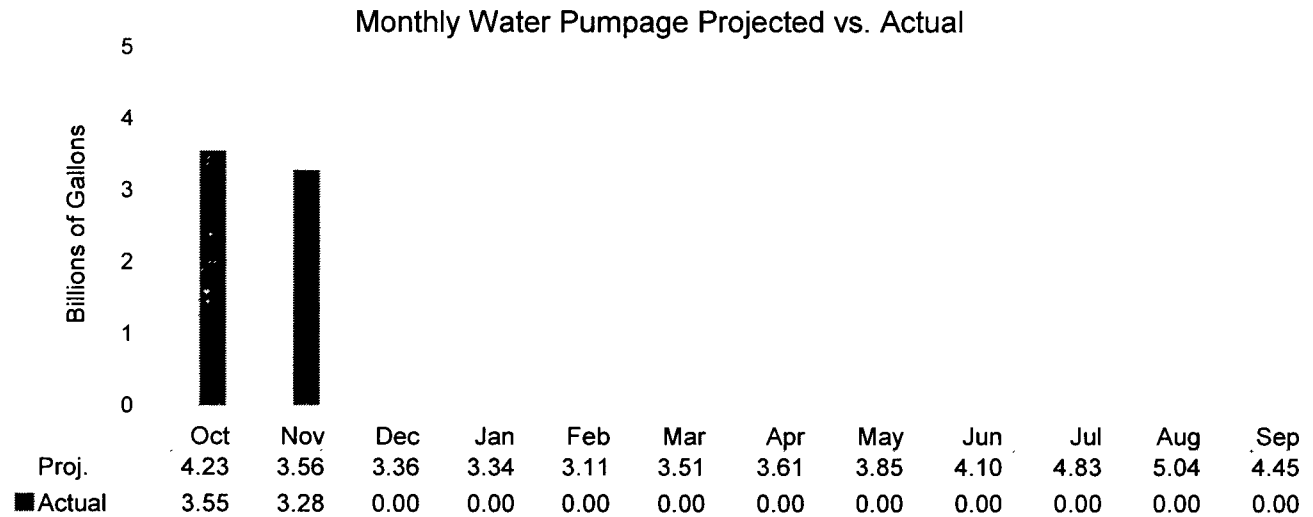
Monthly Average Maximum and Minimum Temperatures Observed vs. Normal



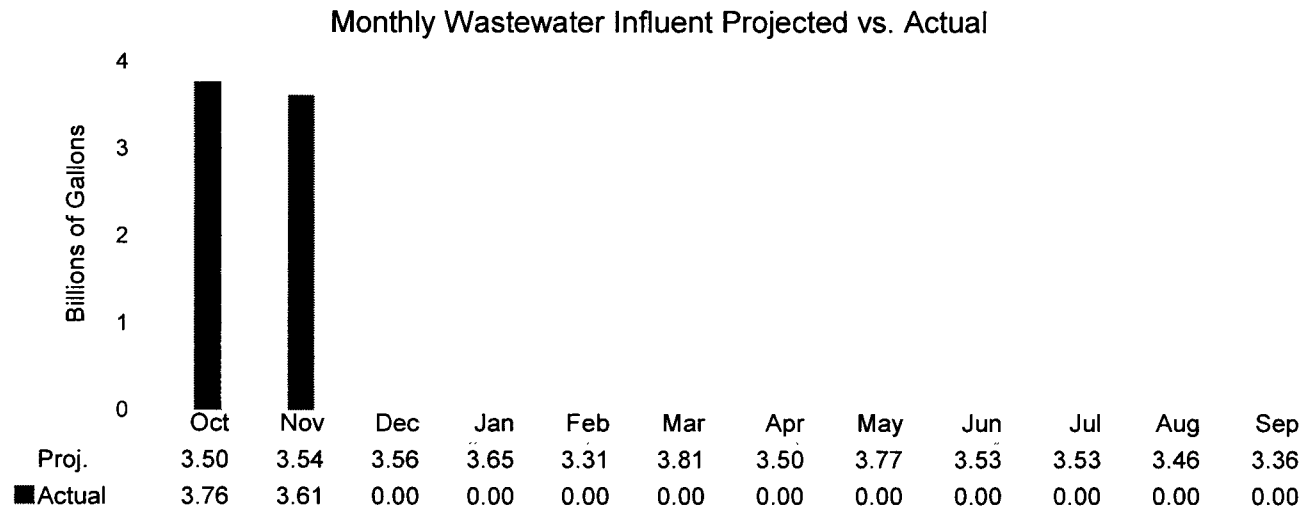
November's average high temperature was below normal levels by 3.8 degrees and the average low was below normal levels by 1.4 degrees. Over the fiscal year, temperatures have been cooler than historical averages.

The Highland Lakes' two water storage reservoirs, Travis and Buchanan, are at a combined 98% of capacity.

Water Pumpage and Wastewater Influent Flow by Month



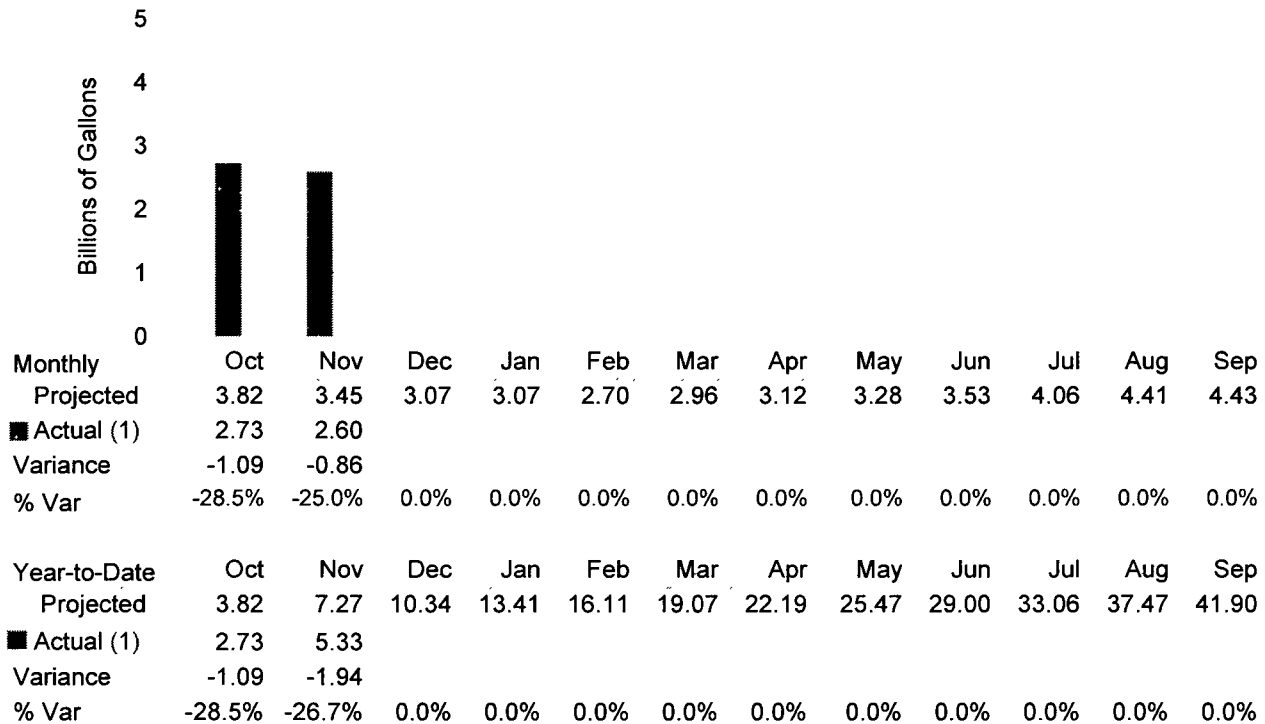
Pumpage during November 2018 averaged 109.3 Million Gallons per Day (MGD) for a total of 3.28 BG for the month. This compares to a daily average of 114.48 MGD for October 2018, and a daily average of 111.93 MGD for fiscal year 2018-19.



Influent during November 2018 averaged 120.38 MGD for a total of 3.61 BG for the month. This compares to a daily average of 121.45 MGD for October 2018, and an average of 120.92 MGD for fiscal year 2018-19.

Billed Water Consumption

Monthly Billed Consumption Projected vs. Actual

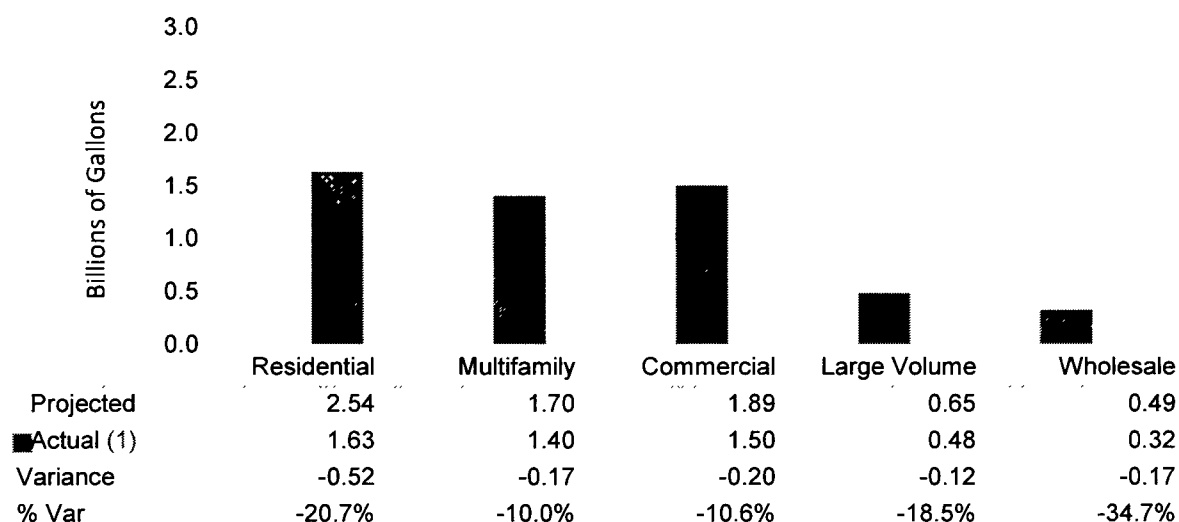


November 2018's billed water consumption totaled 2.60 BG, 0.86 BG (25.0%) lower than projected for the month. Year-to-date, billed water consumption of 5.33 BG is 1.94 BG (26.7%) lower than projected primarily due to heavy rain in October and boil water notice.

(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

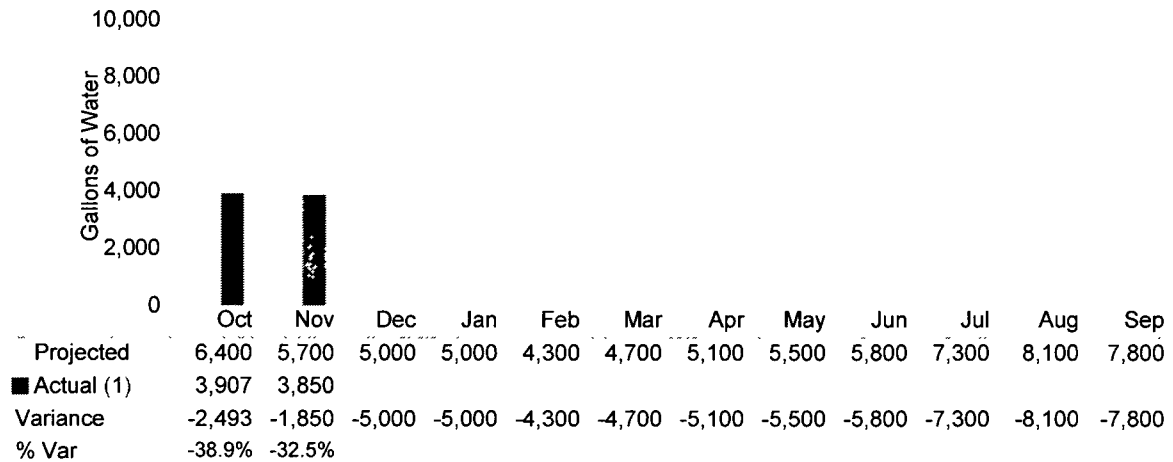


Billed water consumption is below projections by 0.86% in all customer classes. This is primarily due to heavy rains and emergency water restrictions from the boil water notice.

(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

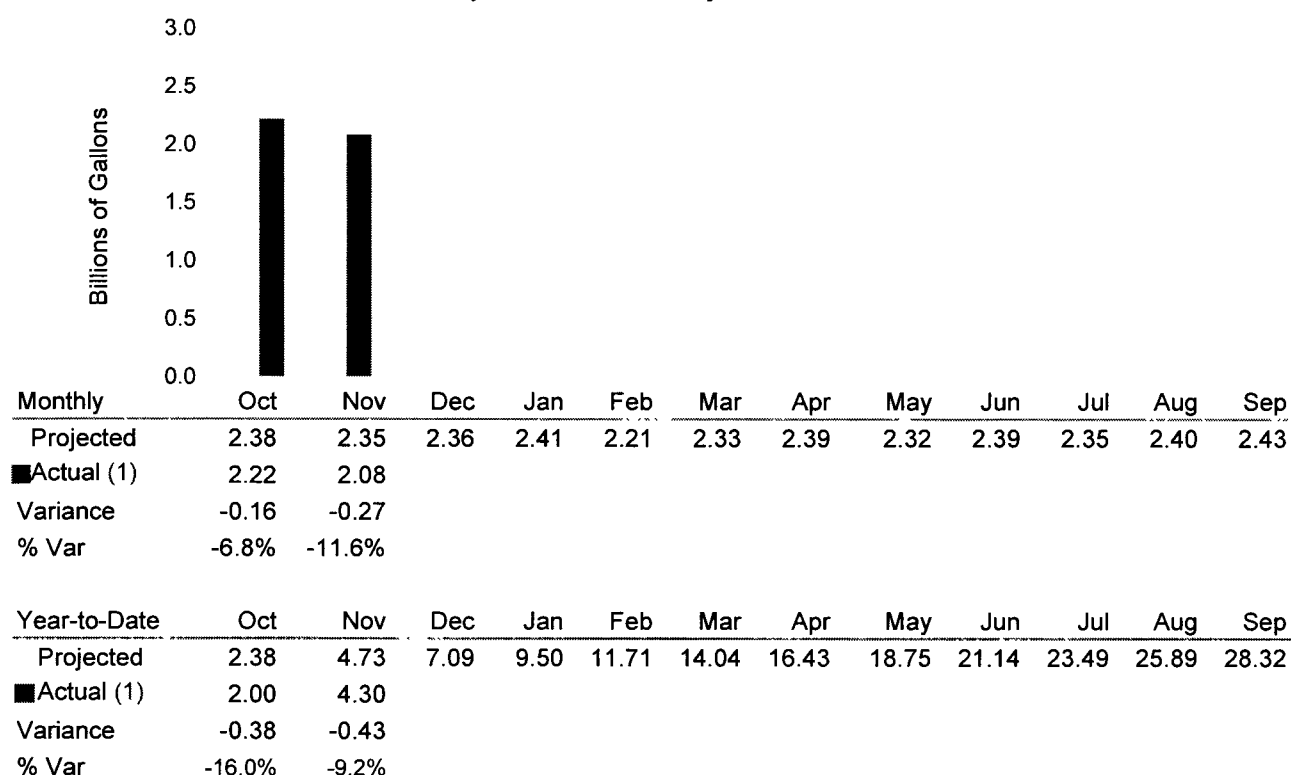


November's average residential billed consumption of 3,850 gallons trailed projections by 1,850 gallons (32.5%) due primarily to heavy rain in October and boil water notice.

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

Billed Wastewater Flows

Monthly Billed Flows Projected vs. Actual



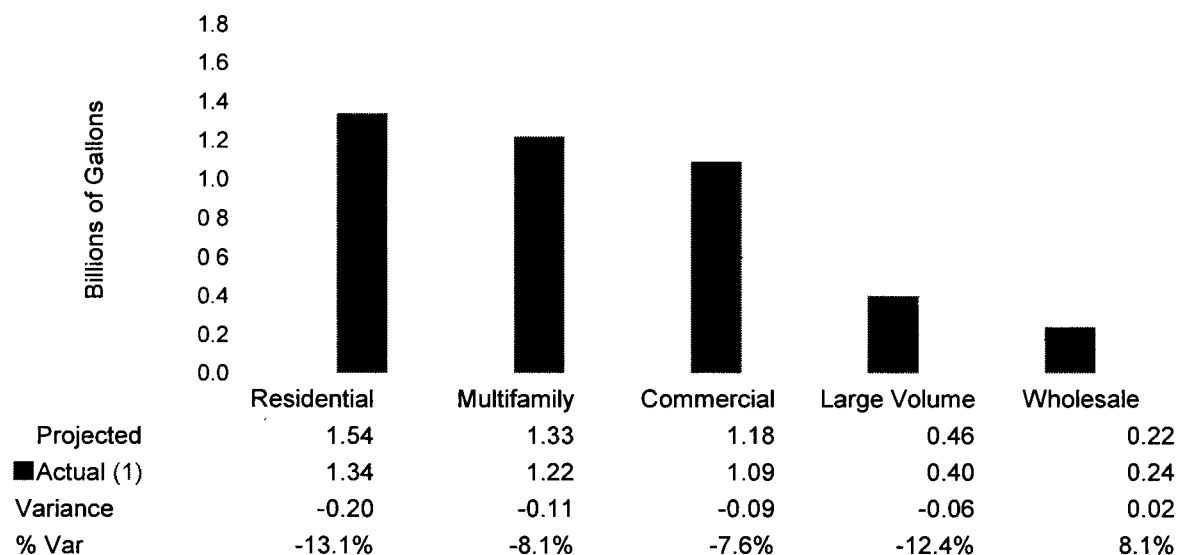
November 2018's billed flows totaled 2.08 BG, 0.27 BG (11.56%) lower than projected for the month. Year-to-date, billed flows of 4.30 BG were 0.43 BG (9.2%) lower than projected.

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

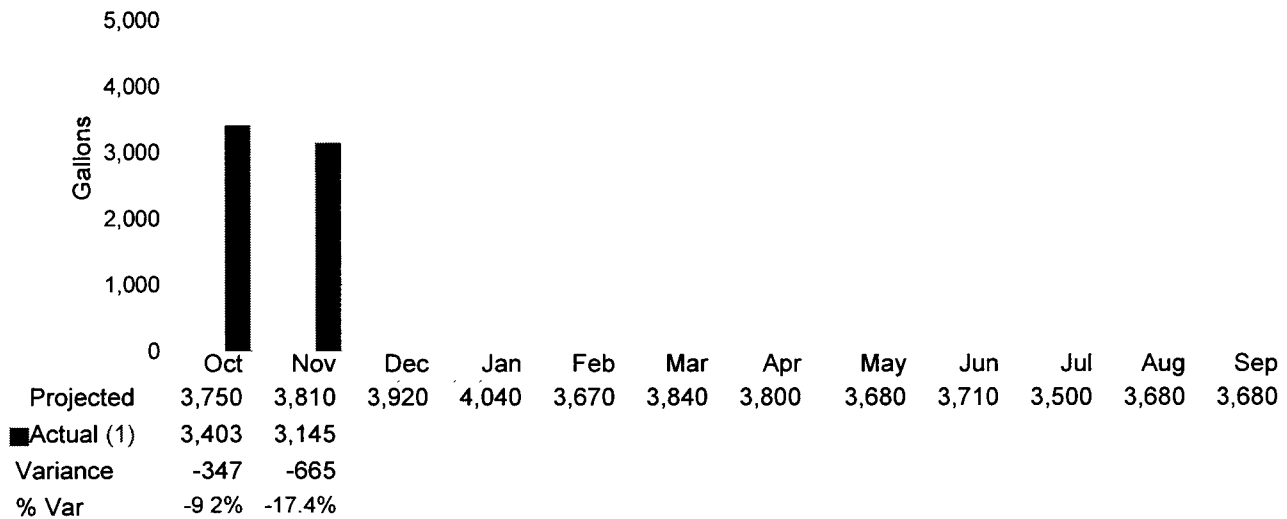


As shown in the table above, billed flows less than projected in all customer classes, except Wholesale.

(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



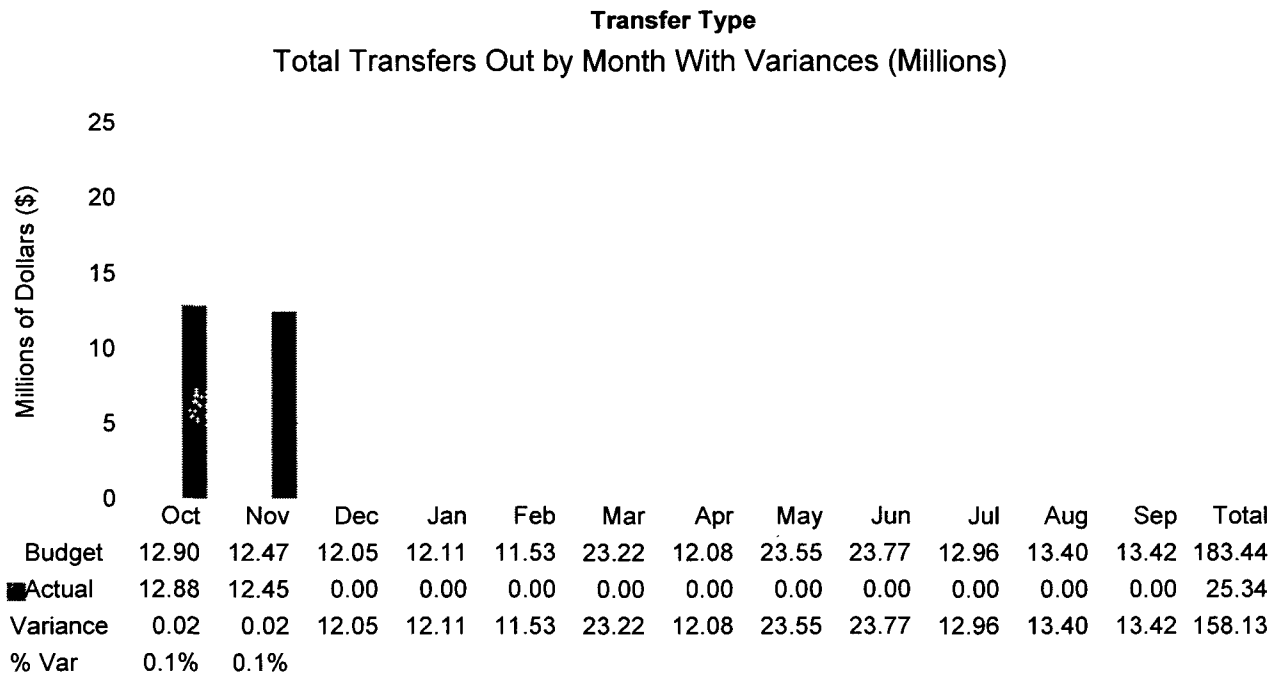
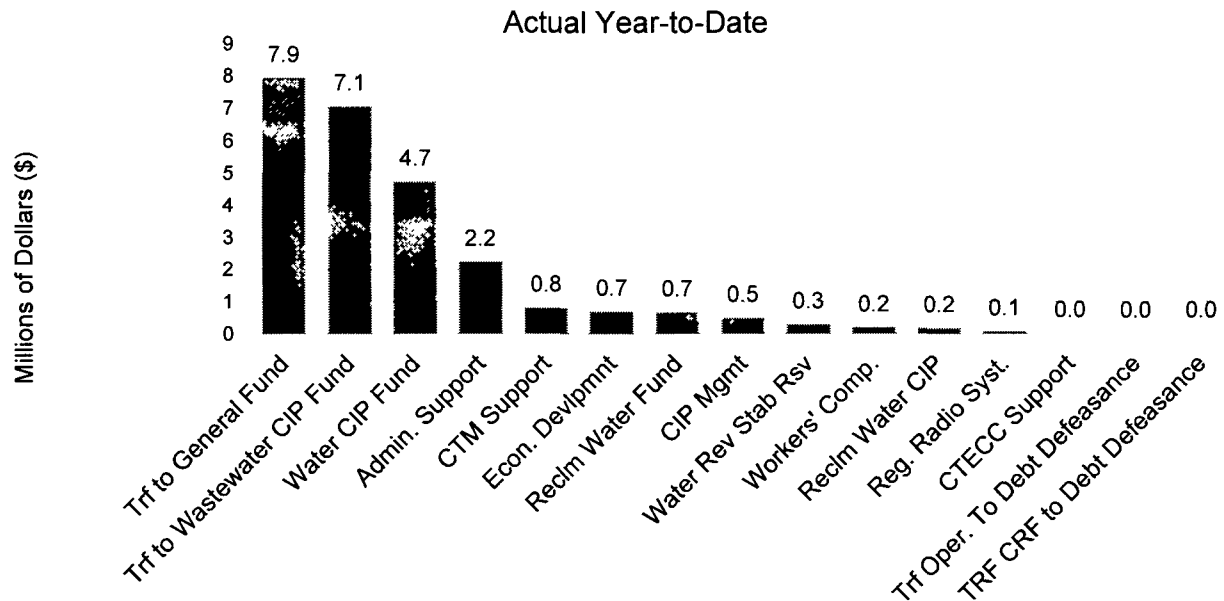
November's average residential billed flow of 3,145 gallons trailed projections by 665 gallons (17.4%).

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

Projected Source: Y:\Rates and Charges\Revenue Forecast\FY 2018-19\Wastewater\2019-19 WWRF t

OTHER REPORTING

Transfers Out by Type

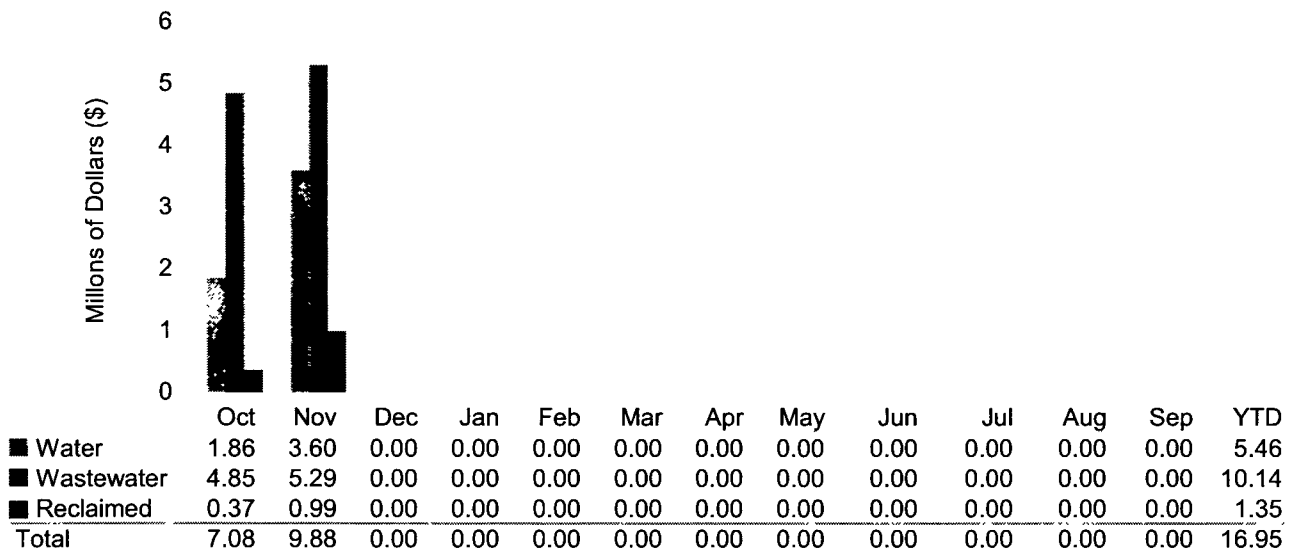


Transfers Out for the fiscal year through November 2018 totaled \$25.34 million, \$0.04 million less than allotments year-to-date.

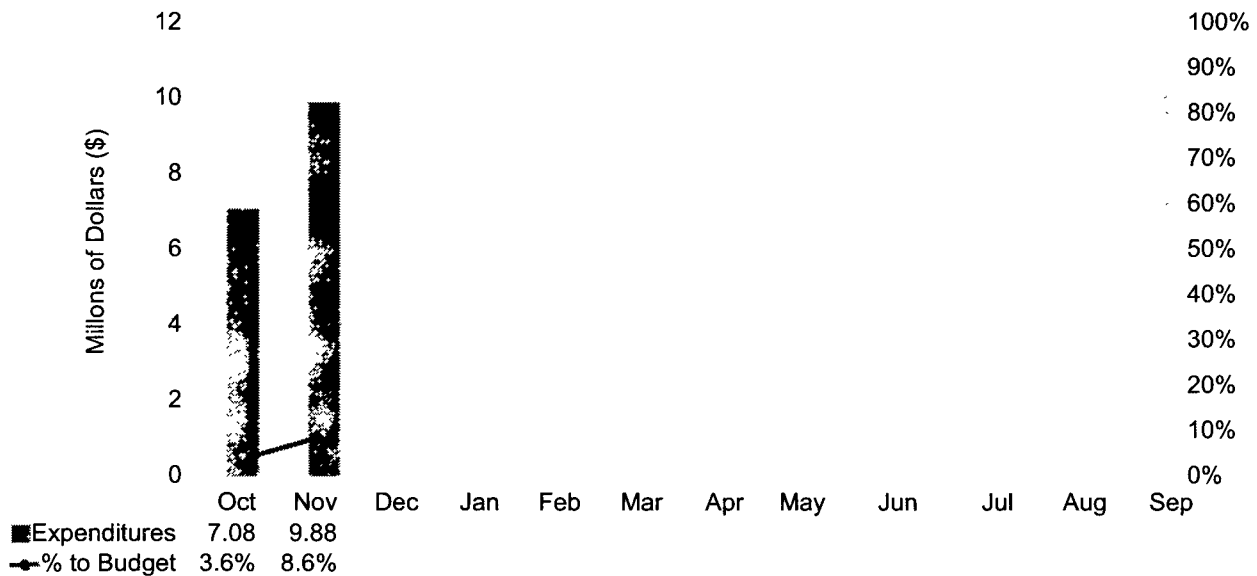
Transfers Out includes transfers for General Fund, Capital Improvement Program, Administrative Support, Water Revenue Stability Reserve Fund, Communication and Technology Management Fund (CTM), Reclaimed Water Fund, Economic Development Fund, Workers' Compensation Fund, Regional Radio System, and Emergency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

CIP Expenditures

Monthly Expenditures



CIP Expenditures Year-to-Date vs. Budget

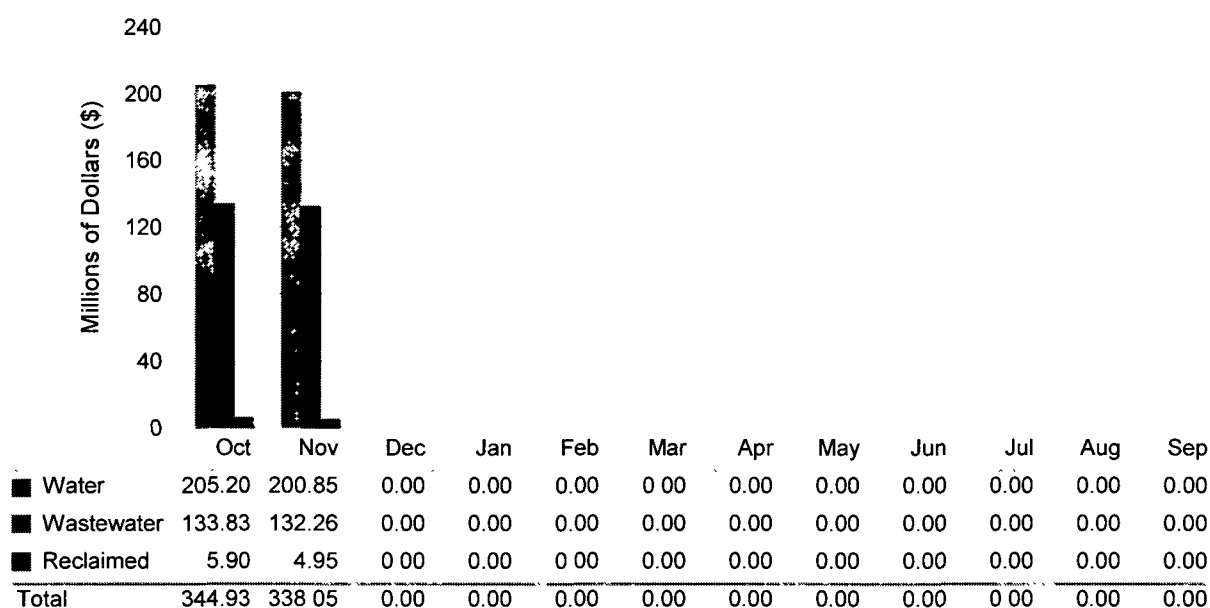


CIP expenditures for November 2018 totaled \$3.6 million for water, \$5.29 million for wastewater, and \$0.99 million for reclaimed, for a combined total of \$9.88 million, or 8.65% of the FY 2018-19 CIP spending plan.

The approved CIP spending plan for FY 2018-19 was \$82.5 million for water, \$102.8 million for wastewater, and \$10.76 million for reclaimed for a combined total of \$196.10 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	207.80	202.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Recovery Fee	35.00	37.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CIP	56.83	52.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Stability Rsrv	45.30	45.51	0.00	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total	344.93	338.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

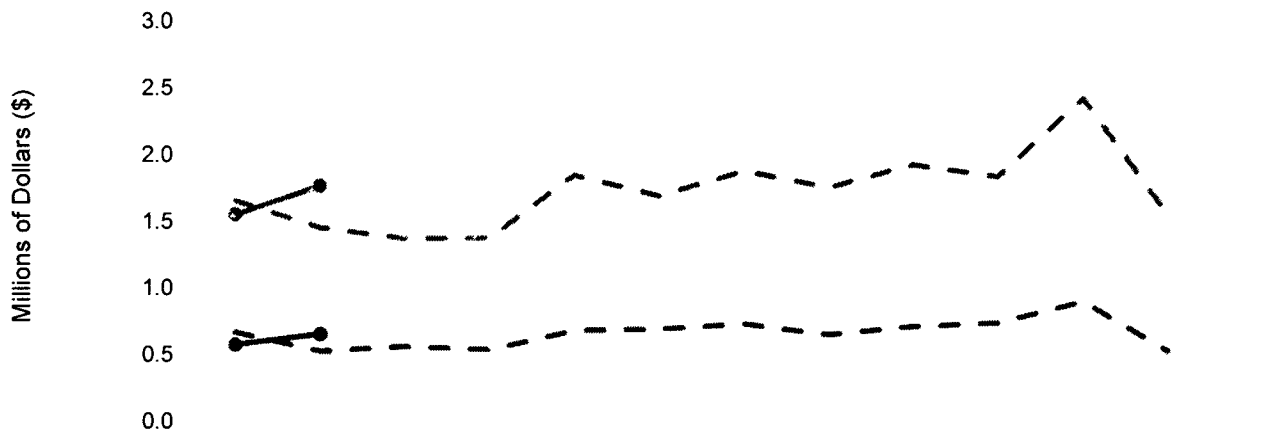
At November close, combined cash balances for Water, Wastewater, and Reclaimed totaled \$338.05 million. The combined cash balance is made up of Operating, CIP, Capital Recovery Fee, and Revenue Stability Reserve Fund cash balances.

Combined Operating Cash Balances totaled \$202.27 million. Combined CIP Cash Balances totaled \$52.88 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 \$45.51 million.

Capital Recovery Fee (CRF) Cash Balances totaled \$37.39 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
Actual	1.55	1.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.32
3-Year Avg	1.66	1.45	1.37	1.38	1.85	1.69	1.88	1.76	1.93	1.84	2.42	1.56	20.77

Wastewater	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
Actual	0.58	0.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.23
3-Year Avg	0.67	0.53	0.56	0.54	0.68	0.70	0.73	0.65	0.71	0.74	0.90	0.53	7.94

Combined	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	YTD
Actual	2.13	2.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.55
3-Year Avg	2.32	1.98	1.93	1.91	2.53	2.39	2.61	2.41	2.64	2.58	3.32	2.09	28.71

During November 2018, Austin Water collected \$2.42 million in Capital Recovery Fees (CRF) and interest, with \$1.77 million for Water and \$0.65 million for Wastewater. For the fiscal year, Austin Water has collected \$4.55 million in CRFs.



FINANCIAL STATUS REPORT
For the Period Ending December 31, 2018





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: February 7, 2018
Subject: Financial Status Report for Period Ended December 31, 2018.

Attached is Austin Water's Financial Status Report for the period ended December 31, 2018. The combined fund balance at the end of December for Fiscal Year 2019 was \$196.60 million, or \$10.02 million more than projected, as detailed in the Executive Summary. The beginning balance was \$20.76 million more than projected, fiscal year requirements were \$2.17 million below budget, and revenues and transfers in were \$12.92 million below projections.

The Buchanan and Travis lake system were at 99% full for the end of December. 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. The impact of this boil water notice will be reflected throughout the Financial Status Report for fiscal year 2019 as shown in year to date actual numbers. The boil water notice estimated impact on revenue is \$3 million and expenditures is \$2 million.

Water service revenues are \$8.97 million below projections, and wastewater service revenues are \$3.49 million below projections for this fiscal year. Actual spending for operating requirements for December was below budget by \$1.51 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 December 31, 2018, was \$196.60 million. The combined balance was \$10.02 million more than projected for this date, as shown below:

	YTD Allotment	YTD Actual	Differ- ence
Beginning Balance	191.72	212.48	20.76
Water Services	65.67	56.70	(8.97)
Wastewater Services	66.02	62.53	(3.49)
Reclaimed Services	0.46	0.36	(0.10)
Reserve Fund Surcharge	0.46	0.41	(0.05)
Other Revenues	2.87	3.44	0.57
Transfers In	3.36	2.48	(0.88)
Total Revenues & Transfers	138.84	125.92	(12.92)
Program Operating Req.	60.12	58.61	1.51
Other Requirements	5.23	5.23	0.00
Debt Service	41.20	40.59	0.61
Transfers Out	37.42	37.37	0.05
Total Revenue Requirements	143.97	141.80	2.17
Ending Balance	186.58	196.60	10.02
Debt Service Coverage	1.59	1.35	

Note: Numbers may not add due to rounding.

Revenue & Requirements Summary Year-to-Date in Millions

Total Revenues & Transfers	\$138.84	\$125.92
Total Program Operating Req.	\$60.12	\$58.61
Total Other Requirements	\$5.23	\$5.23
Total Debt Service	\$41.20	\$40.59
Transfers Out	\$37.42	\$37.37

Allotment ■ Actual

Revenue Highlights

Total revenues for the fiscal year were \$125.92 million, \$12.92 million (9.3%) less than the allotment to date.

The following sources are below projections:

- Reclaimed service totaled \$0.36 million (21.7% below)
- Water service totaled \$56.70 million (13.7% below)
- Wastewater service totaled \$62.53 million (5.3% below)
- Reserve fund surcharges totaled \$0.41 million (10.7% below)
- Transfers In totaled \$2.48 million (26.2% below)

The following sources are above projections:

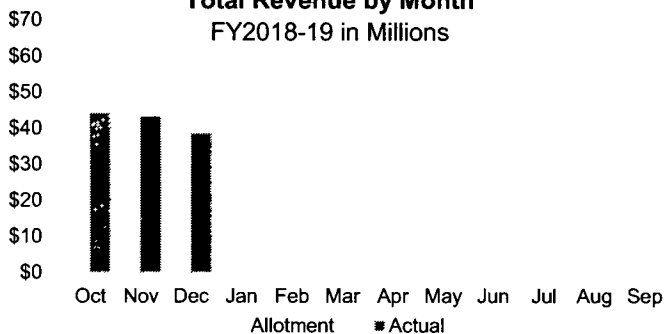
- Other revenues totaled \$3.44 million (19.6% above)

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

Water Services	\$65.67	\$56.70
Wastewater Services	\$66.02	\$62.53
Reclaimed Services	\$0.46	\$0.36
Reserve Fund Surcharge	\$0.46	\$0.41
Other Revenues	\$2.87	\$3.44

Allotment ■ Actual

Total Revenue by Month FY2018-19 in Millions



- Water and Wastewater service revenue was less than projections due to inclement weather conditions
- December total revenue and Transfers In of \$38.56 million was 13.4% below projections.

User Characteristics

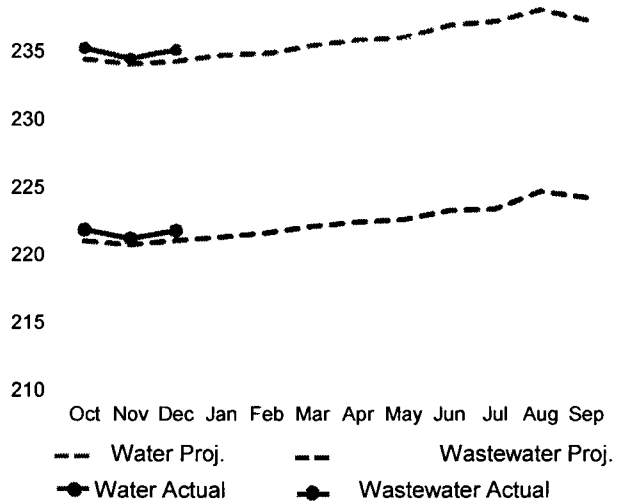
	Projected	Actual	Variance	
Water Customers	234,277	235,103	826	
Wastewater Customers	221,069	221,810	741	240

Number of Customers by Month FY 2018-19 in Thousands

Monthly Pumpage	3.52	3.27	(0.25)	235
YTD Pumpage	11.73	10.10	(1.63)	
Monthly Billed Use	3.07	2.67	(0.40)	230
YTD Billed Use	10.34	8.58	(1.76)	
Monthly Influent Flow	3.56	3.72	0.16	225
YTD Influent Flow	10.59	11.09	0.50	
Monthly Billed Flow	2.36	2.18	(0.18)	220
YTD Billed Flow	7.09	6.68	(0.41)	215

(Above in Billions of Gallons)

Avg. Residential Use (gal)	5,000	3,725	(1,275)
Avg. Residential Flow (gal)	3,920	3,089	(831)



Requirement Highlights

Total requirements for the fiscal year were \$141.80 million, \$2.17 million (1.5%) less than the allotment to date.

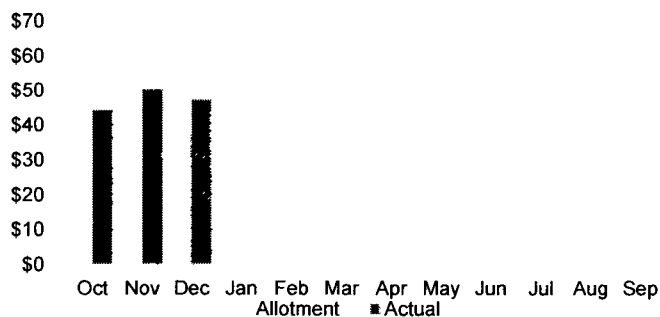
Total Requirements by Type FY 2018-19 in Millions

The following uses are at or below projections:

- Program operating requirements totaled \$58.61 million (2.5% below)
- Other requirements totaled \$5.23 million (0.0%)
- Debt service requirements totaled \$40.59 million (1.5% below)
- Transfers out to Capital Improvement Projects, the General Fund, Debt Defeasances, and Other Uses totaled \$37.37 million (0.1% below)

Operating Req	\$58.61	41.3%
Debt Service	\$40.59	28.6%
Transfer to GF	\$11.90	8.4%
Other Transfers	\$8.12	5.7%
Other Req	\$5.23	3.7%
Transfer to CIP	\$17.35	12.3%

Total Requirements by Month FY 2017-18 in Millions



Total Requirements of \$47.22 million for the month were \$2.28 million, or 4.6% less than the budget allotment.

Other Utilities Program Requirements and Support Services were above projection by 52.5% and 2.2% respectively. All other spending was below projection.

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

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

	2018-19 APPROVED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
BEGINNING BALANCE	191,715,190	191,715,190	0	212,482,937	20,767,747	10.8%
REVENUE						
Water Revenue	285,460,133	65,668,723	17,337,082	56,704,754	(8,963,970)	-13.7%
Wastewater Revenue	264,646,577	66,016,981	20,144,702	62,529,364	(3,487,617)	-5.3%
Reserve Fund Surcharge	1,986,876	462,933	127,947	413,444	(49,489)	-10.7%
Other Revenue	4,926,290	1,231,587	293,215	1,006,635	(224,952)	-18.3%
Reclaimed Revenue	1,881,845	460,946	112,841	360,759	(100,187)	-21.7%
Interest	3,647,168	911,792	567,914	1,705,604	793,812	87.1%
Public Health Licenses, Permits,	710,600	177,648	97,576	201,309	23,661	13.3%
Other Fines	589,200	147,300	64,775	176,625	29,325	19.9%
Miscellaneous	66,800	16,701	0	0	(16,701)	-100.0%
Building Rental/Lease	117,600	29,400	0	31,368	1,968	6.7%
Land & Infrastructure Rental/Lease	72,000	18,000	5,500	16,500	(1,500)	-8.3%
Scrap Sales	46,800	11,700	8,320	21,032	9,332	79.8%
Development Fees	1,298,300	324,576	93,872	272,559	(52,017)	-16.0%
Parking Revenue	100	24	0	0	(24)	-100.0%
Total Revenue	565,450,279	135,478,312	38,853,744	123,439,953	(12,038,359)	-8.9%
TRANSFERS IN						
CIP	34,200,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	9,132,323	2,174,808	(654,762)	1,293,123	(861,685)	-40.5%
Austin Water Utility	4,000,000	999,999	333,300	1,000,300	301	0.0%
Support Services/Infrastructure Funds	300,582	131,400	18,800	131,382	(18)	0.0%
Austin Resource Recovery Fund	53,334	53,334	0	53,334	0	0.0%
Total Transfers In	47,686,239	3,359,541	(302,662)	2,478,139	(881,402)	-26.2%
TOTAL AVAILABLE FUNDS	613,136,518	138,837,853	38,551,082	125,918,092	(12,919,761)	-9.3%
PROGRAM REQUIREMENTS						
Operations	140,449,135	37,388,902	11,268,832	35,346,044	2,042,858	5.5%
Support Services	31,117,783	8,628,991	3,260,850	8,822,405	(193,414)	-2.2%
Other Utility Program Requirements	9,487,966	3,579,110	897,884	5,456,427	(1,877,317)	-52.5%
Environmental Affairs & Conservation	12,365,806	3,428,483	925,687	3,203,084	225,399	6.6%
Engineering Services	13,089,466	4,283,487	662,600	3,436,170	847,317	19.8%
Water Resources Management	9,370,556	2,860,940	656,442	2,195,664	465,275	17.5%
One Stop Shop	0	0	0	0	0	0.0%
Reclaimed	571,388	150,424	44,433	146,838	3,586	2.4%
Total Program Requirements	216,481,960	60,120,336	17,716,728	58,606,643	1,513,694	2.5%
OTHER REQUIREMENTS						
Utility Billing	20,562,342	5,140,587	1,713,529	5,140,586	1	0.0%
Market Study Adjustment	0	0	0	0	0	0.0%
Accrued Payroll	764,067	0	0	0	0	0.0%
Interdepartment	73,955	18,473	6,163	18,488	(15)	-0.1%
Trf to PIO Fund	75,000	75,000	0	75,000	0	0.0%
Total Other Requirements	21,475,364	5,234,060	1,719,692	5,234,074	(15)	0.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	147,149,281	31,209,209	9,578,122	30,622,677	586,531	1.9%
Trf to Utility D/S Prior Lien	27,983,926	8,998,250	4,672,861	6,975,204	23,046	0.3%
Trf to Utility D/S Sub Lien	9,294,800	2,336,900	1,451,869	2,339,440	(2,540)	-0.1%
Trf to GO Debt Service	2,042,881	510,720	0	510,721	(1)	0.0%
Trf to Util D/S Tax/Rev Bonds	976,802	0	0	0	0	0.0%
Commercial paper interest	572,064	143,016	51,692	144,777	(1,761)	-1.2%
Total Debt Service Requirements	187,999,754	41,198,095	15,754,563	40,592,819	605,276	1.5%
TRANSFERS						
Trf to General Fund	47,585,534	11,896,034	3,965,500	11,896,034	0	0.0%
Trf to Wastewater CIP Fund	41,000,000	10,429,000	3,376,000	10,429,000	0	0.0%
Trf to Water CIP Fund	27,000,000	6,664,000	1,940,000	6,664,000	0	0.0%
TRF CRF to Debt Defeasance	34,200,000	0	0	0	0	0.0%
TRF Operating to Debt Defeasance	0	0	0	0	0	0.0%
Administrative Support	13,446,037	3,361,537	1,120,500	3,361,537	0	0.0%
Trf to Water Revenue Stab Rsv	1,986,876	462,933	127,947	413,444	49,489	10.7%
CTM Support	4,811,624	1,204,424	400,800	1,204,424	0	0.0%
Trf to Reclaimed Water Fund	4,000,000	1,000,300	333,300	1,000,300	0	0.0%
Trf to Economic Development	3,867,071	1,010,426	317,406	1,010,426	0	0.0%
Trf to Reclaimed Water CIP Fnd	1,000,000	245,000	73,000	245,000	0	0.0%
Trf to CIP Mgm - CPM (5460)	2,943,935	736,010	245,325	736,010	0	0.0%
Workers' Compensation	1,135,888	284,488	94,600	284,488	0	0.0%
Regional Radio System	454,320	113,590	37,880	113,590	0	0.0%
CTECC Support	12,590	12,590	0	12,590	0	0.0%
Total Transfers Out	183,443,875	37,420,322	12,032,237	37,370,833	49,489	0.1%
TOTAL REQUIREMENTS	609,400,953	143,972,813	47,223,220	141,804,369	2,168,445	1.5%
EXCESS (DEFICIENCY) OF TOTAL						
AVAILABLE FUNDS OVER TOTAL	3,735,565	(5,134,960)	(8,672,139)	(15,886,276)	(10,751,317)	-209.4%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	195,450,755	186,580,230	0	196,596,661	10,016,431	5.4%

Note: Numbers may not add due to rounding

DEBT SERVICE COVERAGE RATIO

1.65

1.59

1.35

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

	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	65,668,723	17,337,082	56,704,754	(8,963,970)	-13.7%
Reserve Fund Surcharge	1,986,876	462,933	127,947	413,444	(49,489)	-10.7%
Other Revenue	1,982,312	495,597	33,148	330,402	(165,195)	-33.3%
Development Fees	1,294,700	323,676	93,872	272,443	(51,233)	-15.8%
Other Fines	589,200	147,300	64,775	176,625	29,325	19.9%
Interest	1,879,033	469,758	315,068	949,279	479,521	102.1%
Miscellaneous Franchise Fees	58,400	14,601	0	0	(14,601)	-100.0%
Land & Infrastructure Rental/Lease	72,000	18,000	5,500	16,500	(1,500)	-8.3%
Building Rental/Lease	58,900	14,724	0	16,284	1,560	10.6%
Public Health Licenses, Permits, Inspections	55,700	13,926	6,064	17,896	3,970	28.5%
Scrap Sales	26,400	6,600	4,160	10,516	3,916	59.3%
Parking Revenue	100	24	0	0	(24)	-100.0%
Total Revenue	293,463,754	67,635,863	17,987,636	58,908,143	(8,727,720)	-12.9%
TRANSFERS IN						
CIP	24,800,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	5,321,483	1,224,181	(391,289)	735,820	(486,361)	-39.9%
Support Services/Infrastructure Funds	150,291	65,700	9,400	65,691	(9)	0.0%
Total Transfers In	30,271,774	1,289,881	(381,889)	801,511	(488,370)	-37.9%
TOTAL AVAILABLE FUNDS	323,735,528	68,925,744	17,605,747	59,709,654	(9,216,091)	-13.4%
PROGRAM REQUIREMENTS						
Operations	74,507,371	19,611,891	6,145,322	17,917,870	1,694,021	8.6%
Support Services	15,697,926	4,335,624	1,638,055	4,459,260	(123,636)	-2.9%
Environmental Affairs & Conservation	9,133,279	2,540,988	686,793	2,410,188	130,800	5.1%
Other Utility Program Requirements	4,988,549	1,817,776	436,733	3,563,359	(1,745,583)	-96.0%
Engineering Services	5,056,675	984,147	347,392	1,246,797	(262,650)	-26.7%
Water Resources Management	4,385,972	1,230,810	282,331	979,652	250,858	20.4%
Total Program Requirements	113,769,772	30,521,235	9,536,624	30,577,324	(56,089)	-0.2%
OTHER REQUIREMENTS						
Utility Billing System Support	12,473,371	3,118,344	1,039,448	3,118,343	1	0.0%
Accrued Payroll	883,833	0	0	0	0	0.0%
Interdepartmental Charges	36,978	9,236	3,082	9,240	(4)	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	3,165,080	1,042,530	3,165,083	(3)	0.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	80,283,229	17,032,664	5,106,823	16,780,900	251,764	1.5%
Trf to Utility D/S Prior Lien	13,107,542	3,280,250	2,190,332	3,269,052	11,198	0.3%
Trf to Utility D/S Sub Lien	5,213,100	1,310,000	822,188	1,311,392	(1,392)	-0.1%
Trf to GO Debt Service	910,449	227,612	0	227,613	(1)	0.0%
Trf to Util D/S Tax/Rev Bonds	408,212	0	0	0	0	0.0%
Commercial paper interest	316,314	79,079	34,945	87,109	(8,030)	-10.2%
Total Debt Service Requirements	100,238,846	21,929,605	8,154,287	21,676,067	253,539	1.2%
TRANSFERS						
Trf to Water CIP Fund	27,000,000	6,664,000	1,940,000	6,664,000	0	0.0%
Trf to General Fund	25,404,402	6,351,402	2,117,000	6,351,402	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	462,933	127,947	413,444	49,489	10.7%
Administrative Support	7,277,235	1,819,320	608,435	1,819,320	0	0.0%
Trf to Reclaimed Water Fund	4,000,000	1,000,300	333,300	1,000,300	0	0.0%
CTM Support	2,415,274	603,799	201,275	603,799	0	0.0%
Trf to Economic Development	2,046,374	511,604	170,530	511,604	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,194,441	298,626	99,535	298,626	0	0.0%
Workers' Compensation	567,944	142,244	47,300	142,244	0	0.0%
Regional Radio System	227,160	56,790	18,930	56,790	0	0.0%
CTECC Support	6,295	6,295	0	6,295	0	0.0%
Total Transfers Out	96,926,001	17,917,313	5,662,252	17,867,824	49,489	0.3%
TOTAL REQUIREMENTS	323,866,301	73,533,234	24,395,693	73,286,298	246,936	0.3%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	(130,773)	(4,607,490)	(6,789,946)	(13,576,644)	(8,969,154)	-194.7%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	108,940,327	104,463,610	(6,789,946)	108,249,960	3,786,350	3.6%

Note: Numbers may not add due to rounding

DEBT SERVICE COVERAGE RATIO	1.57	1.44	1.04
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City of Austin, Texas
Austin Water
FUND SUMMARY - WASTEWATER
As of December 2018

	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	66,016,981	20,144,702	62,529,364	(3,487,617)	-5.3%
Other Revenue	2,943,968	735,990	250,067	676,233	(59,757)	-8.1%
Interest	1,752,103	438,026	250,214	743,558	305,533	69.8%
Public Health Licenses, Permits, Inspections	654,900	163,722	91,512	183,413	19,691	12.0%
Building Rental/Lease	58,700	14,676	0	15,084	408	2.8%
Miscellaneous Franchise Fees	8,400	2,100	0	0	(2,100)	-100.0%
Scrap Sales	20,400	5,100	4,160	10,516	5,416	106.2%
Development Fees	3,600	900	0	116	(784)	-87.1%
Total Revenue	270,088,648	67,377,495	20,750,656	64,158,285	(3,219,210)	-4.8%
TRANSFERS IN						
CIP	9,400,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	3,810,840	950,627	(263,473)	557,303	(393,324)	-41.4%
Support Services/Infrastructure Funds	150,291	65,700	9,400	65,691	(9)	0.0%
Austin Resource Recovery Fund	53,334	53,334	0	53,334	0	0.0%
Total Transfers In	13,414,465	1,069,661	(254,073)	676,328	(393,333)	-36.8%
TOTAL AVAILABLE FUNDS	283,503,113	68,447,156	20,496,583	64,834,613	(3,612,543)	-5.3%
PROGRAM REQUIREMENTS						
Operations	65,941,764	17,777,011	5,123,511	17,428,175	348,837	2.0%
Support Services	15,419,857	4,293,367	1,622,796	4,363,145	(69,779)	-1.6%
Engineering Services	8,032,791	3,299,340	315,209	2,189,373	1,109,967	33.6%
Other Utility Program Requirements	4,468,817	1,756,107	455,382	1,886,885	(130,778)	-7.4%
Water Resources Management	4,984,584	1,430,130	374,111	1,215,813	214,317	15.0%
Environmental Affairs & Conservation	3,262,967	567,495	238,894	792,906	94,569	10.7%
Total Program Requirements	102,110,200	29,443,450	8,129,902	27,876,297	1,567,153	5.3%
OTHER REQUIREMENTS						
Utility Billing System Support	8,088,971	2,022,243	674,081	2,022,243	(0)	0.0%
Accrued Payroll	370,306	0	0	0	0	0.0%
Interdepartmental Charges	36,977	9,236	3,081	9,248	(12)	-0.1%
Trf to PID Fund	37,500	37,500	0	37,500	0	0.0%
Total Other Requirements	8,533,754	2,068,979	677,162	2,068,991	(12)	0.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	63,205,833	13,120,411	4,219,697	12,967,805	152,605	1.2%
Trf to Utility D/S Prior Lien	14,856,384	3,718,000	2,482,549	3,706,151	11,849	0.3%
Trf to Utility D/S Sub Lien	4,081,700	1,026,900	629,681	1,028,047	(1,147)	-0.1%
Trf to GO Debt Service	1,132,432	283,108	0	283,108	(0)	0.0%
Trf to Util D/S Tax/Rev Bonds	568,590	0	0	0	0	0.0%
Commercial paper interest	226,305	56,576	10,603	47,346	9,228	16.3%
Total Debt Service Requirements	84,071,244	18,204,994	7,342,530	18,032,460	172,535	0.9%
TRANSFERS OUT						
Trf to Wastewater CIP Fund	41,000,000	10,429,000	3,376,000	10,429,000	0	0.0%
Trf to General Fund	22,050,724	5,513,224	1,837,500	5,513,224	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	1,480,624	493,540	1,480,624	0	0.0%
CTM Support	2,394,314	596,589	199,525	596,589	0	0.0%
Trf to Economic Development	1,762,508	440,633	146,875	440,633	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,589,132	397,307	132,425	397,307	0	0.0%
Trf to Reclaimed Water Fund	0	0	0	0	0	0.0%
Workers' Compensation	567,944	142,244	47,300	142,244	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	56,790	18,330	56,790	0	0.0%
Total Transfers Out	84,920,561	19,064,706	6,252,095	19,064,706	0	0.0%
TOTAL REQUIREMENTS	279,635,759	68,782,130	22,401,690	67,042,454	1,739,676	2.5%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	3,867,354	(334,974)	(1,905,107)	(2,207,841)	(1,872,867)	-559.11%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	85,669,023	81,466,695	(1,905,107)	87,318,453	5,851,758	7.2%
<i>Note: Numbers may not add due to rounding</i>						
DEBT SERVICE COVERAGE RATIO	1.81	1.86		1.79		

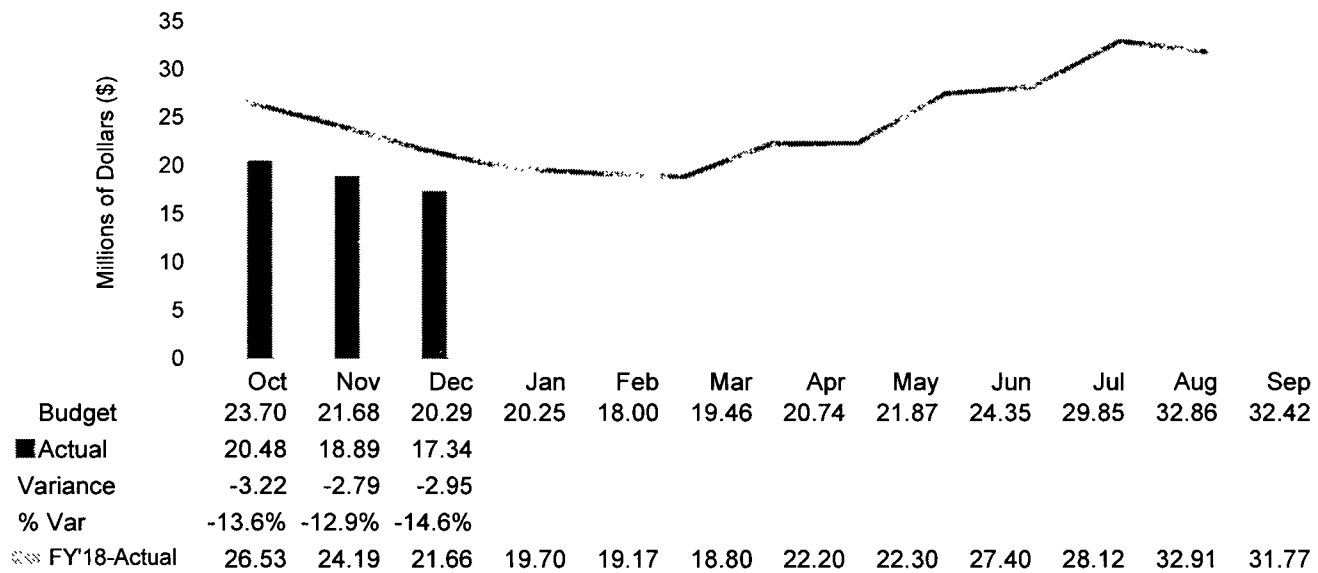
City of Austin, Texas
Austin Water
FUND SUMMARY - RECLAIMED
As of December 2018

	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	460,946	112,841	360,759	(100,187)	-21.7%
Interest	16,032	4,008	2,611	12,766	8,758	218.5%
Total Revenue	1,897,877	464,954	115,452	373,525	(91,429)	-19.7%
TRANSFERS IN						
CIP	0	0	0	0	0	0.0%
Austin Water Utility	4,000,000	999,999	333,300	1,000,300	301	0.0%
Total Transfers In	4,000,000	999,999	333,300	1,000,300	301	0.0%
TOTAL AVAILABLE FUNDS	5,897,877	1,464,953	448,752	1,373,825	(91,128)	-6.2%
PROGRAM REQUIREMENTS						
Reclaimed Water Services	571,388	150,424	44,433	146,838	3,586	2.4%
Other Utility Program Requirements	30,600	5,227	5,769	6,163	(967)	-18.3%
Total Program Requirements	601,988	155,651	50,202	153,021	2,629	1.7%
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	1,056,134	251,602	873,972	182,162	17.2%
Commercial paper interest	29,445	7,361	6,144	10,320	(2,959)	-40.2%
Total Debt Service Requirements	3,689,664	1,063,495	257,746	884,292	179,203	16.9%
TRANSFERS						
Trf to Reclaimed Water CIP Fnd	1,000,000	245,000	73,000	245,000	0	0.0%
TRF Operating to Debt Defeasance	0	0	0	0	0	0.0%
Administrative Support	246,318	61,593	20,525	61,593	0	0.0%
Trf to General Fund	130,408	31,408	11,000	31,408	0	0.0%
Trf to CIP Mgm - CPM (5460)	160,362	40,077	13,365	40,077	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	438,303	117,890	438,303	0	0.0%
TOTAL REQUIREMENTS	5,898,893	1,657,449	425,838	1,475,616	181,832	11.0%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE	(1,016)	(147,620)	22,914	(101,791)	45,829	-31.0%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	841,405	694,801	22,914	1,028,248	333,447	48.0%
<i>Note: Numbers may not add due to rounding</i>						
DEBT SERVICE COVERAGE RATIO	0.24	0.19	0.12	0.13		

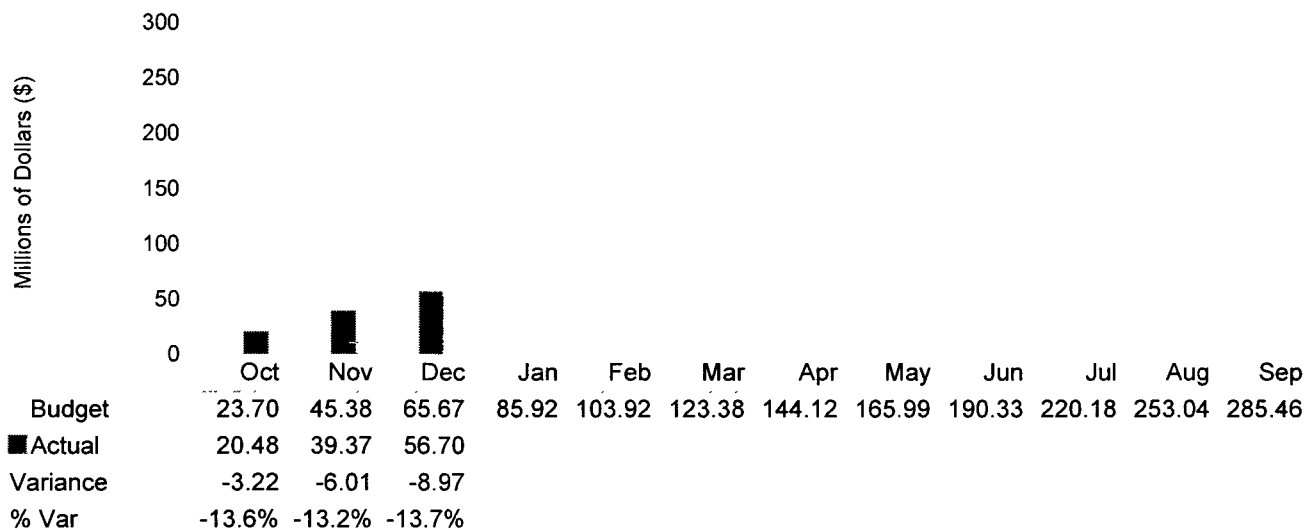
REVENUES

Water Service Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

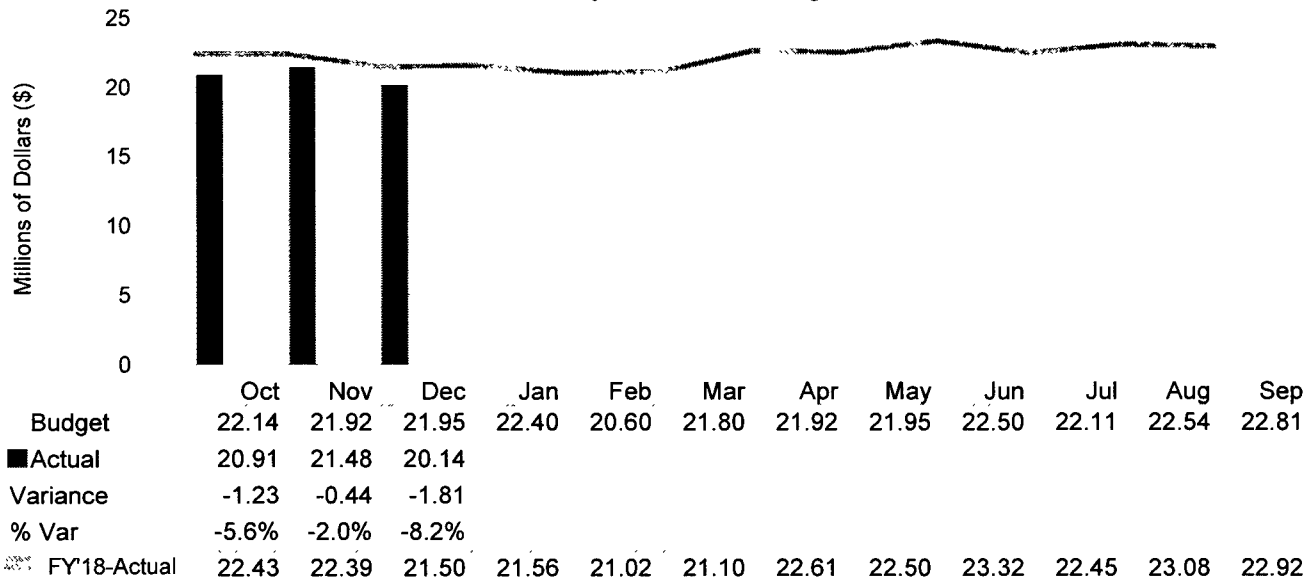


Water service revenues for December 2018 totaled \$17.34 million. This is \$2.95 million, or 14.6%, less than the budget allotment for the month. For the fiscal year, water service revenues totaled \$56.7 million, which is \$8.97 million, or 13.7% less than the budget allotment due primarily to heavy rain in October and boil water notice.

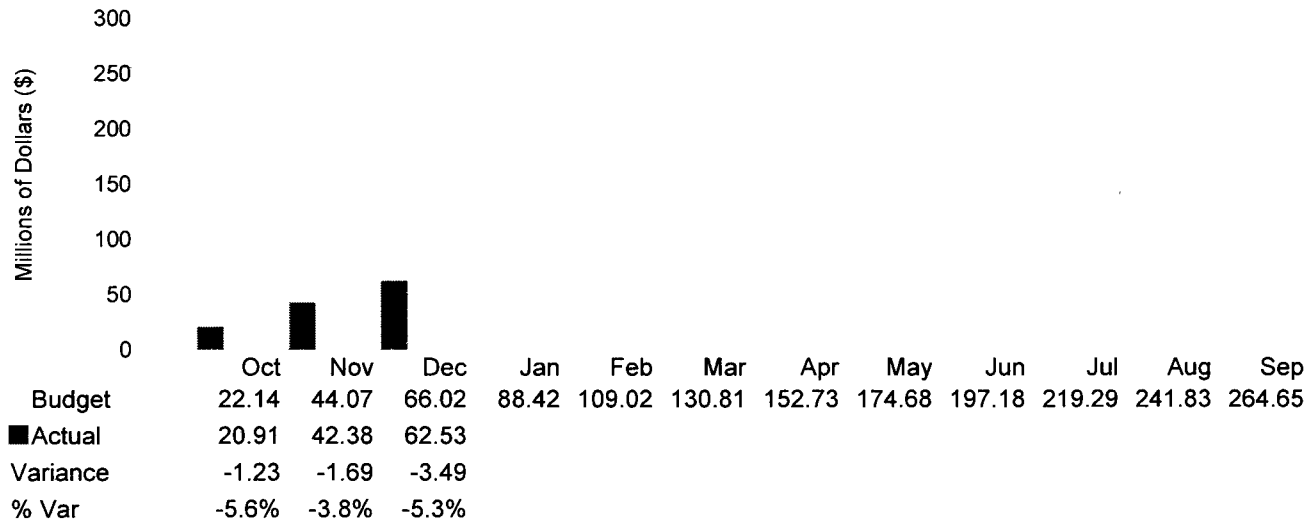
December 2018's billed water consumption totaled 2.67 BG, 0.40 BG (12.9%) lower than projected for the month. Year-to-date, billed water consumption of 8.58 BG is 1.76 BG (17.0%) lower than projected.

Wastewater Service Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

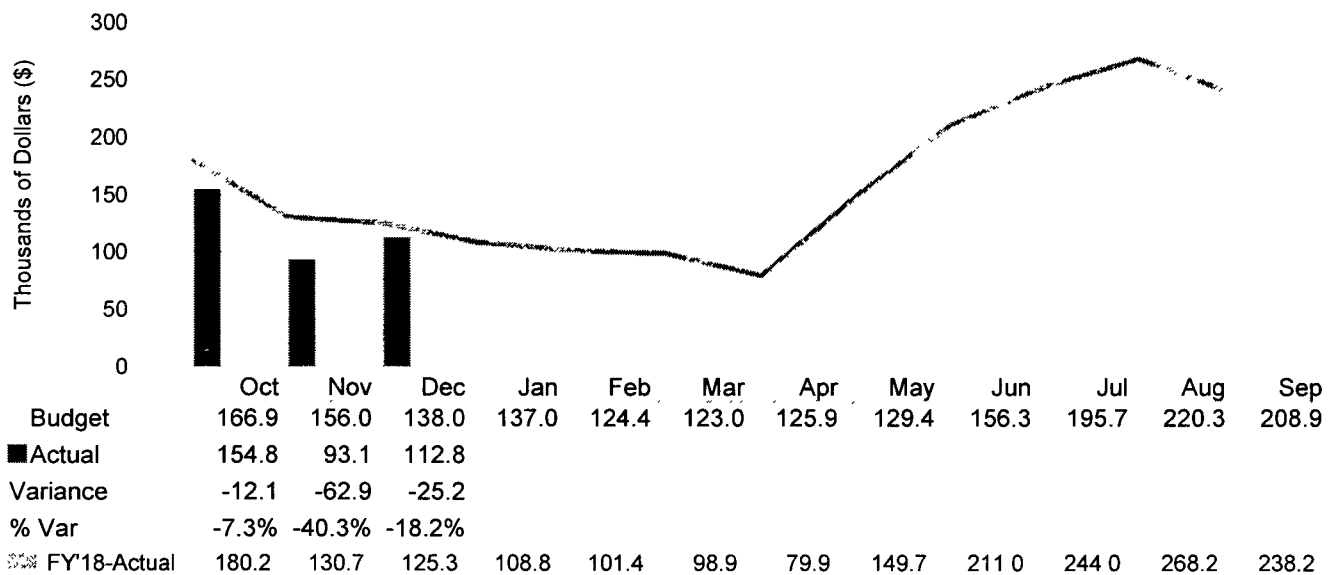


Wastewater service revenues for December 2018 totaled \$20.14 million. This is \$1.81 million, or 8.2% less than the budget allotment for the month. For the fiscal year, wastewater service revenues totaled \$62.53 million, which is \$3.49 million, or 5.3% less than the budget allotment due primarily to boil water notice.

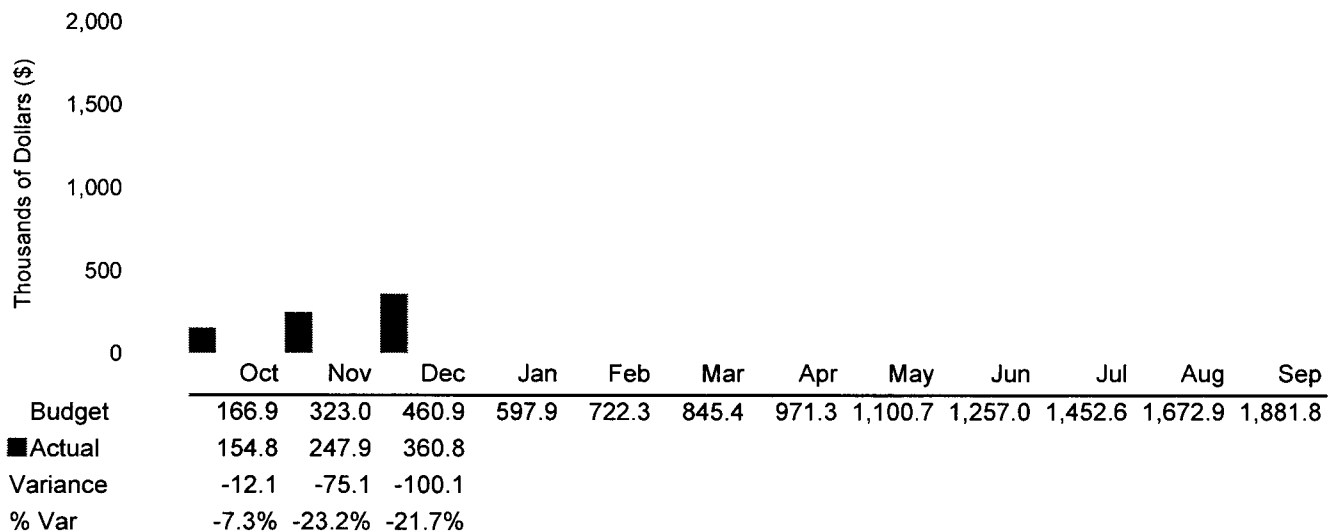
Wastewater bills are determined by each customer's actual water consumption for the month or wastewater winter average, whichever is lower, except for customers who have installed wastewater measuring devices.

Reclaimed Water Service Revenue

Monthly Actuals v. Budget



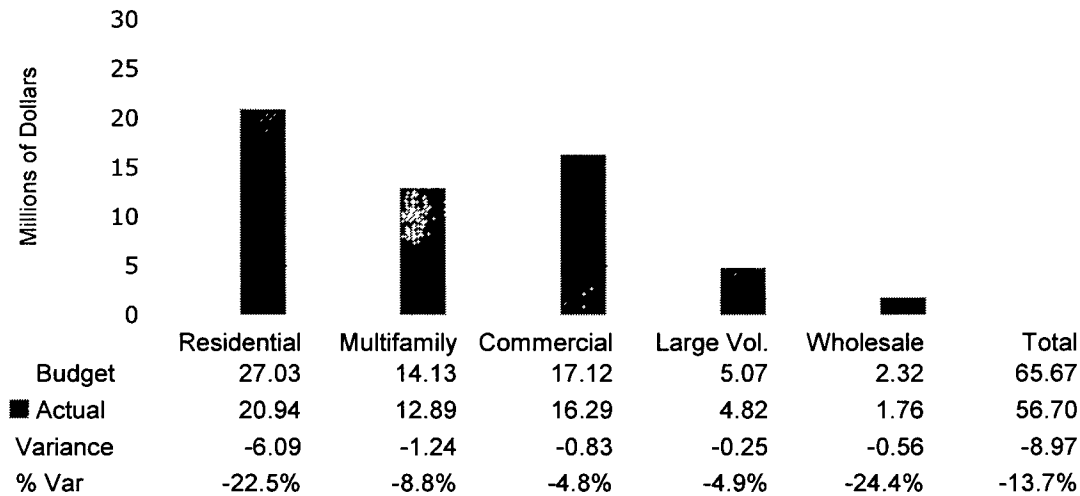
Year-to-Date Actuals v. Budget



Reclaimed service revenues for December 2018 totaled \$112.8 thousand. This is \$25 thousand, or 18.2% less than the budget allotment for the month. For the fiscal year, reclaimed service revenues totaled \$360.8 thousands, which is \$100.1 thousand, or 21.7% less than the budget allotment.

Revenue by Customer Class Year-to-Date

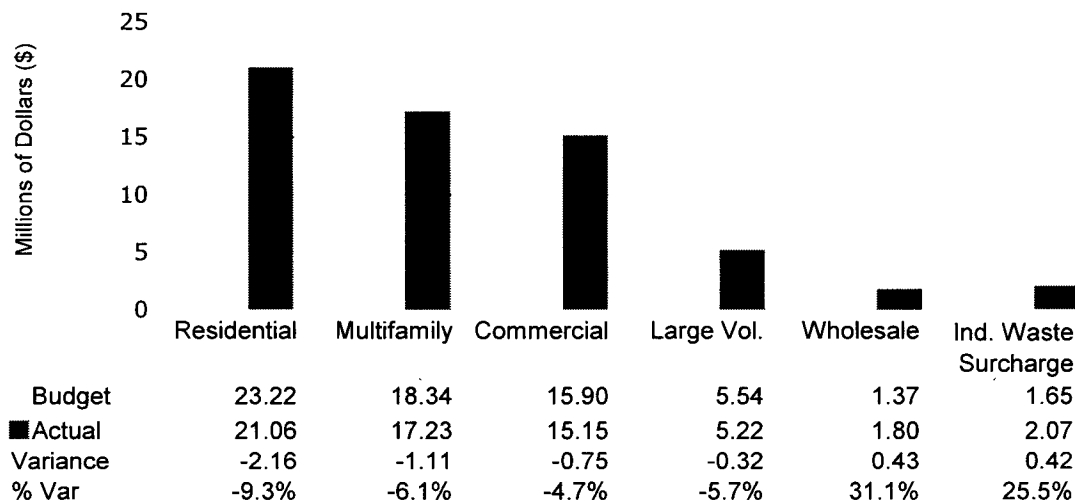
Water Service Revenue



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

All customer classes were below projections. Overall, water revenues are \$8.97 million (13.7%) lower than projected.

Wastewater Service Revenue

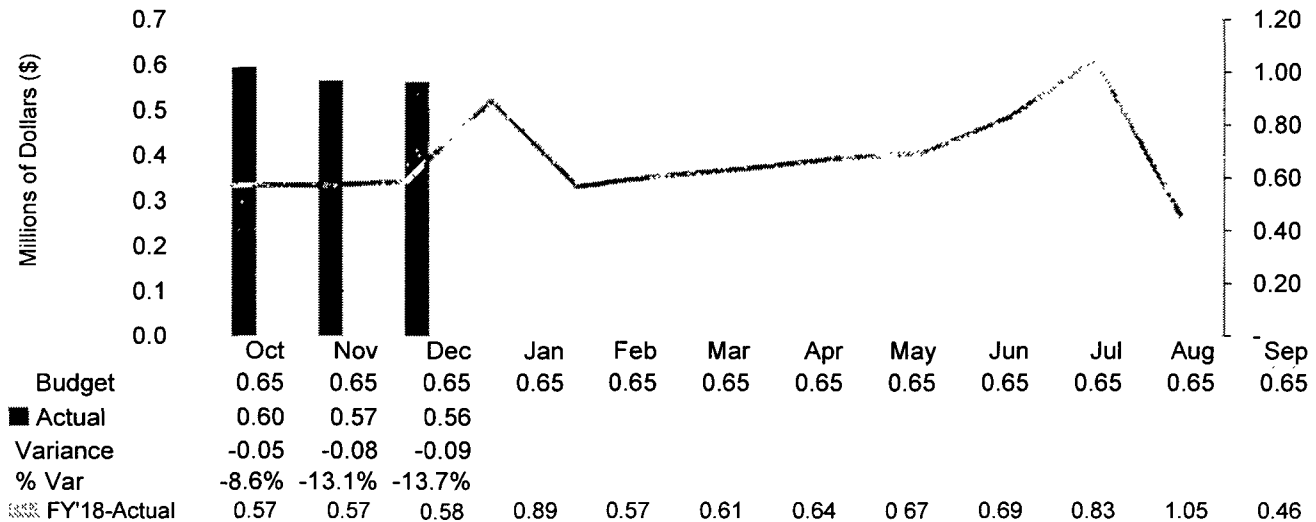


The graph above compares the budgeted and actual wastewater service revenues by customer class through December before any accounts receivable adjustments.

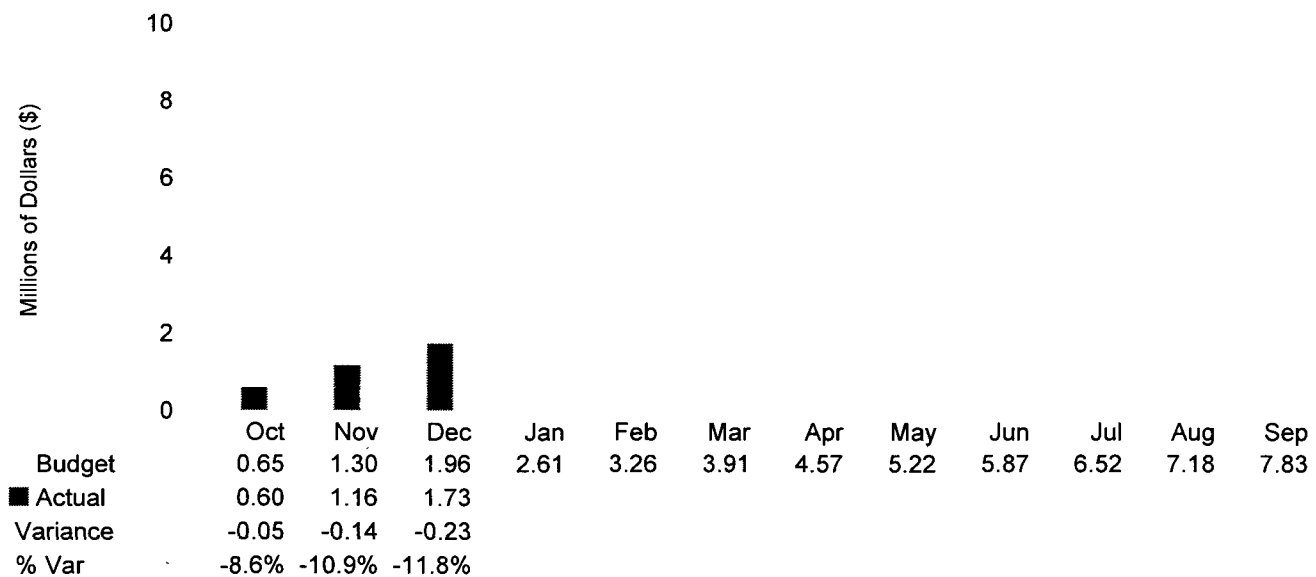
All customer classes were below projections except Wholesale and Industrial Waste Surcharge which was above by \$0.43 or 31.1% and \$0.42 or 25.5% respectively. Overall, wastewater revenues are \$3.49 million (5.3%) lower than projected.

Miscellaneous Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

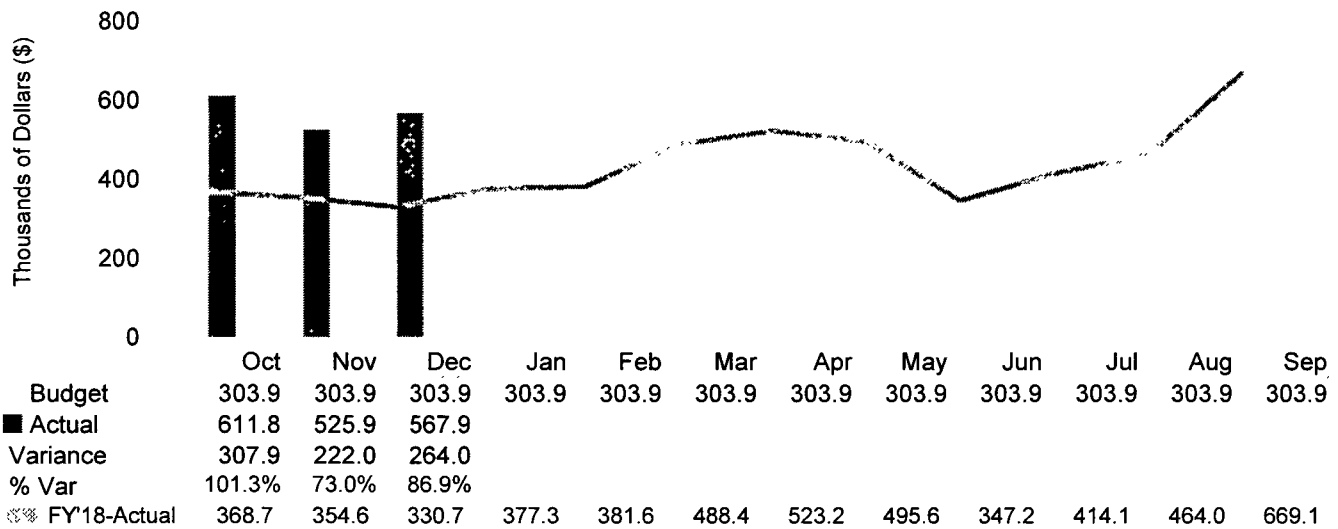


Miscellaneous revenues include revenue from sources other than water and wastewater services, such as late fees, fines and special billings. Miscellaneous revenues in December 2018 totaled \$0.56 million, \$0.09 million (13.7%), less than the budget allotment for the month.

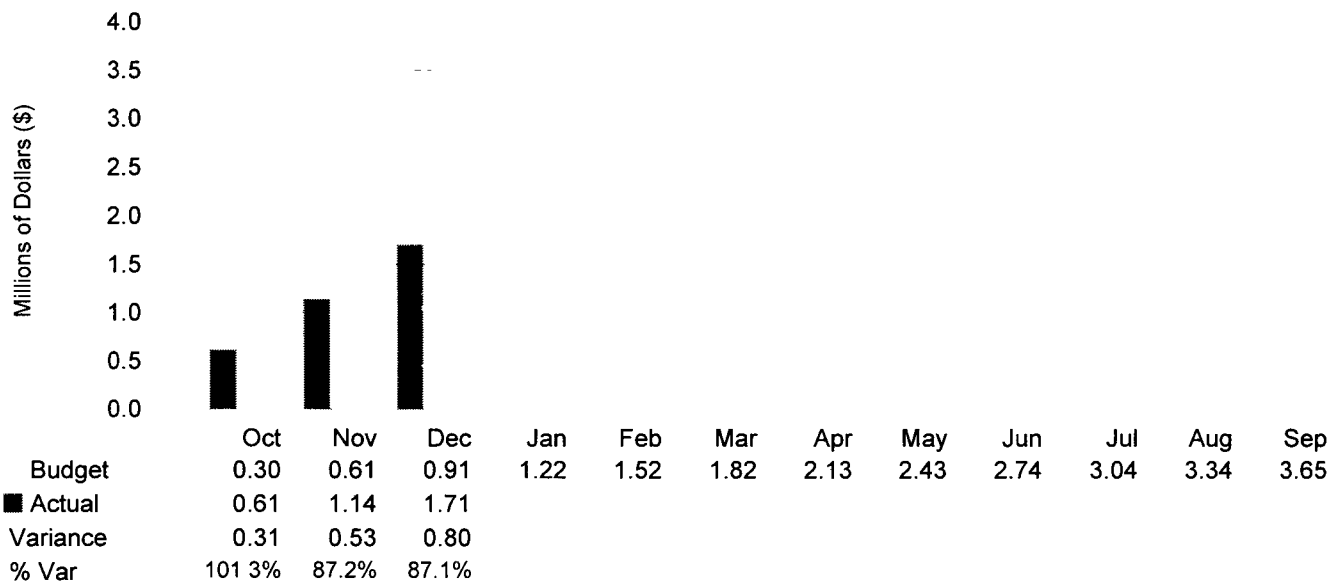
For the fiscal year, miscellaneous revenues totaled \$1.73 million, \$0.23 million (11.8%) less than the budget allotment.

Interest Income

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

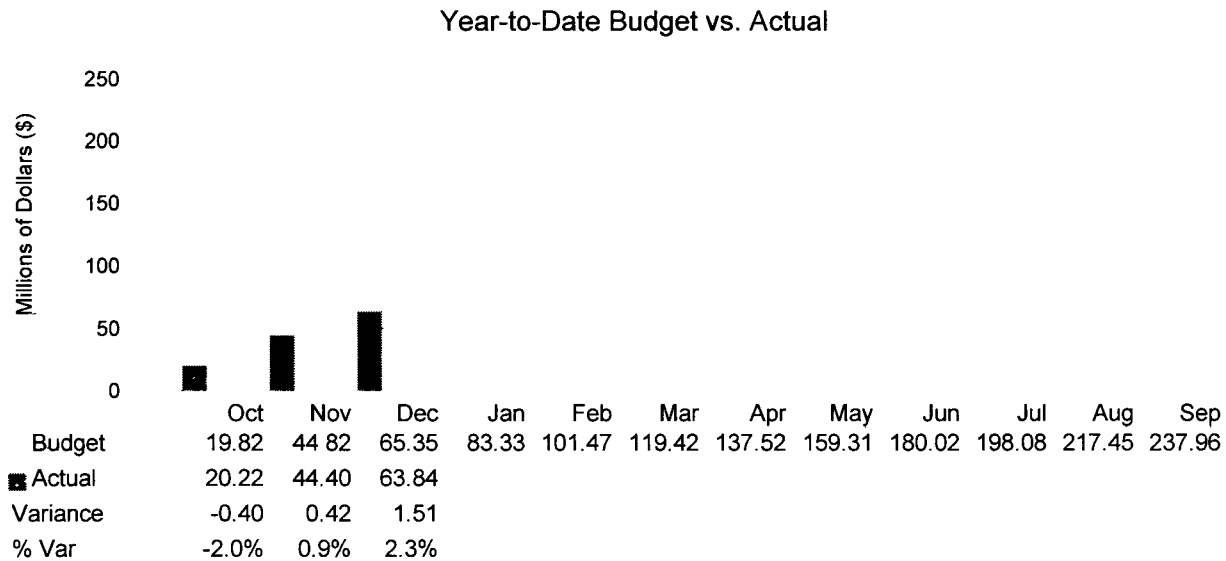
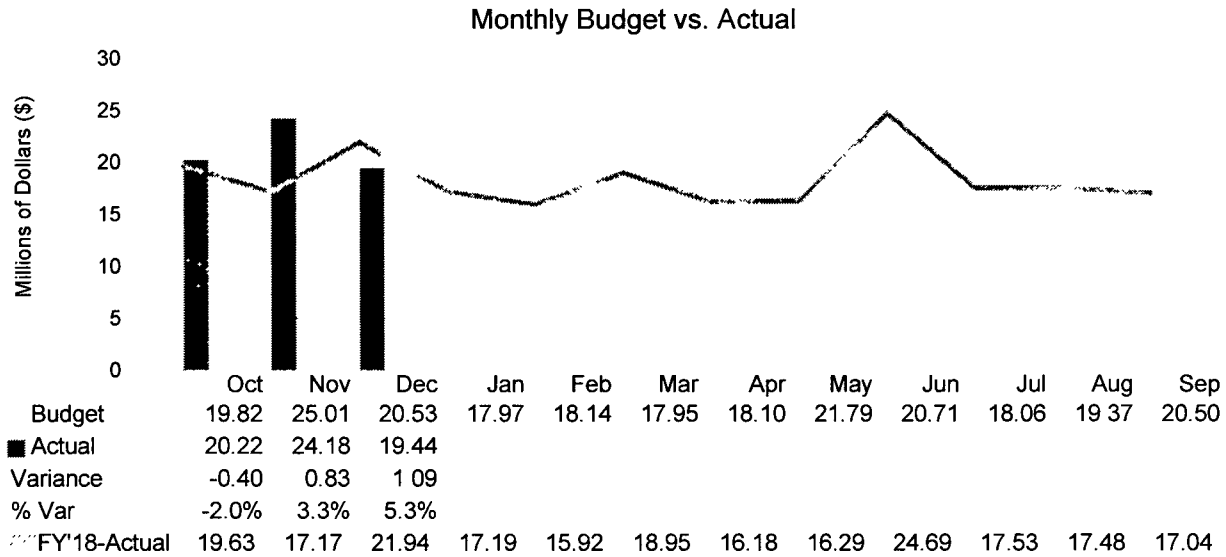


Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income in December 2018 totaled \$567.9 thousand, \$264.0 thousand (86.9%), more than the budget allotment for the month. This is largely due to higher than projected interest rates and cash balances.

For the fiscal year, interest income totaled \$1.71 million, \$0.80 million (87.1%) more than the budget allotment.

OPERATING REQUIREMENTS

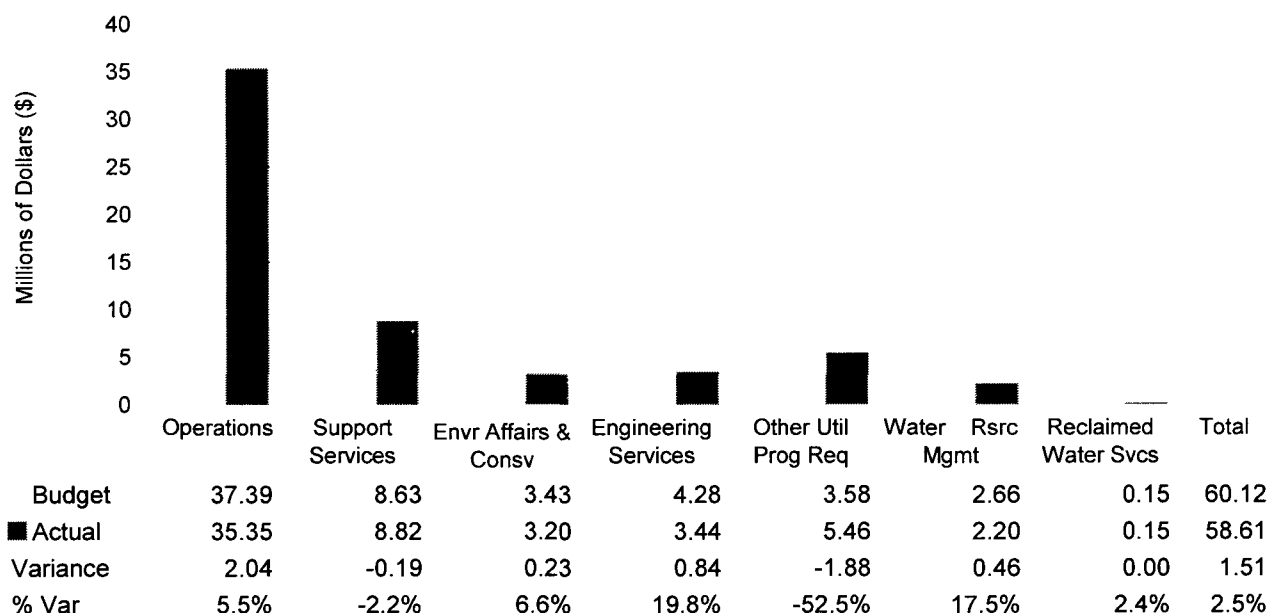
Program Operating and Other Requirement Expenses



Total Program Operating and Other Requirements for the fiscal year through November 2018 were \$23.16 million for Water, \$21.14 million for Wastewater, and \$0.10 million for Reclaimed. The combined Program Operating and Other Requirements of \$44.40 million were \$0.42 million, or 0.9% below the budget allotment.

Operating Program Expenditures Year-to-Date

Expenditures by Operating Program



Total Operating Program Requirements as of December 31, 2018 were \$30.58 million for Water, \$27.88 million for Wastewater, and \$0.15 million for Reclaimed Water. The combined Program Operating Requirements of \$58.61 million were \$1.51 million or 2.5% below allotment.

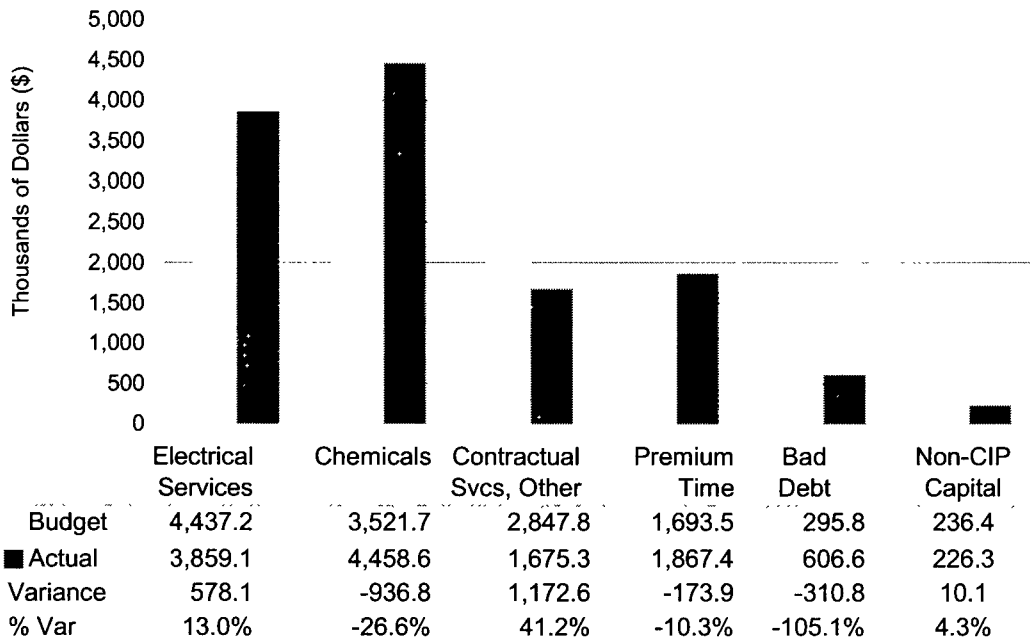
Engineering Services was \$0.85 million or 19.8% below allotment mainly due to lower than estimated spending on other contractual services including several service contracts related to leak detection, sewer line root control and flow monitoring.

Other Utility Program Requirements were \$1.88 million or 52.5% 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 \$0.47 million or 17.5% 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. The program area currently has five vacant positions.

Key Object Code Expenditures Year-to-Date

Expenditures by Key Object Code



Premium time was \$173.9 thousand or 10.3% above allotment primarily due to higher than estimated spending in several divisions: Lift Stations and Remote Facilities, Wastewater Treatment, Pump Stations and Reservoir Maintenance, and Water Treatment.

Travel and training expenses were \$78.2 thousand or 69.5% below allotment due to lower than estimated spending. Timing of city travel and training dates can vary from year to year.

Small tools were \$123.4 thousand or 50.2% above allotment primarily due to higher than estimated spending in Special Support, Wildland Conservation, and Laboratory Services. Additional spending on small tools purchases were largely a result of the boil water issue event in October, including supplies to test waters, distribute emergency water to citizens, and run the Department Operations Center.

Other contractual services expenses were \$1.17 million or 41.2% below allotment due to lower than estimated spending in Collection System Engineering and Special Support.

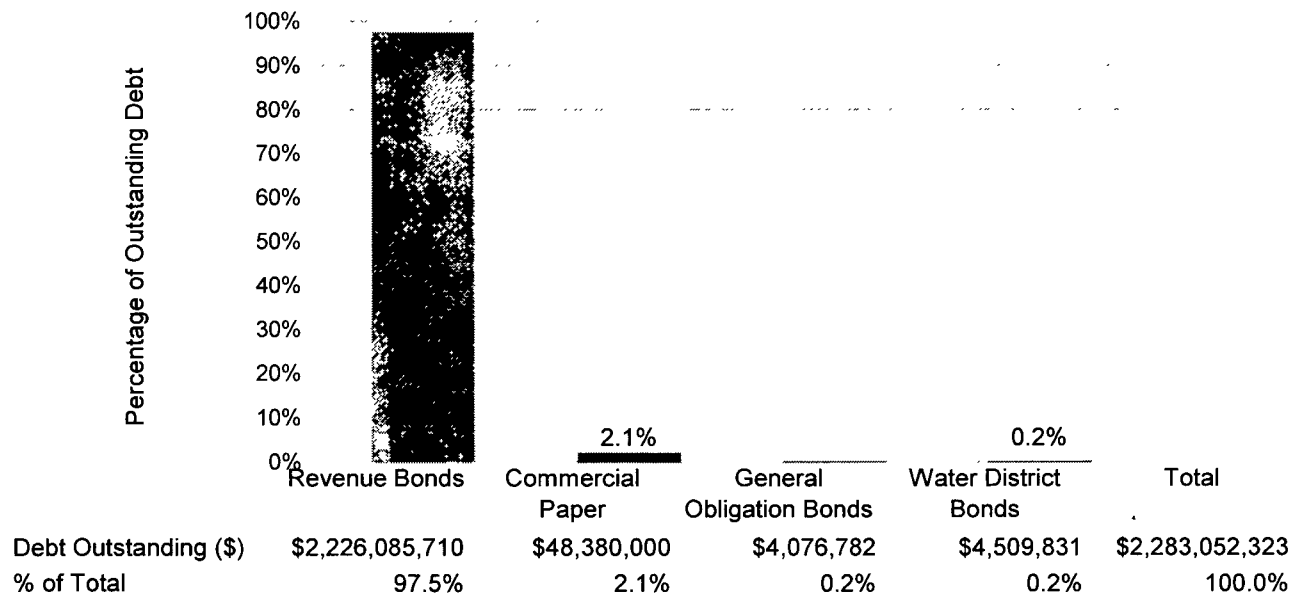
Chemicals were \$936.8 thousand or 26.6% above allotment due to higher than estimated spending in the Wastewater Treatment, Water Treatment, and Collection System Engineering. The flooding event in October required additional chemical use.

Electrical Services were \$578.1 thousand or 13.0% below allotment due to lower than estimated spending in the Pump Stations and Reservoir Maintenance and Lift Stations and Remote Facilities Divisions. Monthly electrical services can vary from month to month.

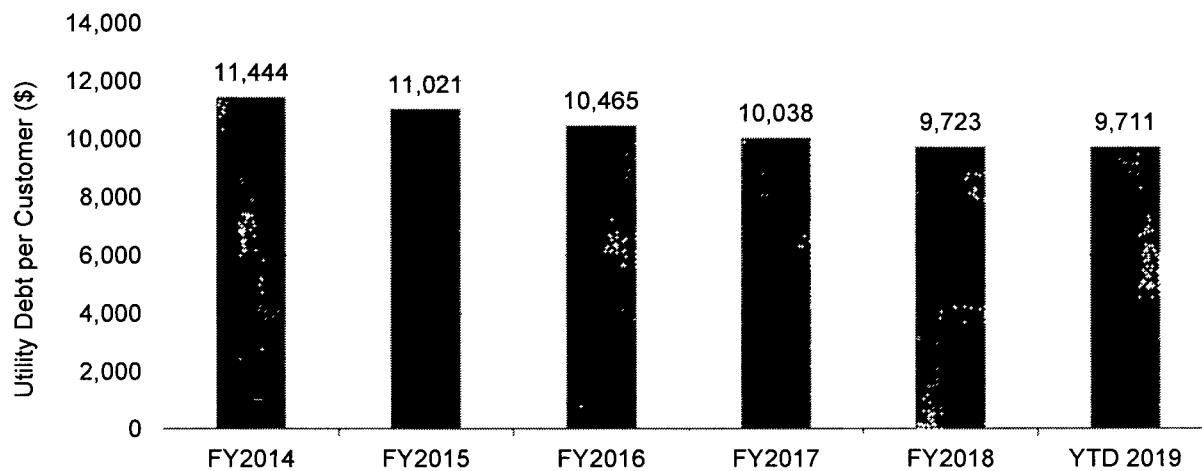
DEBT OUTSTANDING & DEBT SERVICE

Outstanding Utility Debt

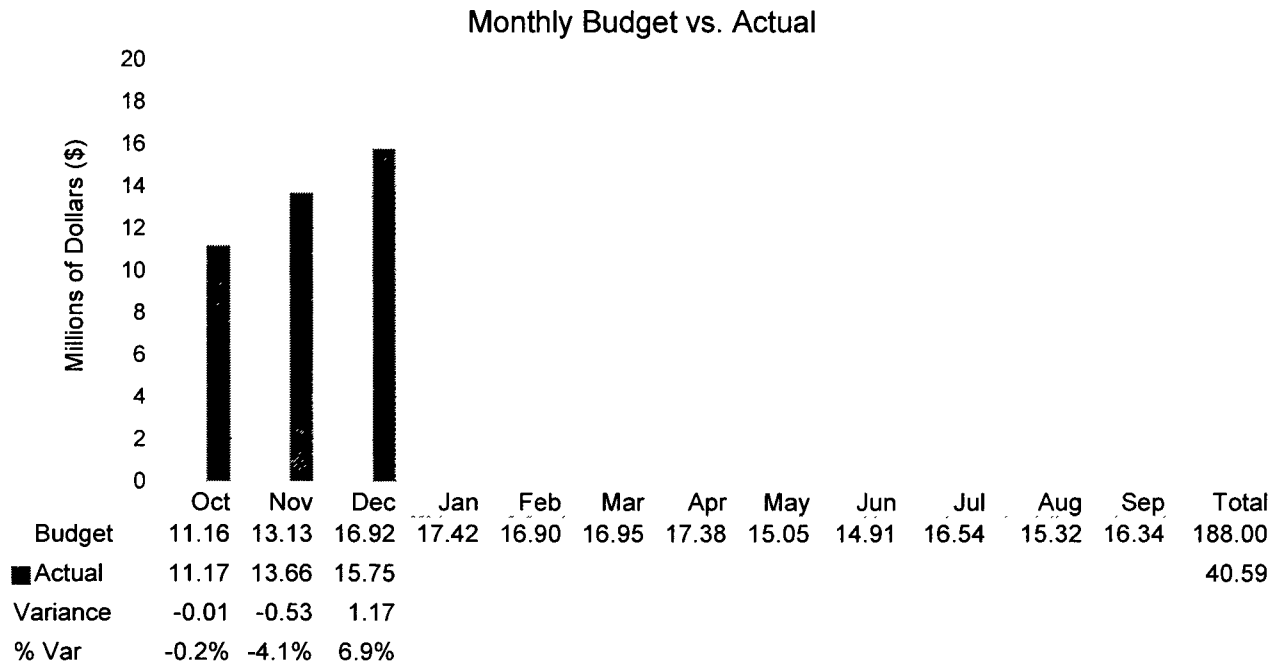
Debt Outstanding by Type



Utility Debt per Customer by Fiscal Year

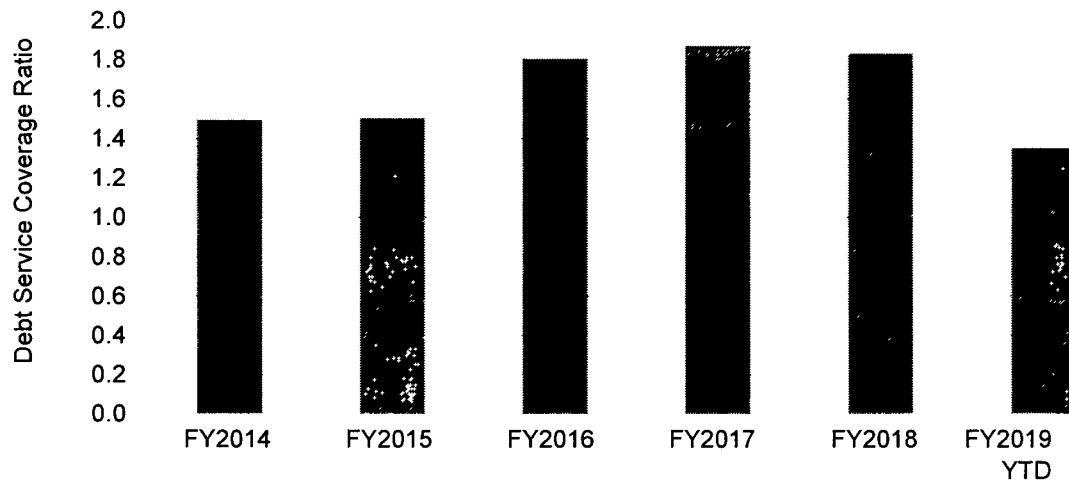


Combined Debt Service Requirement by Month



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 December 2018 was \$15.75 million, \$1.17 million less than projected for the month. Combined debt service for the fiscal year was \$40.59, \$0.61 million less or 1.5% than projected, primarily related to beginning debt fund balances, earned interest income, Build America Bonds (BABS) subsidy, and interest rates on variable debt.

Debt Service Coverage

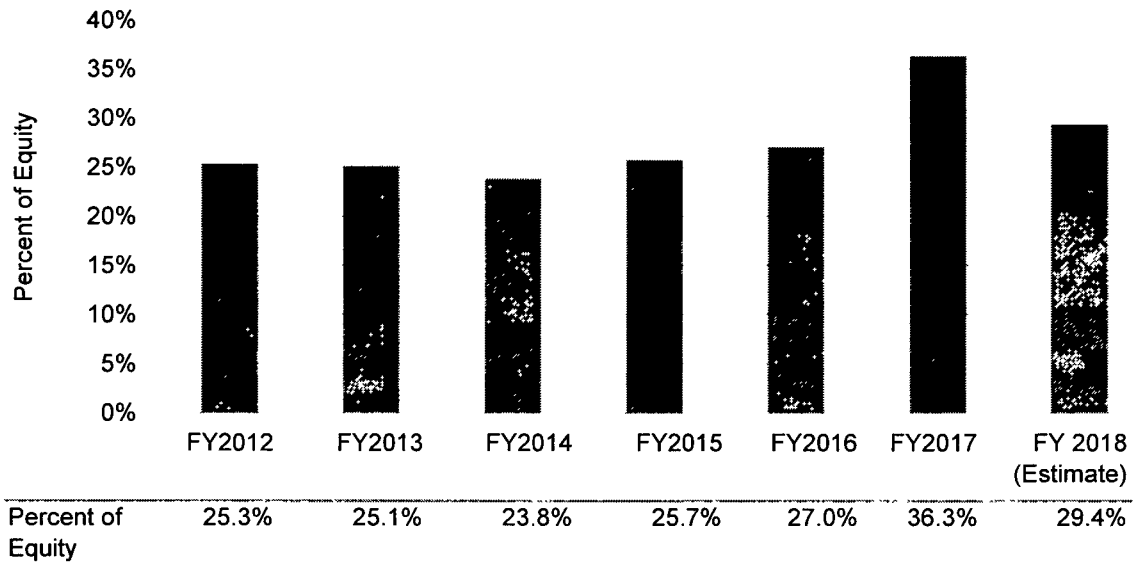


Debt Service Coverage	1.49	1.50	1.80	1.87	1.83	1.35
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The Debt Service Coverage graph above indicates how much revenue, after deducting operating costs, could go towards paying long-term debt service. The utility's bond covenants require debt service 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). AW Management projects FY2018 coverage to be 1.83 times, which is nearly aligned with the long-term internal target of 1.85 times.

Percent of Equity in Utility Systems

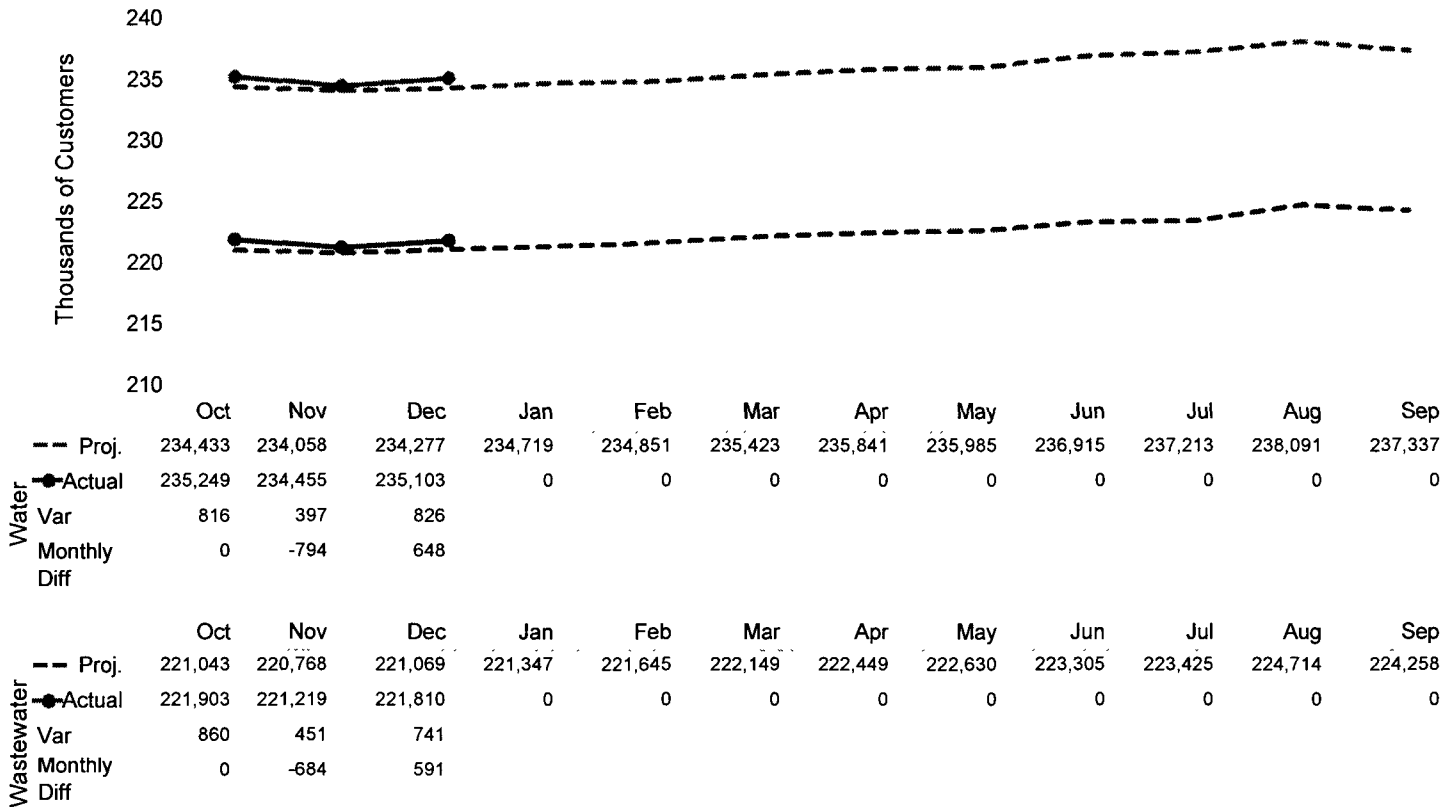


The Percent of Equity in Utility Systems is computed by dividing the combined utility system equity by the combined utility system costs, net of depreciation. The Percent of Equity is calculated based upon the audited financials from the Controller's Office.

CUSTOMER DEMAND CHARACTERISTICS

Number of Customers

Monthly Actual vs. Projections



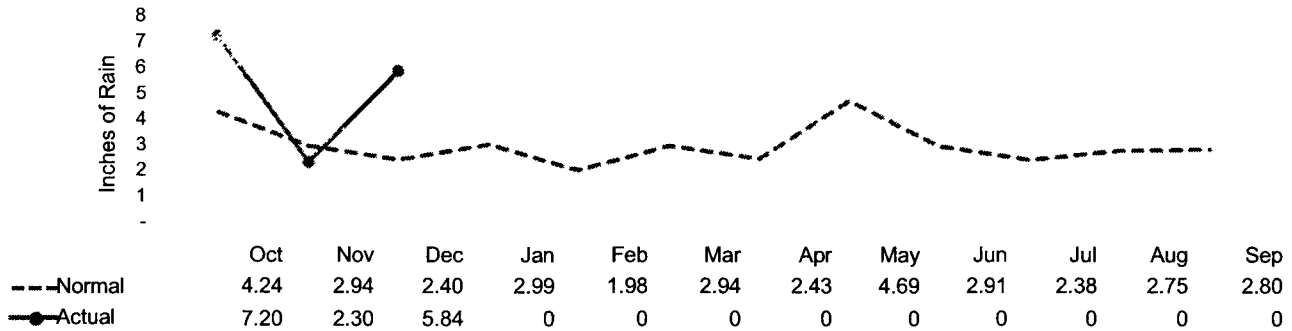
As of December 31, 2018, there were 235,103 water customers; which is 826 greater than projected. December 2017 there were 230,783 customers a year-over-year increase of 4,320 customers.

As of December 31, 2018, there were 221,810 wastewater customers; which is 741 greater than projected. December 2017 there were 217,613 customer a year-over-year increase of 4,197 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

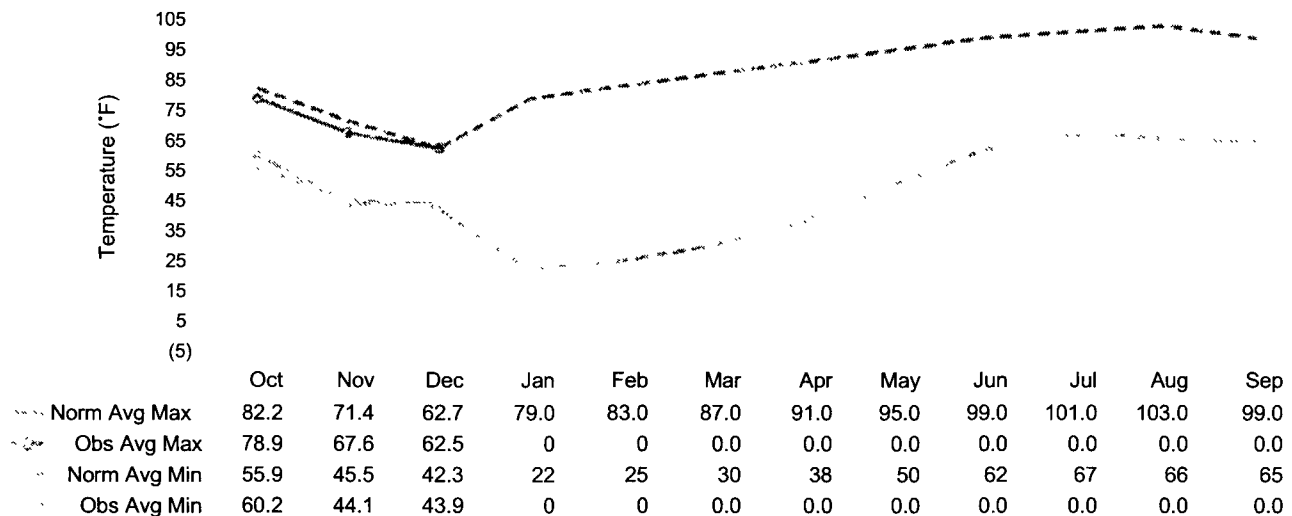
Monthly Rainfall Actual vs. Normal



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

In December, 5.84 inches of rain fell, 3.44 inches above 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

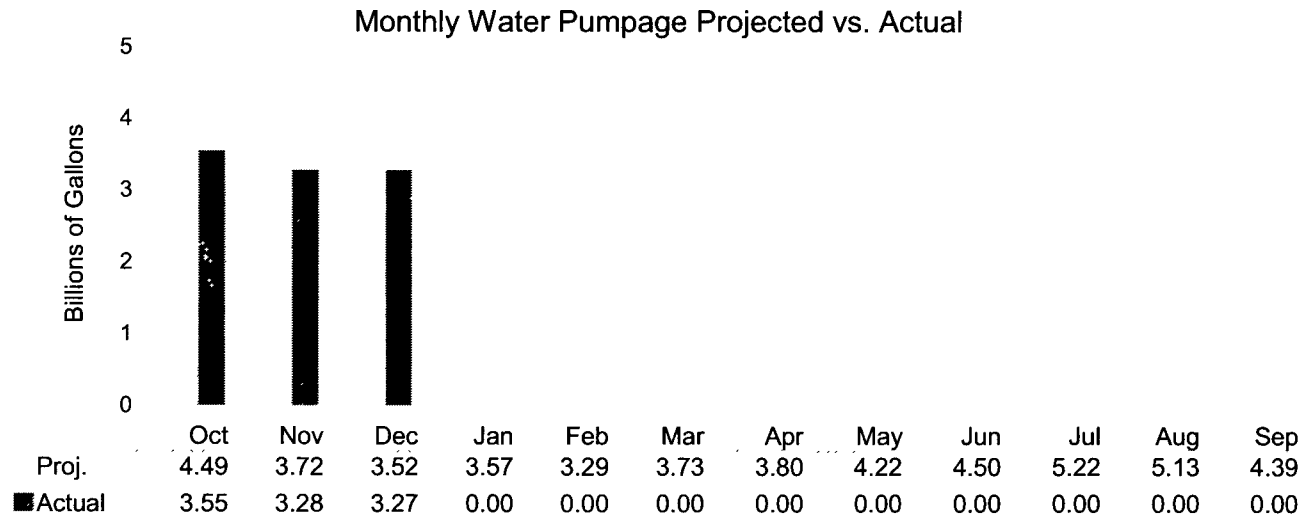


National Weather Service data collected at Austin - Camp Mabry compared to 30-year averages

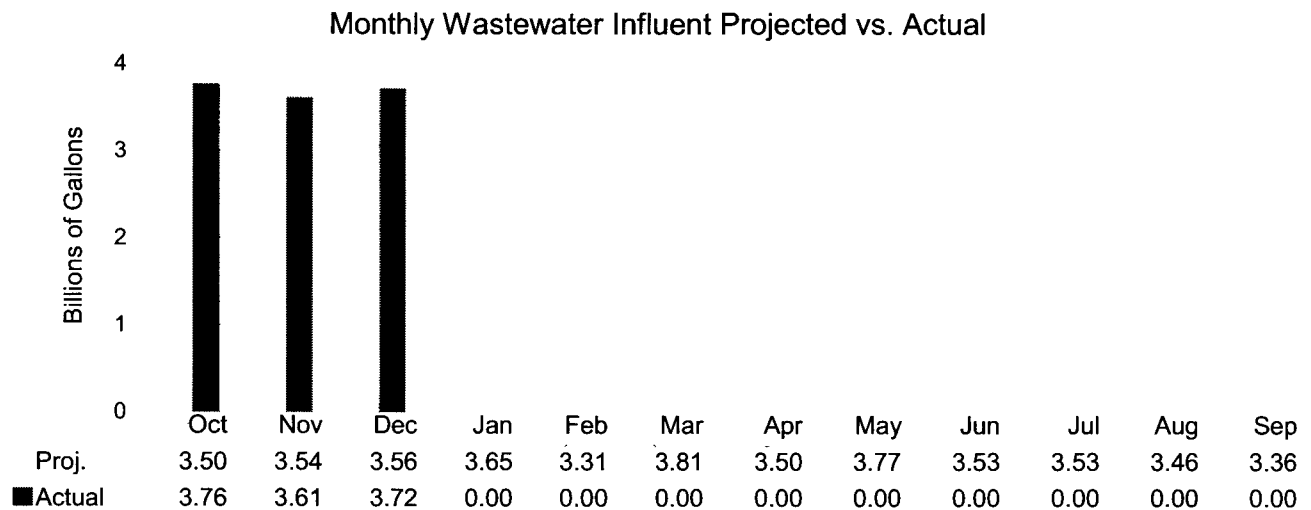
December's average high temperature was below normal levels by 0.2 degrees and the average low was above normal levels by 1.6 degrees. Over the fiscal year, temperatures have been cooler than historical averages.

The Highland Lakes' two water storage reservoirs, Travis and Buchanan, are at a combined 99% of capacity.

Water Pumpage and Wastewater Influent Flow by Month



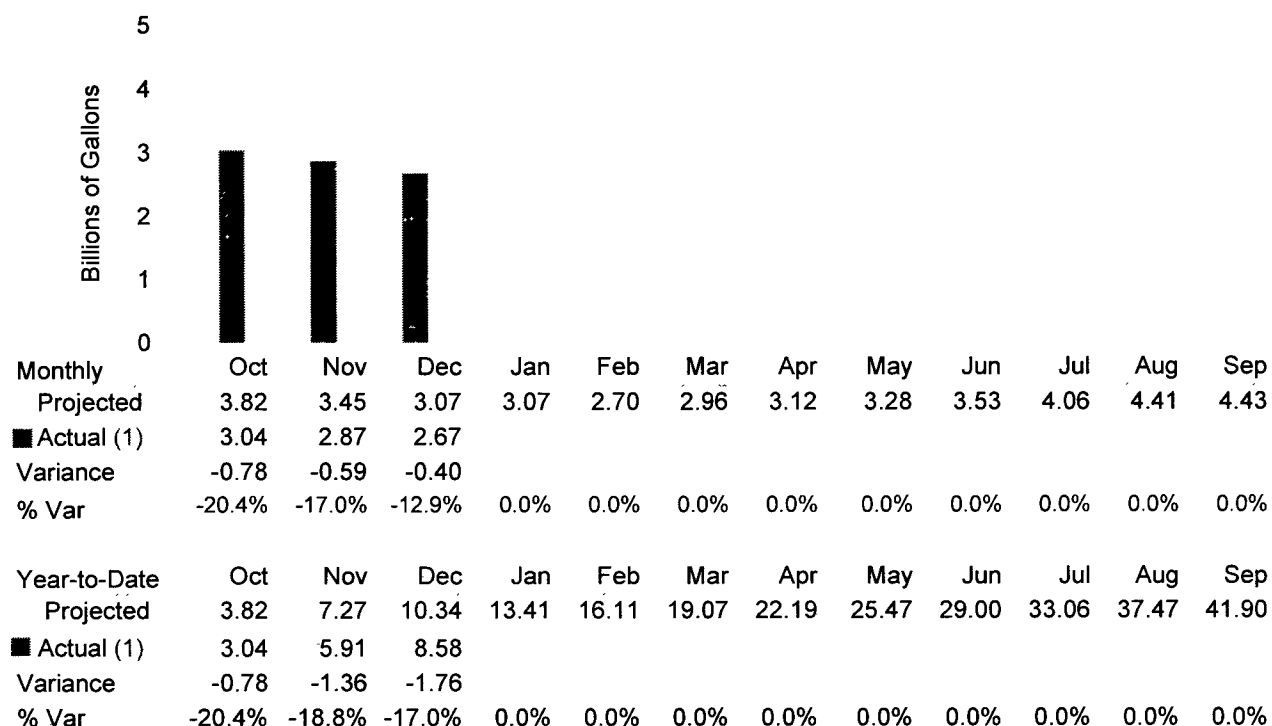
Pumpage during December 2018 averaged 105.5 Million Gallons per Day (MGD) for a total of 3.27 BG for the month. This compares to a daily average of 111.93 MGD for November 2018, and a daily average of 109.75 MGD for fiscal year 2018-19.



Influent during December 2018 averaged 119.89 MGD for a total of 3.72 BG for the month. This compares to a daily average of 120.34 MGD for November 2018, and an average of 120.38 MGD for fiscal year 2018-19.

Billed Water Consumption

Monthly Billed Consumption Projected vs. Actual

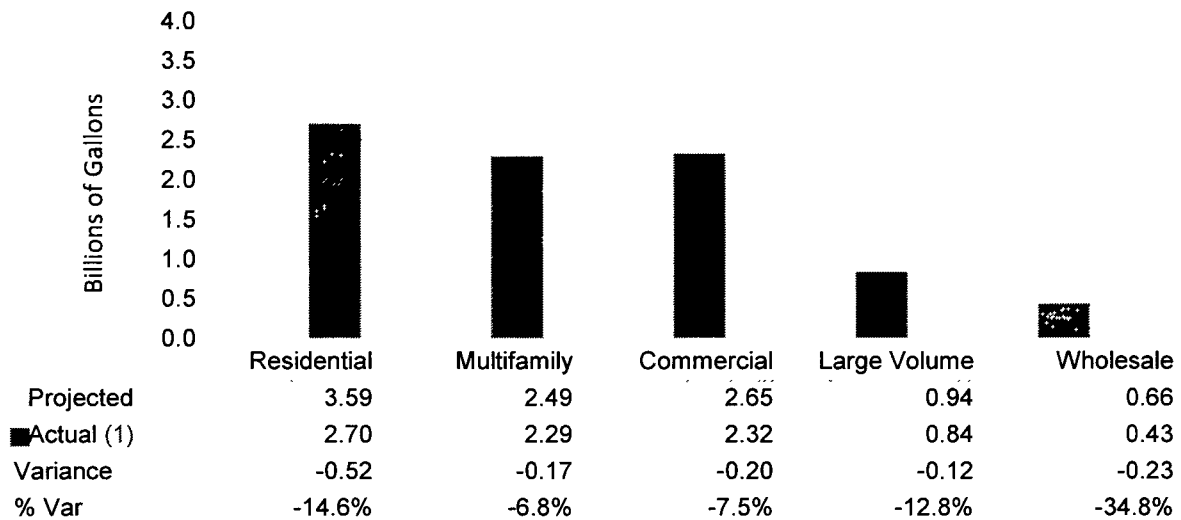


December 2018's billed water consumption totaled 2.67 BG, 0.40 BG (12.9%) lower than projected for the month. Year-to-date, billed water consumption of 8.58 BG is 1.76 BG (17.0%) lower than projected primarily due to heavy rain in October and boil water notice.

(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

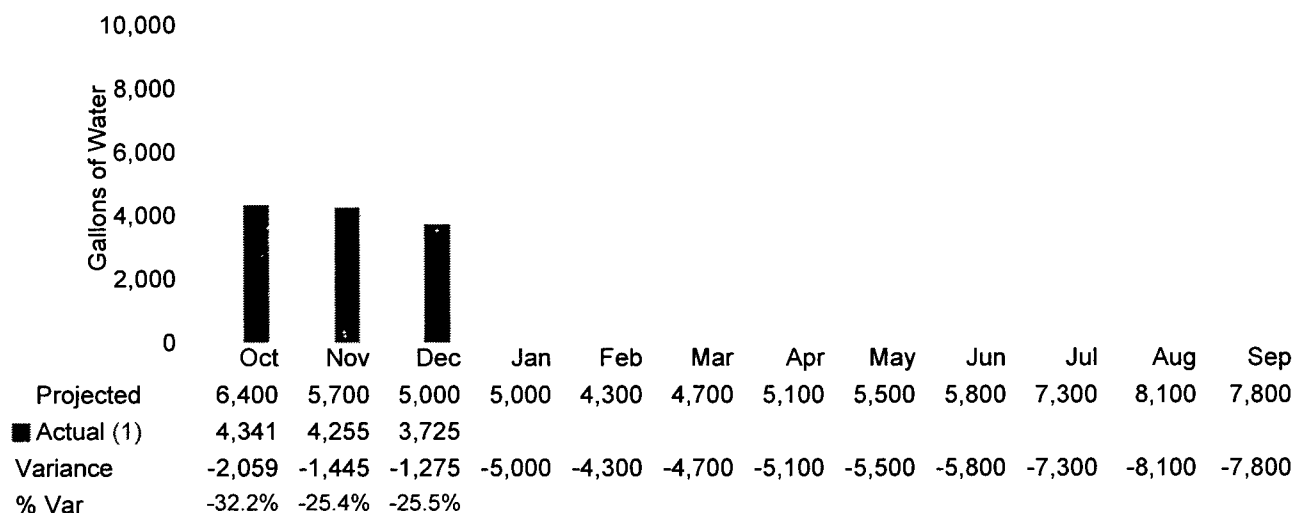


Billed water consumption is below projections by 2.09% in all customer classes. This is primarily due to heavy rains and emergency water restrictions.

(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

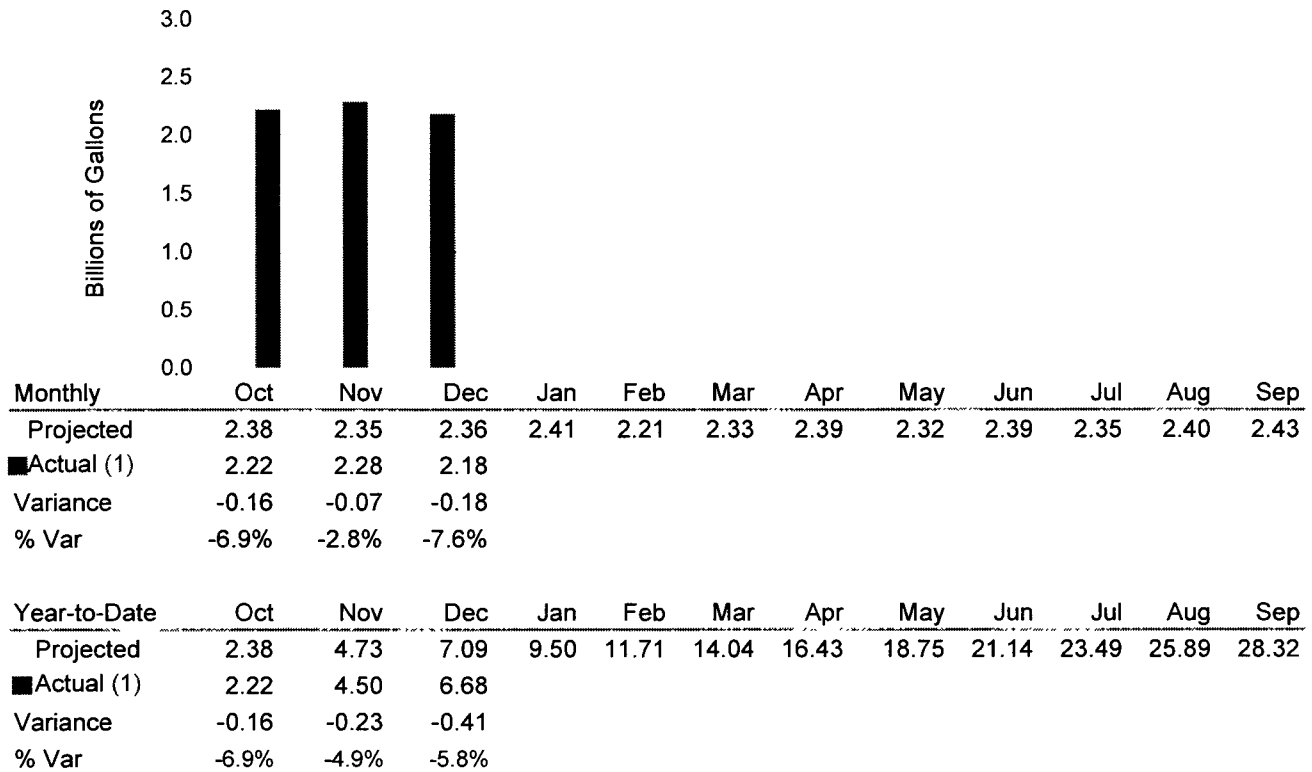


December's average residential billed consumption of 3,725 gallons trailed projections by 1,275 gallons (25.5%).

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

Billed Wastewater Flows

Monthly Billed Flows Projected vs. Actual



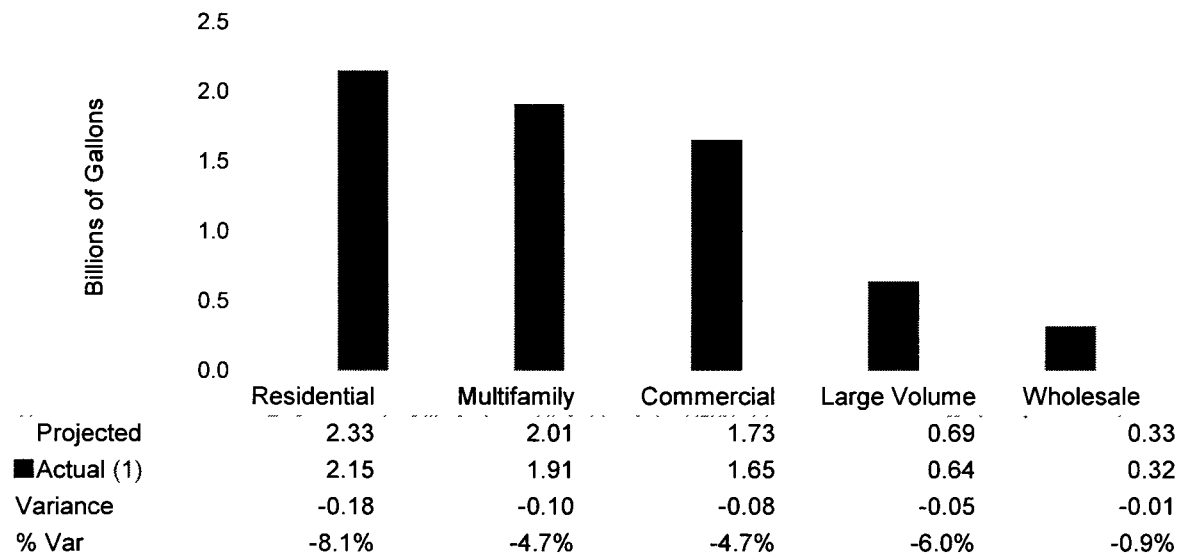
December 2018's billed flows totaled 2.18 BG, 0.18 BG (7.6%) lower than projected for the month. Year-to-date, billed flows of 6.68 BG were 0.41 BG (5.8%) lower than projected.

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 adjustments made subsequent to month end close.

Billed Wastewater Flows (continued)

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

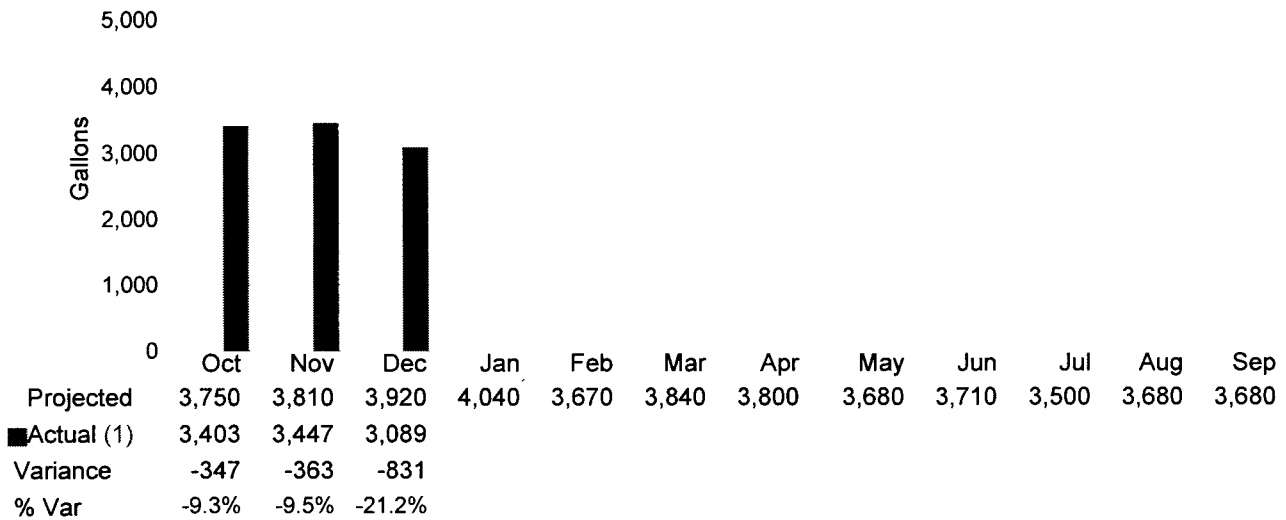


As shown in the table above, billed flows less than projected in all customer classes.

(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



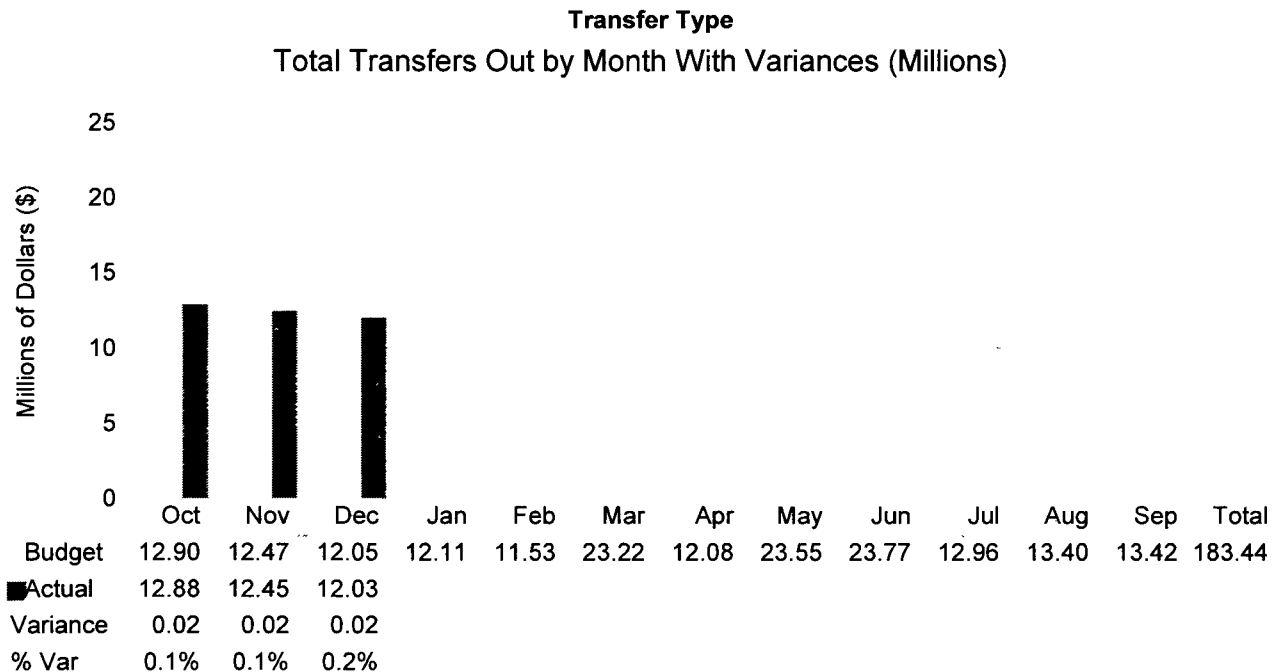
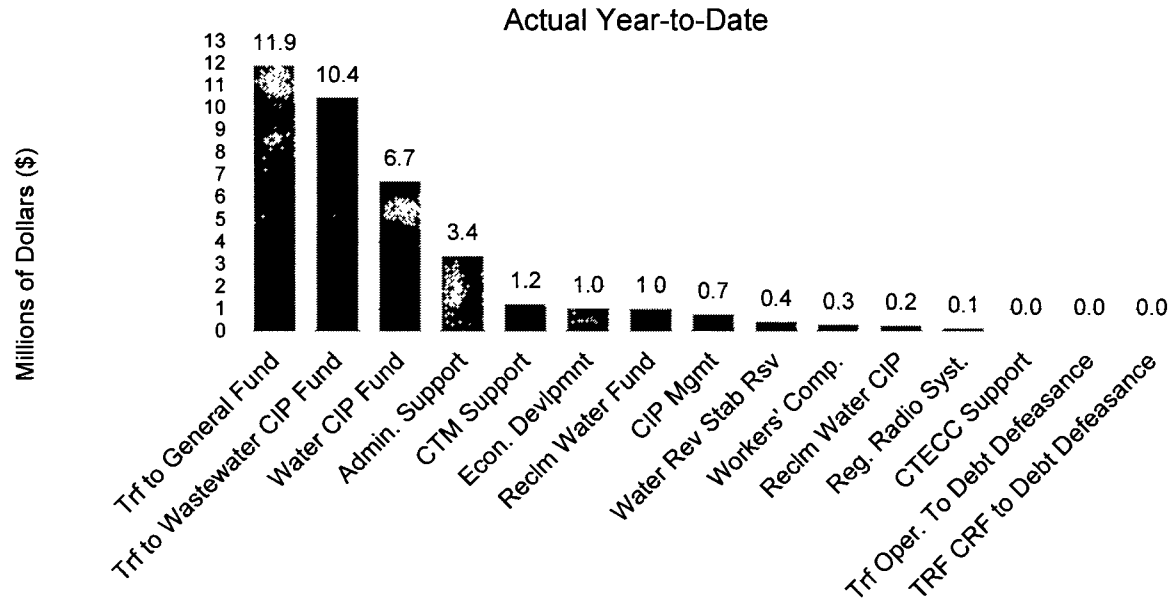
December's average residential billed flow of 3,089 gallons trailed projections by 831 gallons (21.2%).

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

Projected Source: Y:\Rates and Charges\Revenue Forecast\FY 2018-19\Wastewater\2019-19 WWRF t

OTHER REPORTING

Transfers Out by Type

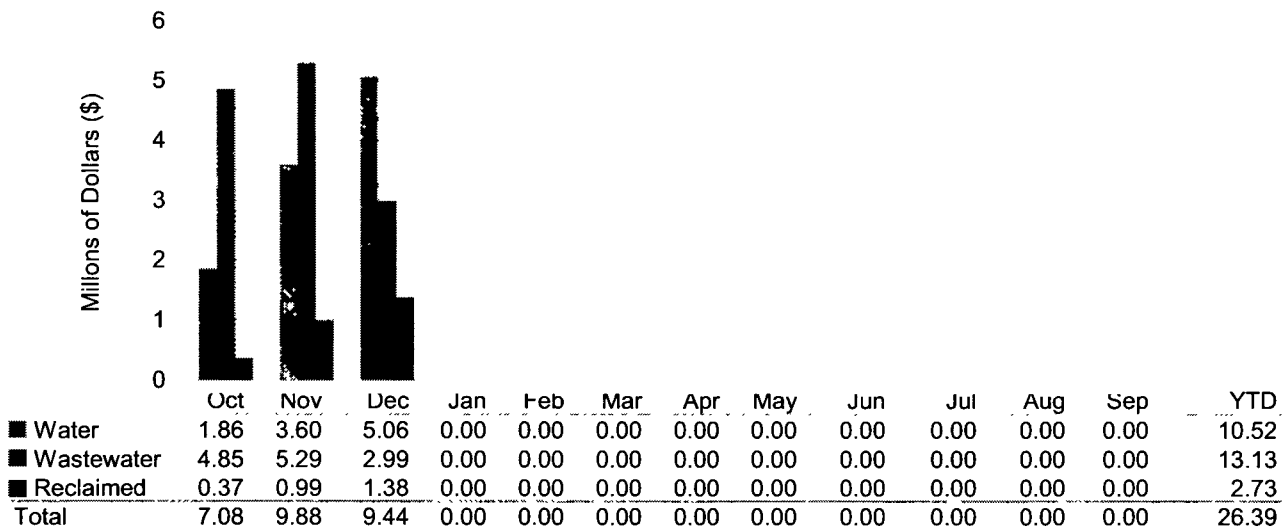


Transfers Out for the fiscal year through December 2018 totaled \$37.37 million, \$0.04 million less than allotments year-to-date.

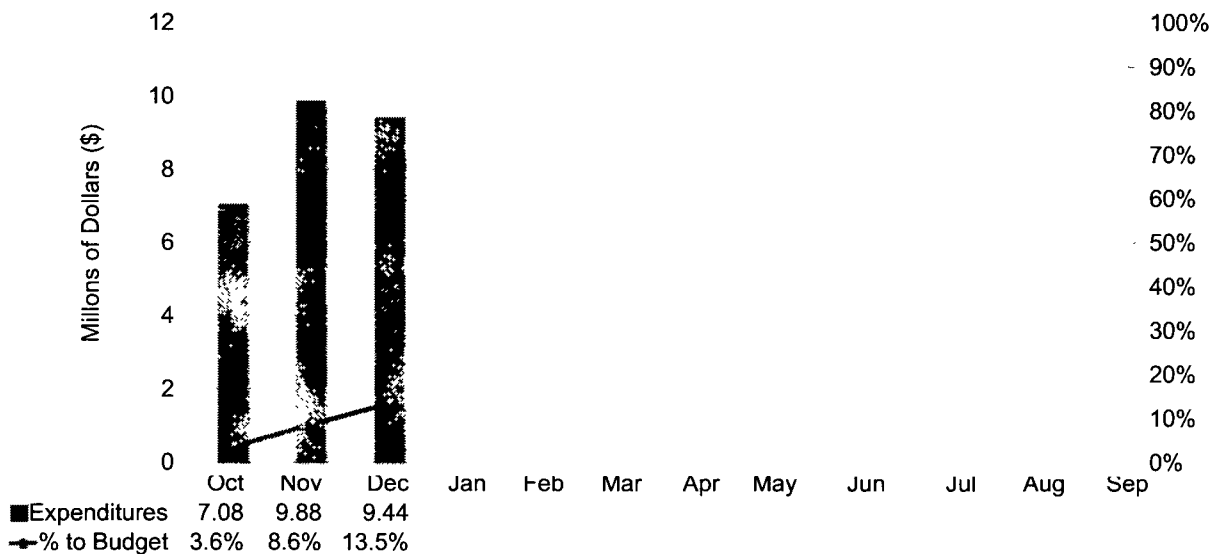
Transfers Out includes transfers for General Fund, Capital Improvement Program, Administrative Support, Water Revenue Stability Reserve Fund, Communication and Technology Management Fund (CTM), Reclaimed Water Fund, Economic Development Fund, Workers' Compensation Fund, Regional Radio System, and Emergency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

CIP Expenditures

Monthly Expenditures



CIP Expenditures Year-to-Date vs. Budget

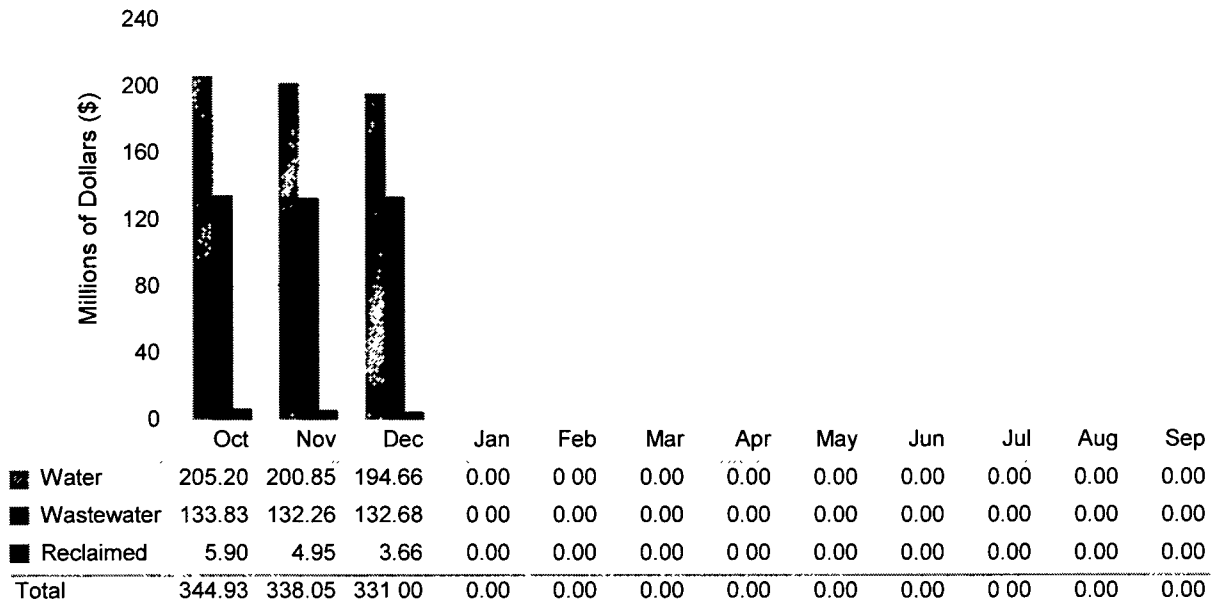


CIP expenditures for the fiscal year through December 2018 totaled \$10.52 million for water, \$13.13 million, for wastewater, and \$2.73 million for reclaimed, for a combined total of \$26.39 million, or 13.5% of the FY 2017-18 CIP spending plan. Water CIP expenditures were higher this month due to spending on Transmission projects.

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 Fund



Cash Balance at Month End

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Operating	207.80	202.27	196.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Recovery Fee	35.00	37.39	39.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CIP	56.83	52.88	49.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Stability Rsrv	45.30	45.51	45.71	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total	344.93	338.05	331.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

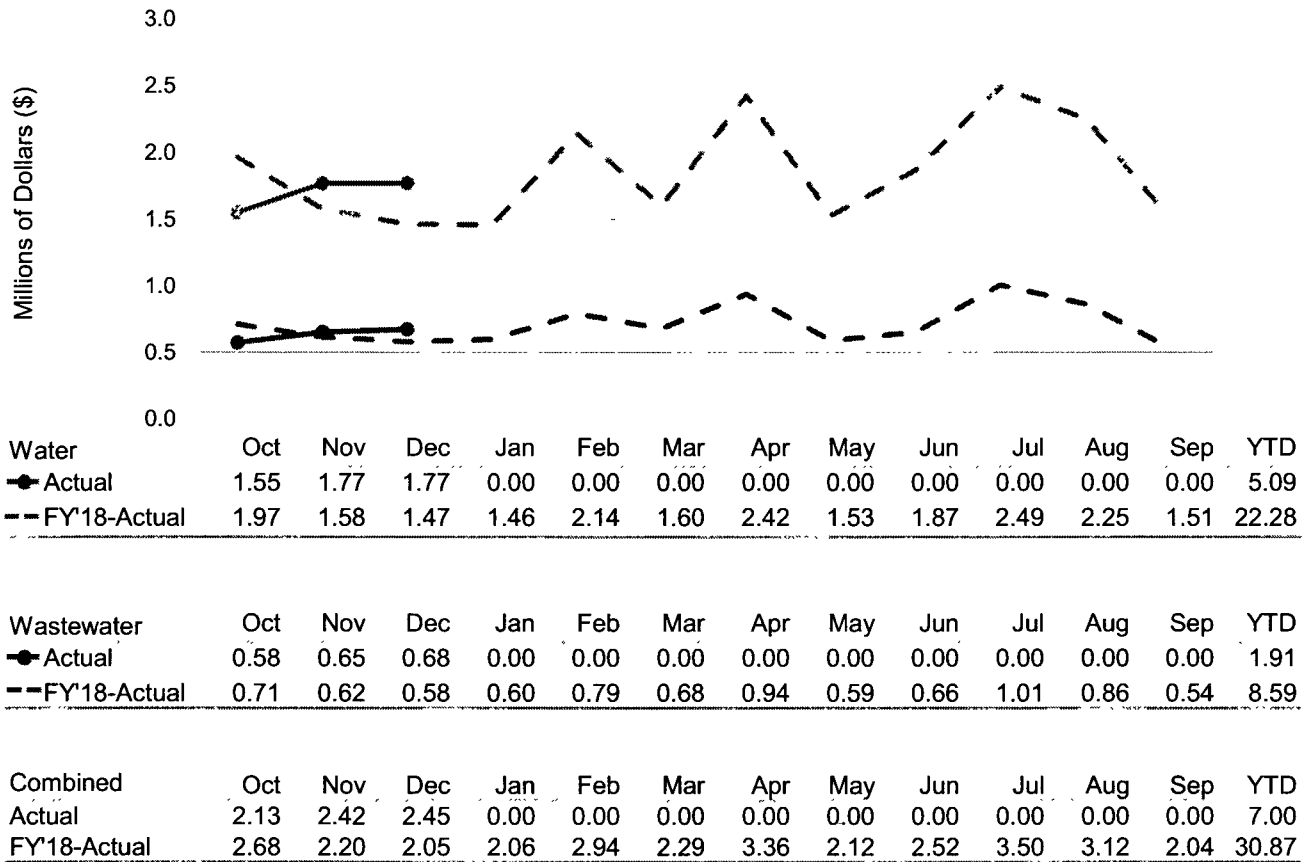
At December close, combined cash balances for Water, Wastewater, and Reclaimed totaled \$331.00 million. The combined cash balance is made up of Operating, CIP, Capital Recovery Fee, and Revenue Stability Reserve Fund cash balances.

Combined Operating Cash Balances totaled \$196.35 million. Combined CIP Cash Balances totaled \$49.08 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 \$45.71 million.

Capital Recovery Fee (CRF) Cash Balances totaled \$39.86 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



During December 2018, Austin Water collected \$2.45 million in Capital Recovery Fees (CRF) and interest, with \$1.77 million for Water and \$0.68 million for Wastewater. For the fiscal year, Austin Water has collected \$7.00 million in CRFs.



FINANCIAL STATUS REPORT
For the Period Ending January 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: February 28, 2019
Subject: Financial Status Report for Period Ended January 31, 2019.

Attached is Austin Water's Financial Status Report for the period ended January 31, 2019. The combined fund balance at the end of January for Fiscal Year 2019 was \$188.90 million, or \$4.89 million more than projected, as detailed in the Executive Summary. The beginning balance was \$20.76 million more than projected, fiscal year requirements were \$2.17 million below budget, and revenues and transfers in were \$18.05 million below projections.

The Buchanan and Travis lake system were at 99% full for the end of January. 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. The impact of this boil water notice will be reflected throughout the Financial Status Report for fiscal year 2019 as shown in year to date actual numbers. The boil water notice estimated impact on revenue is \$3 million and expenditures is \$2 million.

Water service revenues are \$11.55 million below projections, and wastewater service revenues are \$5.84 million below projections for this fiscal year. Actual spending for operating requirements for January was below budget by \$1.30 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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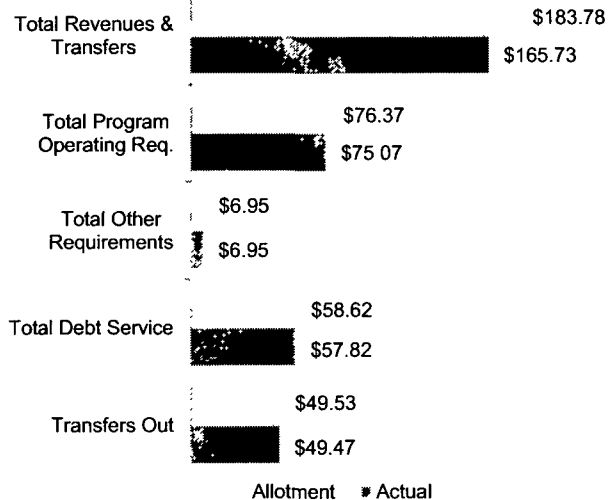
Executive Summary

The Combined Water, Reclaimed Water, and Wastewater Operating Fund balance as of January 31, 2019, was \$188.90 million. The combined balance was \$4.89 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	85.92	74.37	(11.55)
Wastewater Services	88.42	82.58	(5.84)
Reclaimed Services	0.60	0.46	(0.14)
Reserve Fund Surcharge	0.61	0.54	(0.07)
Other Revenues	3.82	4.95	1.13
Transfers In	4.41	2.83	(1.58)
Total Revenues & Transfers	183.78	165.73	(18.05)
Program Operating Req.	76.37	75.07	1.30
Other Requirements	6.95	6.95	0.00
Debt Service	58.62	57.82	0.80
Transfers Out	49.53	49.47	0.06
Total Revenue Requirements	191.48	189.31	2.17
Ending Balance	184.01	188.90	4.89
Debt Service Coverage	1.54	1.30	

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 \$165.73 million, \$18.05 million (9.8%) less than the allotment to date.

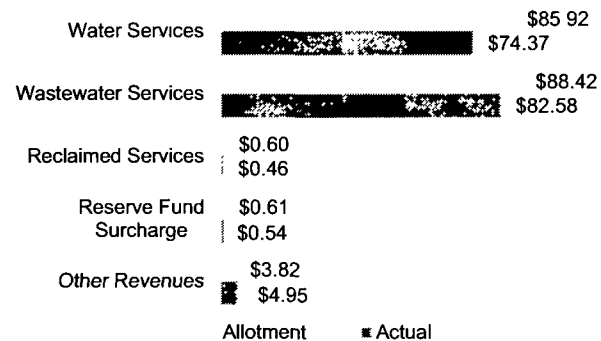
The following sources are below projections:

- Reclaimed service totaled \$0.46 million (23.2% below)
- Water service totaled \$74.37 million (13.4% below)
- Wastewater service totaled \$82.58 million (6.6% below)
- Reserve fund surcharges totaled \$0.54 million (10.6% below)
- Transfers In totaled \$2.83 million (35.8% below)

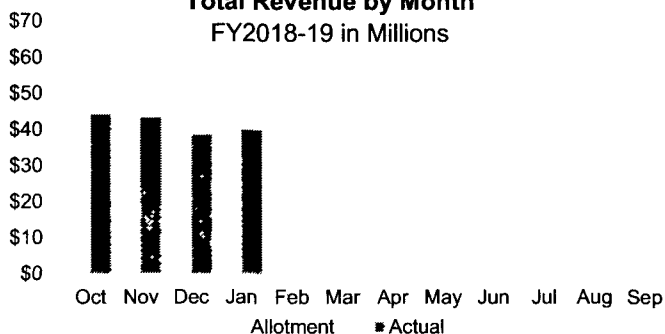
The following sources are above projections:

- Other revenues totaled \$4.95 million (29.4% above)

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



Total Revenue by Month FY2018-19 in Millions



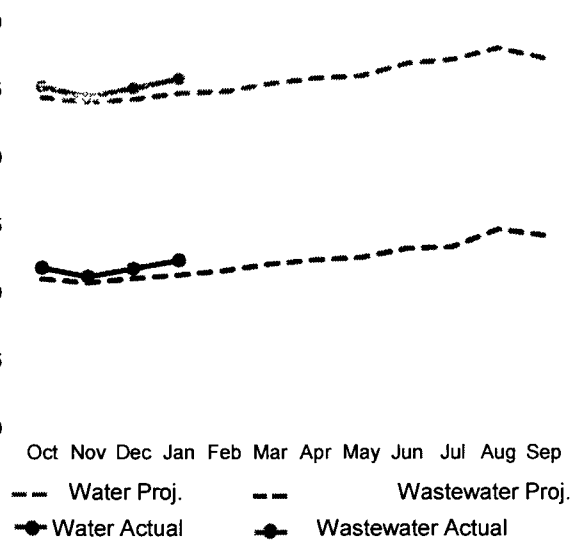
- Water and Wastewater service revenue continues to trend below budget projections due to above average rainfall.
- January total revenue and Transfers In of \$39.82 million was \$5.13 million below projections by 11.4%.

User Characteristics

	Projected	Actual	Variance
Water Customers	234,719	235,792	1,073
Wastewater Customers	221,347	222,424	1,077
Monthly Pumpage	3.34	3.27	(0.07)
YTD Pumpage	14.49	13.37	(1.12)
Monthly Billed Use	3.07	2.41	(0.66)
YTD Billed Use	13.40	11.26	(2.13)
Monthly Influent Flow	3.65	4.07	0.42
YTD Influent Flow	14.24	15.16	0.92
Monthly Billed Flow	2.41	1.97	(0.44)
YTD Billed Flow	9.50	8.80	(0.70)

(Above in Billions of Gallons)

Number of Customers by Month
FY 2018-19 in Thousands



Avg. Residential Use (gal)	5,000	3,823	(1,177)
Avg. Residential Flow (gal)	4,040	3,136	(904)

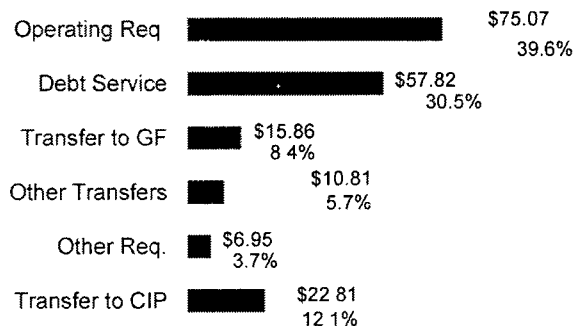
Requirement Highlights

Total requirements for the fiscal year were \$189.31 million, \$2.17 million (1.1%) less than the allotment to date.

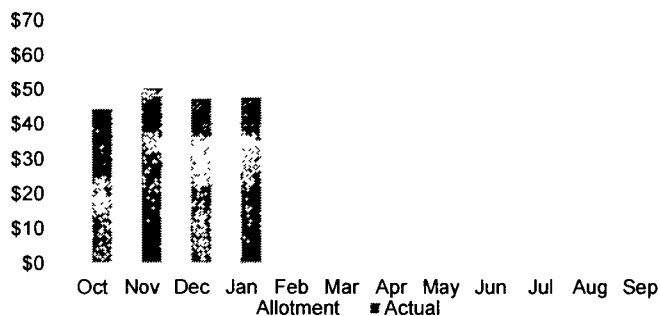
Total Requirements by Type
FY 2018-19 in Millions

The following uses are at or below projections:

- Program operating requirements totaled \$75.07 million (1.7% below)
- Other requirements totaled \$6.95 million (0.0%)
- Debt service requirements totaled \$57.82 million (1.4% below)
- Transfers out to Capital Improvement Projects, the General Fund, Debt Defeasances, and Other Uses totaled \$49.47 million (0.1% below)



Total Requirements by Month
FY 2017-18 in Millions



Total Requirements of \$47.51 million for the month were equal to budget allotment.

Other Utilities Program Requirements and Engineering Services were above projection by 39.5% and 2.1% respectively. All other spending was below projection.

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

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

	2018-19 APPROVED	BUDGET ALLOTMENT	MTD ACTUAL W/ ENCUMB	YTD ACTUAL W/ ENCUMB	YTD VARIANCE	% VARIANCE
BEGINNING BALANCE	191,715,190	191,715,190	0	212,482,937	20,767,747	10.8%
REVENUE						
Water Revenue	285,460,133	85,920,404	17,664,481	74,369,235	(11,551,169)	-13.4%
Wastewater Revenue	264,646,577	88,417,942	20,051,686	62,581,050	(5,836,892)	-6.6%
Reserve Fund Surcharge	1,986,876	609,032	130,786	544,230	(64,802)	-10.6%
Other Revenue	4,926,280	1,642,116	458,377	1,465,013	(177,103)	-10.8%
Reclaimed Revenue	1,881,845	597,933	98,432	459,191	(138,742)	-23.2%
Interest	3,647,168	1,215,723	600,304	2,314,908	1,099,185	90.4%
Public Health Licenses, Permits,	710,600	236,864	78,481	279,790	42,926	18.1%
Other Fines	589,200	193,400	115,100	291,725	95,325	48.5%
Miscellaneous	66,800	22,268	50,554	50,554	28,286	127.0%
Building Rental/Lease	117,600	30,200	0	31,368	(7,832)	-20.0%
Land & Infrastructure Rental/Lease	72,000	24,000	5,500	22,000	(2,000)	-8.3%
Scrap Sales	46,900	15,600	81,204	102,237	86,637	555.4%
Development Fees	1,298,300	432,768	119,955	392,514	(40,254)	-9.3%
Parking Revenue	100	32	0	0	(32)	-100.0%
Total Revenue	565,450,279	179,370,281	39,463,861	162,903,814	(16,466,467)	-9.2%
TRANSFERS IN						
CIP	34,200,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	9,132,323	2,874,803	0	1,293,123	(1,581,780)	-55.0%
Austin Water Utility	4,000,000	1,333,332	333,300	1,333,600	268	0.0%
Support Services/Infrastructure Funds	300,582	150,200	18,800	150,182	(18)	0.0%
Austin Resource Recovery Fund	53,334	53,334	0	53,334	0	0.0%
Total Transfers In	47,686,239	4,411,769	352,100	2,830,239	(1,581,530)	-35.8%
TOTAL AVAILABLE FUNDS	613,136,518	183,782,051	39,815,961	165,734,053	(18,047,998)	-9.8%
PROGRAM REQUIREMENTS						
Operations	140,449,135	47,904,108	10,904,828	46,250,872	1,653,236	3.5%
Support Services	31,117,783	10,989,863	1,713,588	10,535,973	453,890	4.1%
Other Utility Program Requirements	9,487,966	4,364,752	631,546	6,087,973	(1,723,221)	-39.5%
Environmental Affairs & Conservation	12,365,686	4,335,352	744,184	3,947,258	388,094	9.0%
Engineering Services	13,089,466	5,201,123	1,876,101	5,312,271	(111,148)	-2.1%
Water Resources Management	9,370,555	3,383,980	556,505	2,752,169	631,811	18.7%
One Stop Shop	0	0	0	0	0	0.0%
Reclaimed	571,388	193,624	37,796	184,634	8,990	4.6%
Total Program Requirements	216,481,960	76,372,602	16,464,507	75,071,149	1,301,453	1.7%
OTHER REQUIREMENTS						
Utility Billing	20,562,342	6,854,116	1,713,529	6,854,115	1	0.0%
Market Study Adjustment	0	0	0	0	0	0.0%
Accrued Payroll	764,067	0	0	0	0	0.0%
Interdepartment	73,955	24,637	6,163	24,651	(14)	-0.1%
Trf to PID Fund	75,000	75,000	0	75,000	0	0.0%
Total Other Requirements	21,475,364	6,953,753	1,719,692	6,953,766	(13)	0.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	147,149,281	41,959,396	10,496,901	41,119,578	839,818	2.0%
Trf to Utility D/S Prior Lien	27,963,926	11,661,300	4,671,087	11,646,290	15,610	0.1%
Trf to Utility D/S Sub Lien	9,294,800	3,785,400	1,450,615	3,790,055	(4,655)	-0.1%
Trf to GO Debt Service	2,042,881	1,021,441	510,721	1,021,442	(1)	0.0%
Trf to Util D/S Tax/Rev Bonds	976,802	0	0	0	0	0.0%
Commercial paper interest	572,054	190,688	98,165	242,942	(52,259)	-27.4%
Total Debt Service Requirements	187,999,754	58,618,825	17,227,489	57,820,307	798,518	1.4%
TRANSFERS						
Trf to General Fund	47,585,534	15,861,534	3,965,500	15,861,534	0	0.0%
Trf to Wastewater CIP Fund	41,000,000	13,885,000	3,456,000	13,885,000	0	0.0%
Trf to Water CIP Fund	27,000,000	8,586,000	1,922,000	8,586,000	0	0.0%
TRF CRF to Debt Defeasance	34,200,000	0	0	0	0	0.0%
TRF Operating to Debt Defeasance	0	0	0	0	0	0.0%
Administrative Support	13,446,037	4,482,037	1,120,500	4,482,037	0	0.0%
Trf to Water Revenue Stab Rsv	1,986,876	609,032	130,786	544,230	64,802	10.6%
CTM Support	4,811,824	1,605,224	400,800	1,605,224	0	0.0%
Trf to Reclaimed Water Fund	4,000,000	1,333,600	333,300	1,333,600	0	0.0%
Trf to Economic Development	3,867,071	1,227,831	317,405	1,327,831	0	0.0%
Trf to Reclaimed Water CIP Fnd	1,000,000	318,000	73,000	318,000	0	0.0%
Trf to CIP Mgm - CPM (5460)	2,943,935	981,335	245,325	981,335	0	0.0%
Workers' Compensation	1,135,888	379,088	94,600	379,088	0	0.0%
Regional Radio System	454,320	151,440	37,860	151,440	0	0.0%
CTECC Support	12,590	12,590	0	12,590	0	0.0%
Total Transfers Out	183,443,875	49,532,711	12,097,076	49,467,909	64,802	0.1%
TOTAL REQUIREMENTS	609,400,953	191,477,892	47,508,764	189,313,132	2,164,760	1.1%
EXCESS (DEFICIENCY) OF TOTAL	3,735,565	(7,695,841)	(7,692,803)	(23,579,079)	(15,883,238)	-206.4%
AVAILABLE FUNDS OVER TOTAL	0	0	0	0	0	0.0%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	195,450,755	184,019,349	0	188,903,858	4,884,509	2.7%

Note: Numbers may not add due to rounding

DEBT SERVICE COVERAGE RATIO

165

154

130

City of Austin, Texas
Austin Water
FUND SUMMARY - WATER
As of January 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	85,920,404	17,664,481	74,369,235	(11,551,169)	-13.4%
Reserve Fund Surcharge	1,986,876	609,032	130,786	544,230	(64,802)	-10.6%
Other Revenue	1,982,312	660,796	131,043	461,445	(199,351)	-30.2%
Development Fees	1,294,700	431,568	119,955	392,398	(39,170)	-9.1%
Other Fines	589,200	196,400	115,100	291,725	95,325	48.5%
Interest	1,879,033	626,344	328,461	1,277,740	(651,396)	-104.0%
Miscellaneous Franchise Fees	58,400	19,468	50,554	50,554	31,086	159.7%
Land & Infrastructure Rental/Lease	72,000	24,000	5,500	22,000	(2,000)	-8.3%
Building Rental/Lease	58,900	19,632	0	16,284	(3,348)	-17.1%
Public Health Licenses, Permits, Inspections	55,700	18,568	5,971	23,867	5,299	28.5%
Scrap Sales	26,400	8,800	40,602	51,118	42,318	480.9%
Parking Revenue	100	32	0	0	(32)	-100.0%
Total Revenue	293,463,754	88,535,044	18,592,453	77,500,596	(11,034,448)	-12.5%
TRANSFERS IN						
CIP	24,800,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	5,321,483	1,601,709	0	735,820	(865,889)	-54.1%
Support Services/Infrastructure Funds	150,291	75,100	9,400	75,091	(9)	0.0%
Total Transfers In	30,271,774	1,676,809	9,400	810,911	(865,898)	-51.6%
TOTAL AVAILABLE FUNDS	323,735,528	90,211,853	18,601,853	78,311,507	(11,900,345)	-13.2%
PROGRAM REQUIREMENTS						
Operations	74,507,371	25,038,747	5,469,314	23,387,183	1,651,563	6.6%
Support Services	15,697,926	5,538,332	865,741	5,325,001	213,331	3.9%
Environmental Affairs & Conservation	9,133,279	3,189,980	531,491	2,941,679	248,301	7.8%
Other Utility Program Requirements	4,988,549	2,190,401	383,713	3,947,071	(1,756,670)	-80.2%
Engineering Services	5,056,675	1,271,005	290,416	1,537,213	(266,207)	-20.9%
Water Resources Management	4,385,972	1,563,376	232,374	1,212,225	351,150	22.5%
Total Program Requirements	113,769,772	38,791,840	7,773,047	38,350,372	441,468	1.1%
OTHER REQUIREMENTS						
Utility Billing System Support	12,473,371	4,157,792	1,039,448	4,157,791	1	0.0%
Accrued Payroll	383,833	0	0	0	0	0.0%
Interdepartmental Charges	36,978	12,319	3,082	12,322	(3)	0.0%
Tfr 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	4,207,611	1,042,530	4,207,613	(2)	0.0%
DEBT SERVICE REQUIREMENTS						
Tfr to Util D/S Separate Lien	80,283,229	23,041,522	5,832,697	22,613,597	427,924	1.9%
Tfr to Utility D/S Prior Lien	13,107,542	5,466,300	2,189,478	5,458,530	7,770	0.1%
Tfr to Utility D/S Sub Lien	5,213,100	2,130,250	821,513	2,132,905	(2,655)	-0.1%
Tfr to GO Debt Service	910,449	455,225	227,613	455,226	(1)	0.0%
Tfr to Util D/S Tax/Rev Bonds	408,212	0	0	0	0	0.0%
Commercial paper interest	316,314	105,436	54,807	141,916	(36,478)	-34.6%
Total Debt Service Requirements	100,238,846	31,198,734	9,126,108	30,802,175	396,559	1.3%
TRANSFERS						
Tfr to Water CIP Fund	27,000,000	8,586,000	1,922,000	8,586,000	0	0.0%
Tfr to General Fund	25,404,402	8,468,402	2,117,000	8,468,402	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%
Tfr to Water Revenue Stab Rsv	1,986,876	609,032	130,786	544,230	64,802	10.6%
Administrative Support	7,277,235	2,425,755	606,435	2,425,755	0	0.0%
Tfr to Reclaimed Water Fund	4,000,000	1,333,600	333,300	1,333,600	0	0.0%
CTM Support	2,415,274	805,074	201,275	805,074	0	0.0%
Tfr to Economic Development	2,046,374	682,134	170,530	682,134	0	0.0%
Tfr to CIP Mgm - CPM (5460)	1,194,441	398,161	99,535	398,161	0	0.0%
Workers' Compensation	567,944	189,544	47,300	189,544	0	0.0%
Regional Radio System	227,160	75,720	18,930	75,720	0	0.0%
CTECC Support	6,295	6,295	0	6,295	0	0.0%
Total Transfers Out	96,926,001	23,579,717	5,647,091	23,514,915	64,802	0.3%
TOTAL REQUIREMENTS	323,866,301	97,777,902	23,588,777	96,875,075	902,827	0.9%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	(130,773)	(7,566,050)	(4,986,923)	(18,563,568)	(10,997,518)	-145.4%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	108,940,327	101,505,050	(4,986,923)	103,263,036	1,757,986	1.7%

Note: Numbers may not add due to rounding

DEBT SERVICE COVERAGE RATIO 1.57 1.36 1.03

City of Austin, Texas
Austin Water
FUND SUMMARY - WASTEWATER
As of January 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	88,417,942	20,051,686	82,581,050	(5,836,892)	-6.6%
Other Revenue	2,943,968	981,320	327,334	1,003,568	22,248	2.3%
Interest	1,752,103	584,034	276,195	1,019,753	435,719	74.6%
Public Health Licenses, Permits, Inspections	654,900	218,296	72,510	255,923	37,627	17.2%
Building Rental/Lease	58,700	19,568	0	15,084	(4,484)	-22.9%
Miscellaneous Franchise Fees	8,400	2,800	0	0	(2,800)	-100.0%
Scrap Sales	20,400	6,800	40,602	51,118	44,318	651.7%
Development Fees	3,600	1,200	0	116	(1,084)	-90.3%
Total Revenue	270,088,648	90,231,960	20,768,327	84,926,612	(5,305,348)	-5.9%
TRANSFERS IN						
CIP	9,400,000	0	0	0	0	0.0%
Community Benefit Charge Transfer In	3,810,840	1,273,195	0	557,303	(715,892)	-56.2%
Support Services/Infrastructure Funds	150,291	75,100	9,400	75,091	(9)	0.0%
Austin Resource Recovery Fund	53,334	53,334	0	53,334	0	0.0%
Total Transfers In	13,414,465	1,401,629	9,400	685,728	(715,901)	-51.1%
TOTAL AVAILABLE FUNDS	283,503,113	91,633,589	20,777,727	85,612,340	(6,021,249)	-6.6%
PROGRAM REQUIREMENTS						
Operations	65,941,764	22,865,361	5,435,514	22,863,689	1,673	0.0%
Support Services	15,419,857	5,451,331	847,827	5,210,972	240,359	4.4%
Engineering Services	8,032,791	3,930,118	1,585,685	3,775,058	155,059	3.9%
Other Utility Program Requirements	4,468,817	2,164,676	247,809	2,134,694	29,882	1.4%
Water Resources Management	4,984,584	1,820,605	324,131	1,539,944	280,661	15.4%
Environmental Affairs & Conservation	3,262,387	1,145,372	212,673	1,005,579	199,792	12.2%
Total Program Requirements	102,110,200	37,377,463	8,653,639	36,529,936	847,527	2.3%
OTHER REQUIREMENTS						
Utility Billing System Support	8,088,971	2,696,324	674,081	2,696,324	(0)	0.0%
Accrued Payroll	370,306	0	0	0	0	0.0%
Interdepartmental Charges	36,977	12,319	3,081	12,329	(10)	-0.1%
Trf to PID Fund	37,500	37,500	0	37,500	0	0.0%
Total Other Requirements	8,533,754	2,746,143	677,162	2,746,153	(11)	0.0%
DEBT SERVICE REQUIREMENTS						
Trf to Util D/S Separate Lien	63,205,833	17,649,891	4,412,503	17,380,308	269,583	1.5%
Trf to Utility D/S Prior Lien	14,856,384	6,195,600	2,481,609	6,187,760	7,840	0.1%
Trf to Utility D/S Sub Lien	4,081,700	1,655,150	629,102	1,657,149	(1,999)	-0.1%
Trf to GO Debt Service	1,132,432	566,216	283,108	566,216	0	0.0%
Trf to Util D/S Tax/Rev Bonds	568,590	0	0	0	0	0.0%
Commercial paper interest	226,305	75,435	39,493	86,841	(11,406)	-15.1%
Total Debt Service Requirements	84,071,244	26,142,292	7,845,815	25,878,275	264,017	1.0%
TRANSFERS OUT						
Trf to Wastewater CIP Fund	41,000,000	13,885,000	3,456,000	13,885,000	0	0.0%
Trf to General Fund	22,050,724	7,350,724	1,837,500	7,350,724	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	1,974,164	493,540	1,974,164	0	0.0%
CTM Support	2,394,314	798,114	199,525	798,114	0	0.0%
Trf to Economic Development	1,762,508	587,508	146,875	587,508	0	0.0%
Trf to CIP Mgm - CPM (5460)	1,589,132	529,732	132,425	529,732	0	0.0%
Trf to Reclaimed Water Fund	0	0	0	0	0	0.0%
Workers' Compensation	567,844	189,544	47,300	189,544	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	75,720	18,930	75,720	0	0.0%
Total Transfers Out	84,920,561	25,396,801	6,332,095	25,396,801	0	0.0%
TOTAL REQUIREMENTS	279,635,759	91,662,698	23,508,711	90,551,165	1,111,533	1.2%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS	3,867,354	(29,109)	(2,730,984)	(4,938,825)	(4,909,716)	-16866.42%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	85,669,023	81,772,560	(2,730,984)	84,587,468	2,814,909	3.4%
<i>Note: Numbers may not add due to rounding</i>						
DEBT SERVICE COVERAGE RATIO	1.81	1.83		1.67		

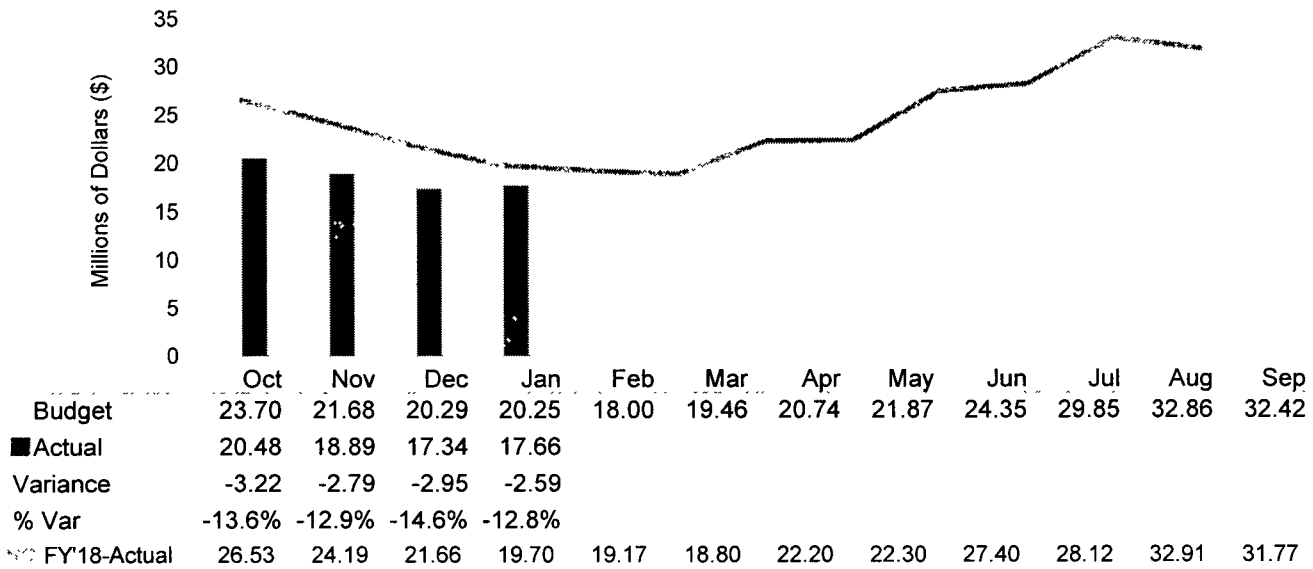
City of Austin, Texas
Austin Water
FUND SUMMARY - RECLAIMED
As of January 2019

	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	597,933	98,432	459,191	(138,742)	-23.2%
Interest	16,032	5,344	4,649	17,415	12,071	225.9%
Total Revenue	1,897,877	603,277	103,081	476,606	(126,671)	-21.0%
TRANSFERS IN						
CIP	0	0	0	0	0	0.0%
Austin Water Utility	4,000,000	1,333,332	333,300	1,333,600	268	0.0%
Total Transfers In	4,000,000	1,333,332	333,300	1,333,600	268	0.0%
TOTAL AVAILABLE FUNDS	5,897,877	1,936,609	436,381	1,810,206	(126,403)	-6.5%
PROGRAM REQUIREMENTS						
Reclaimed Water Services	571,388	193,624	37,796	184,634	8,990	4.6%
Other Utility Program Requirements	50,600	9,675	24	6,207	3,468	35.8%
Total Program Requirements	601,988	203,300	37,820	190,842	12,458	6.1%
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	1,267,984	251,701	1,125,673	142,311	11.2%
Commercial paper interest	29,445	9,815	3,854	14,185	(4,370)	-44.5%
Total Debt Service Requirements	3,689,664	1,277,799	255,555	1,139,858	137,941	10.8%
TRANSFERS						
Trf to Reclaimed Water CIP Fnd	1,000,000	318,000	73,000	318,000	0	0.0%
TRF Operating to Debt Defeasance	0	0	0	0	0	0.0%
Administrative Support	246,318	82,118	20,525	82,118	0	0.0%
Trf to General Fund	130,408	42,408	11,000	42,408	0	0.0%
Trf to CIP Mgm - CPM (5460)	160,362	53,442	13,365	53,442	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	556,193	117,890	556,193	0	0.0%
TOTAL REQUIREMENTS	5,898,893	2,037,291	411,276	1,886,892	150,399	7.4%
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE	(1,016)	(126,896)	25,105	(76,686)	50,210	-39.6%
ADJUSTMENT TO GAAP	0	0	0	0	0	0.0%
ENDING BALANCE	841,405	715,525	25,105	1,053,353	337,829	47.2%
<i>Note: Numbers may not add due to rounding</i>						
DEBT SERVICE COVERAGE RATIO	0.24	0.21	0.12	0.13		

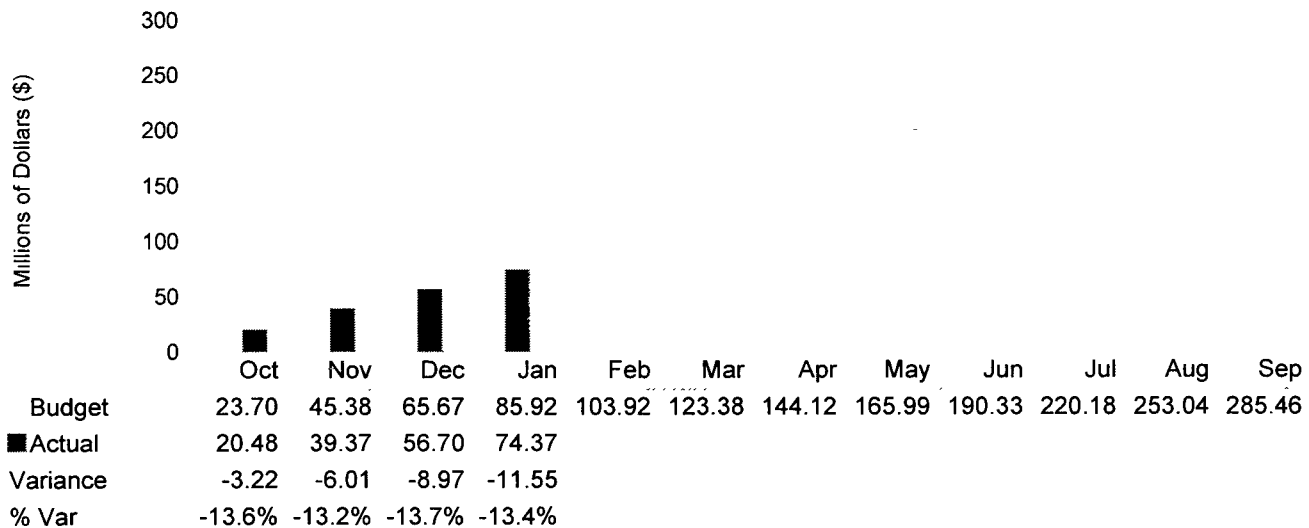
REVENUES

Water Service Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

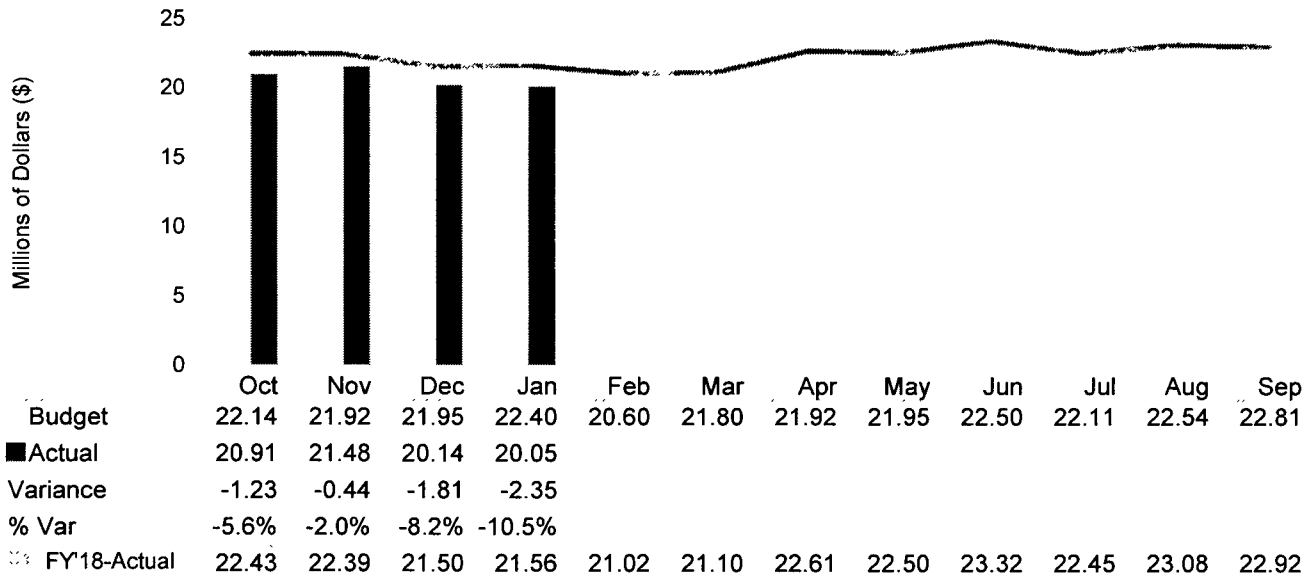


Water service revenues for January 2019 totaled \$17.66 million. This is \$2.59 million, or 12.8%, less than the budget allotment for the month. For the fiscal year, water service revenues totaled \$74.37 million, which is \$11.55 million, or 13.4% less than the budget allotment.

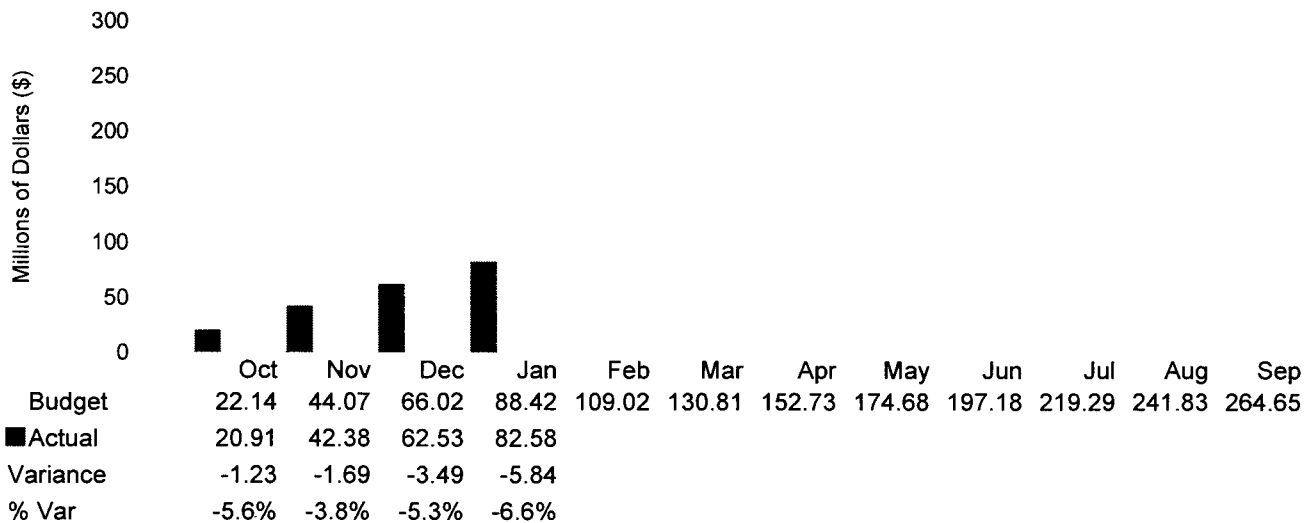
January 2019's billed water consumption totaled 2.41 BG, 0.66 BG (21.5%) lower than projected for the month. Year-to-date, billed water consumption of 11.26 BG is 2.13 BG (15.9%) lower than projected.

Wastewater Service Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

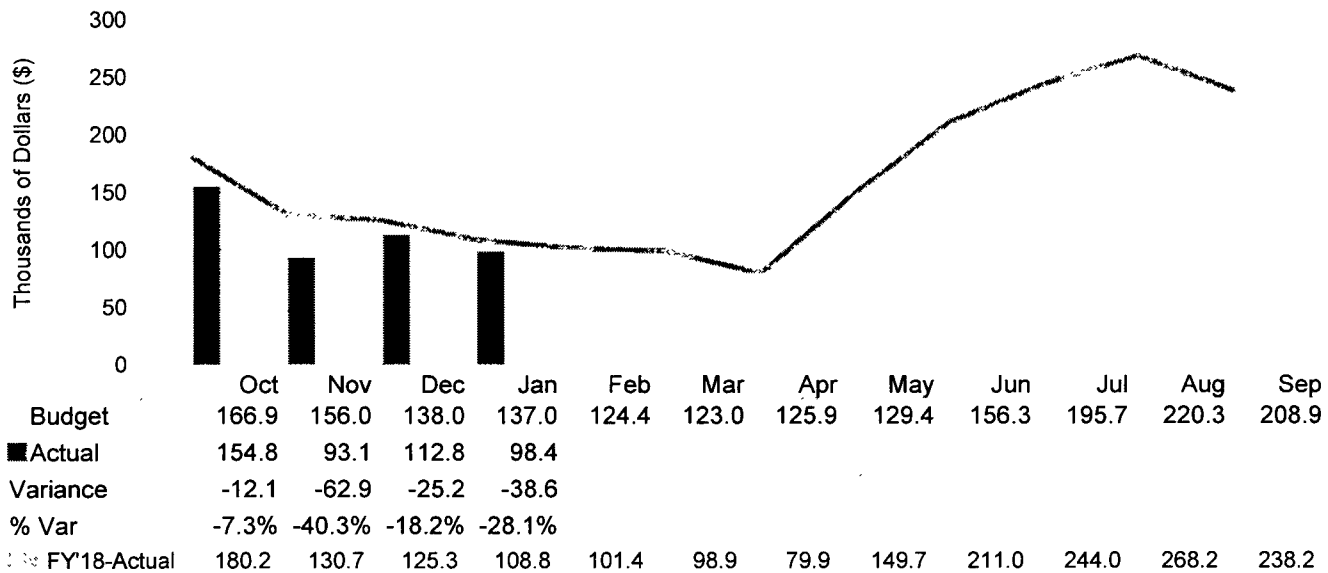


Wastewater service revenues for January 2019 totaled \$20.05 million. This is \$2.35 million, or 10.5% less than the budget allotment for the month. For the fiscal year, wastewater service revenues totaled \$82.58 million, which is \$5.84 million, or 6.6% less than the budget allotment.

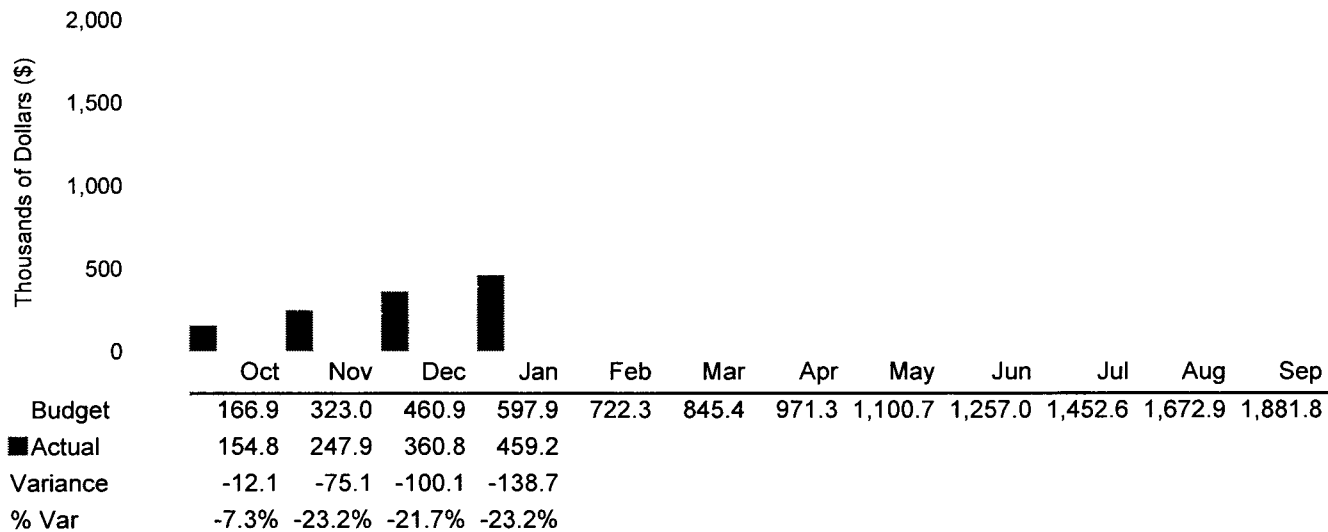
Wastewater bills are determined by each customer's actual water consumption for the month or wastewater winter average, whichever is lower, except for customers who have installed wastewater measuring devices.

Reclaimed Water Service Revenue

Monthly Actuals v. Budget

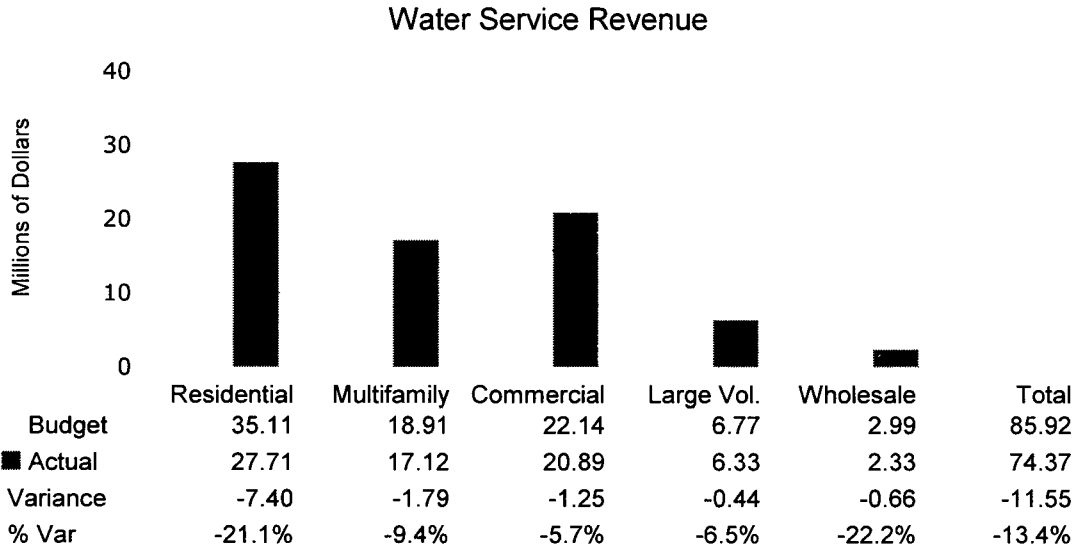


Year-to-Date Actuals v. Budget



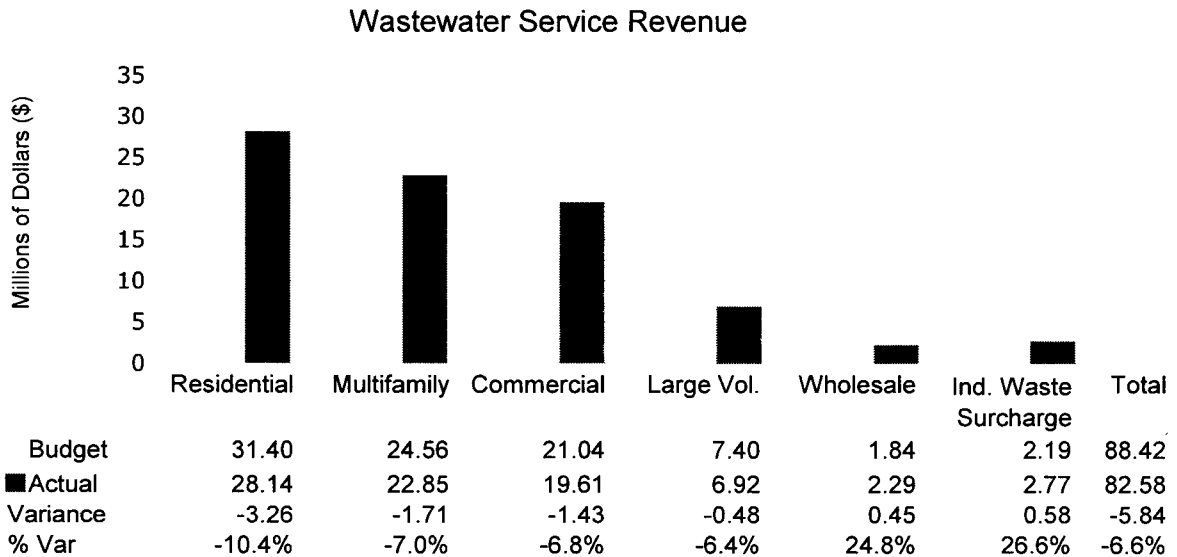
Reclaimed service revenues for January 2019 totaled \$98.4 thousand. This is \$39 thousand, or 28.1% less than the budget allotment for the month. For the fiscal year, reclaimed service revenues totaled \$459.2 thousands, which is \$138.7 thousand, or 23.2% less than the budget allotment.

Revenue by Customer Class Year-to-Date



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

All customer classes were below projections. Overall, water revenues are \$11.55 million (13.4%) lower than projected.

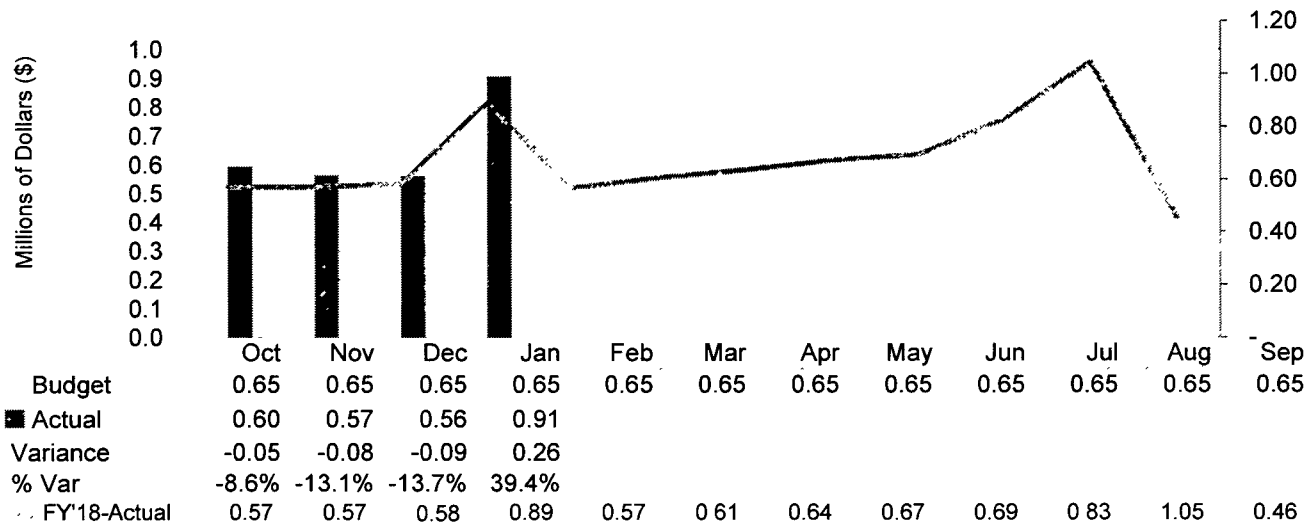


The graph above compares the budgeted and actual wastewater service revenues by customer class through January before any accounts receivable adjustments.

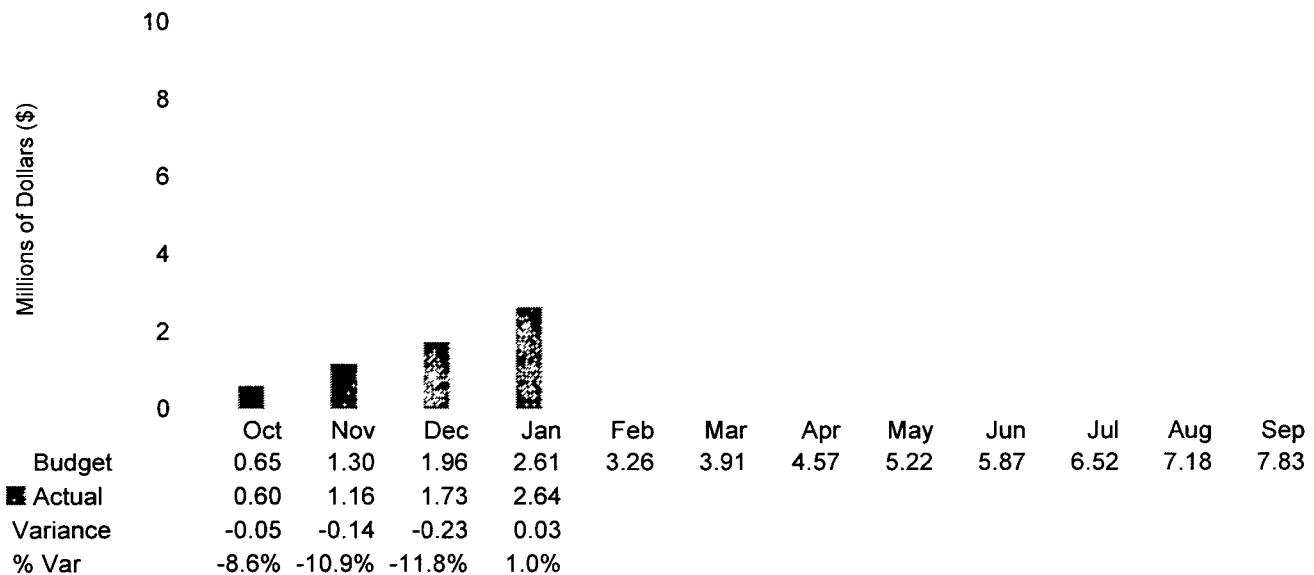
All customer classes were below projections except Wholesale and Industrial Waste Surcharge which was above by \$0.45 or 24.8% and \$0.58 or 26.6% respectively. Overall, wastewater revenues are \$5.84 million (6.6%) lower than projected.

Miscellaneous Revenue

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

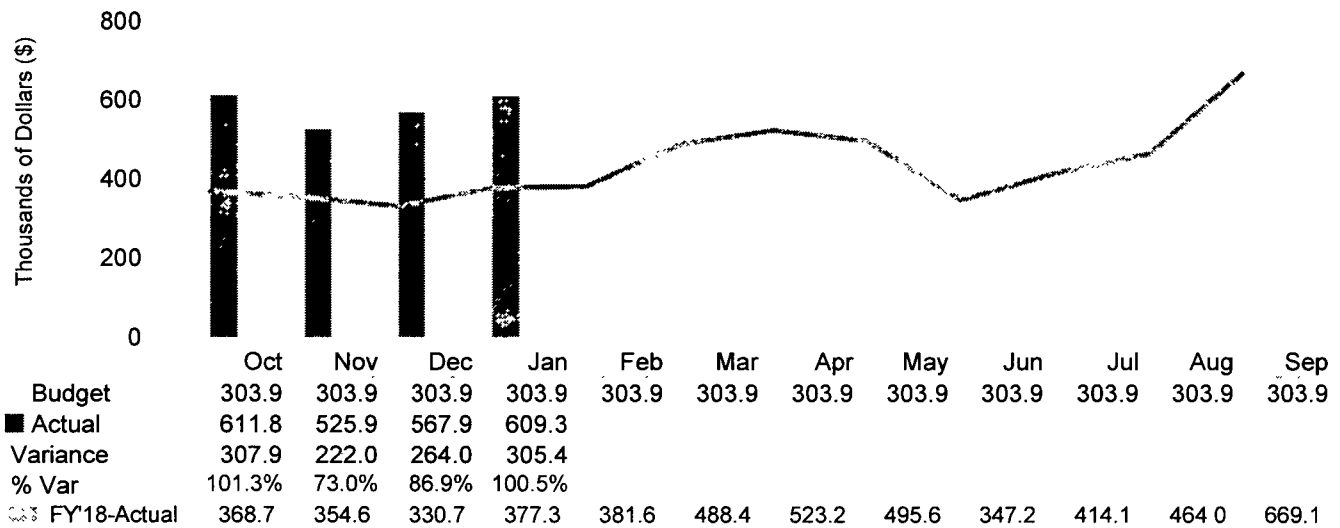


Miscellaneous revenues include revenue from sources other than water and wastewater services, such as late fees, fines and special billings. Miscellaneous revenues in January 2019 totaled \$0.91 million, \$0.26 million (39.4%), more than the budget allotment for the month.

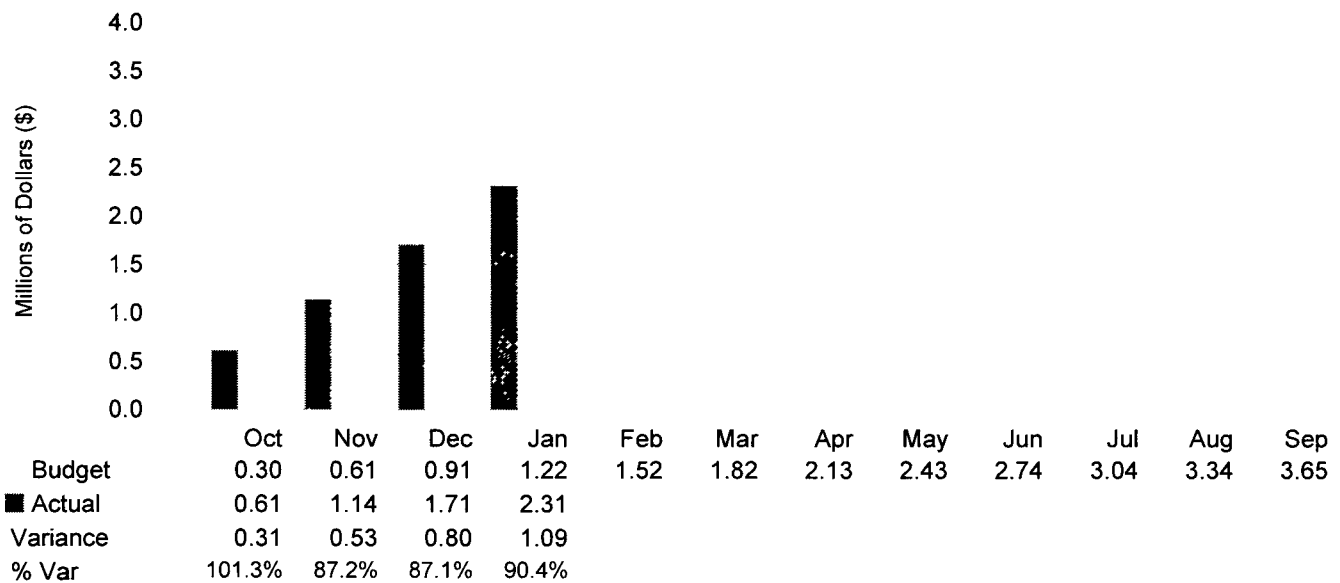
For the fiscal year, miscellaneous revenues totaled \$2.64 million, \$0.03 million (1%) more than the budget allotment.

Interest Income

Monthly Actuals v. Budget



Year-to-Date Actuals v. Budget

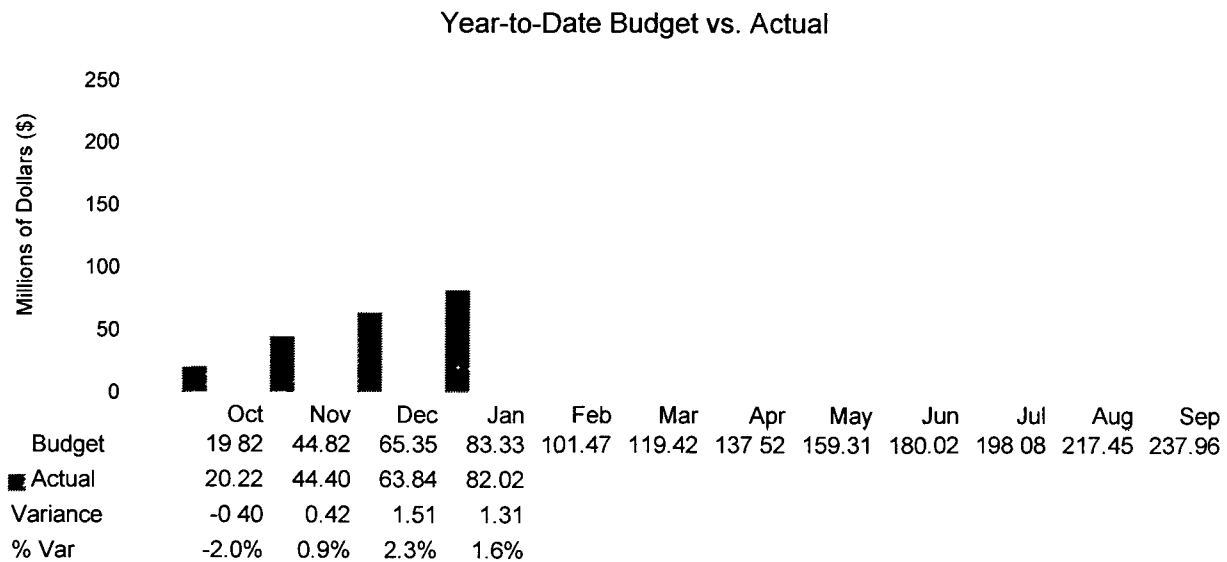
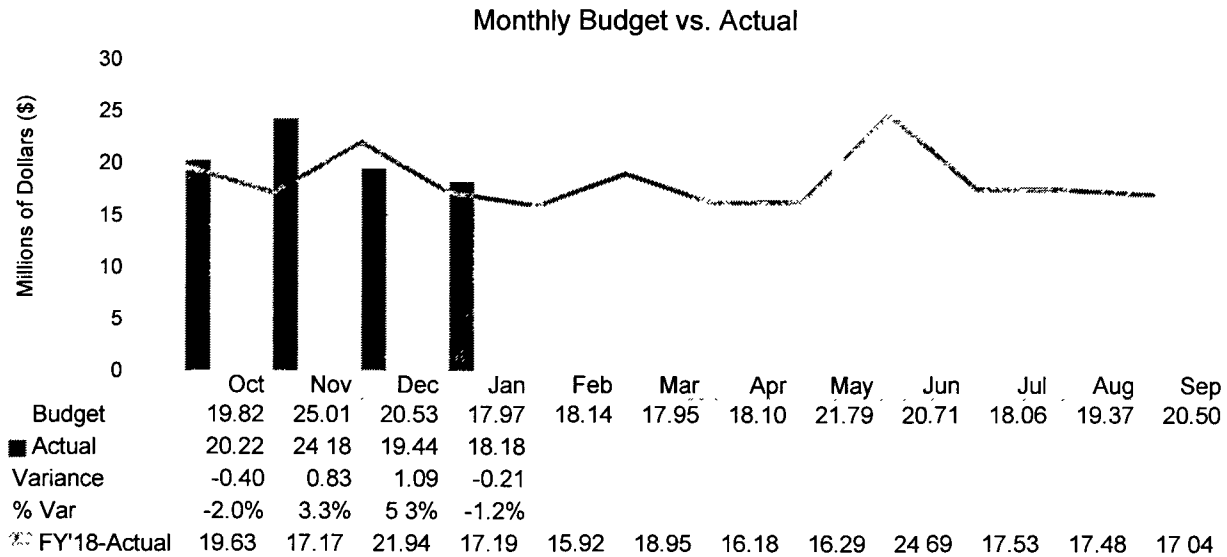


Interest income includes interest allocated from the City's Investment Pool, the Debt Service Fund, and the CIP funds. Combined interest income in January 2019 totaled \$609.3 thousand, \$305.4 thousand (100.5%), more than the budget allotment for the month. This is largely due to higher than projected interest rates and cash balances.

For the fiscal year, interest income totaled \$2.31 million, \$1.09 million (90.4%) more than the budget allotment.

OPERATING REQUIREMENTS

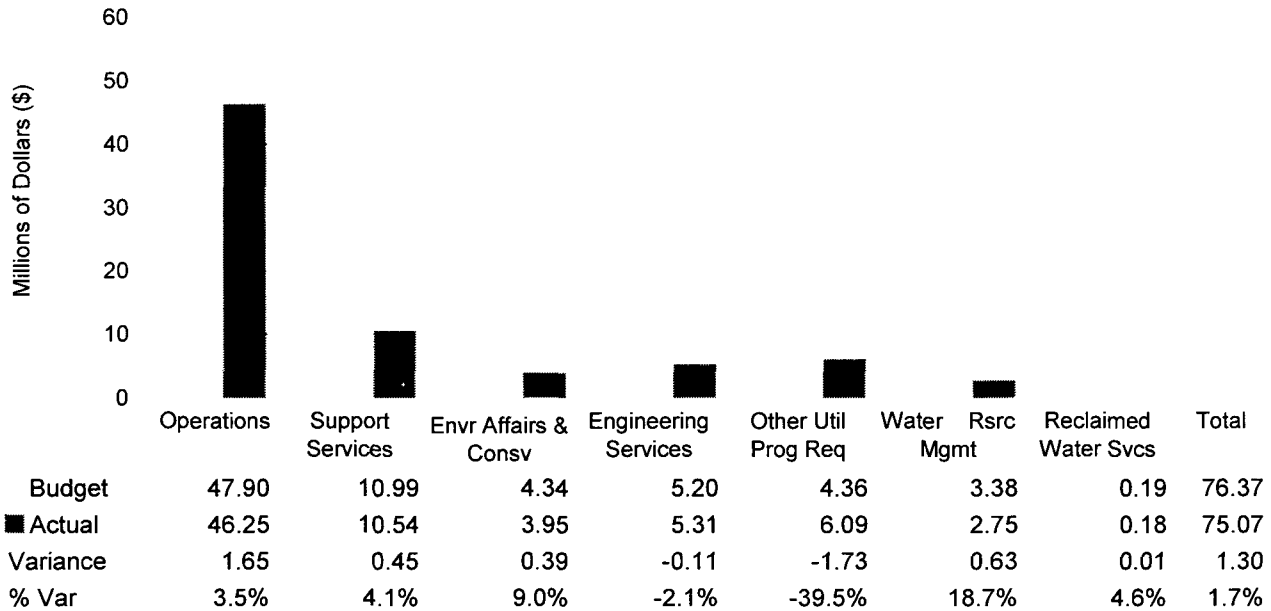
Program Operating and Other Requirement Expenses



Total Program Operating and Other Requirements for the fiscal year through January 2019 were \$42.56 million for Water, \$39.28 million for Wastewater, and \$0.19 million for Reclaimed. The combined Program Operating and Other Requirements of \$82.02 million were \$1.31 million, or 1.6% below the budget allotment.

Operating Program Expenditures Year-to-Date

Expenditures by Operating Program

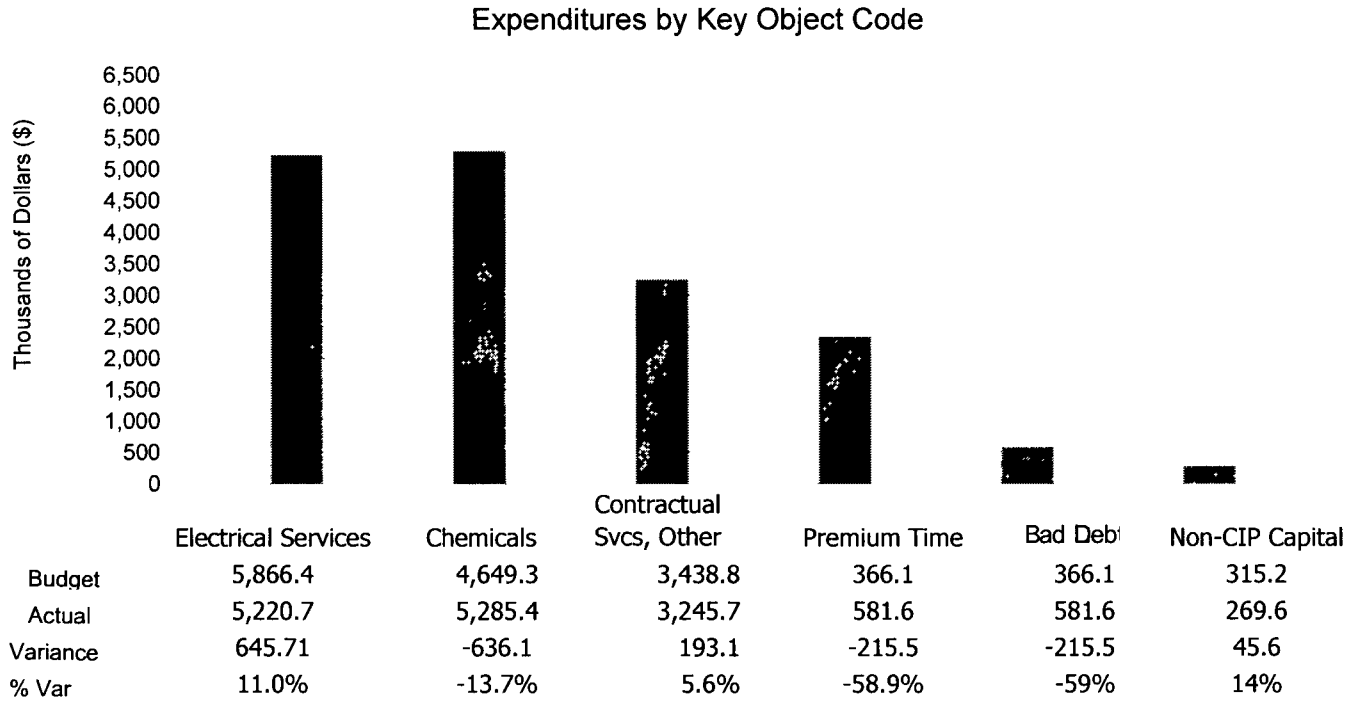


Total Operating Program Requirements as of January 31, 2019 were \$38.35 million for Water, \$36.53 million for Wastewater, and \$0.19 million for Reclaimed Water. The combined Program Operating Requirements of \$75.07 million were \$1.30 million or 1.7% below allotment.

Other Utility Program Requirements were \$1.73 million or 39.5% 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 \$0.63 million or 18.7% 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. The program area currently has five vacant positions.

Key Object Code Expenditures Year-to-Date



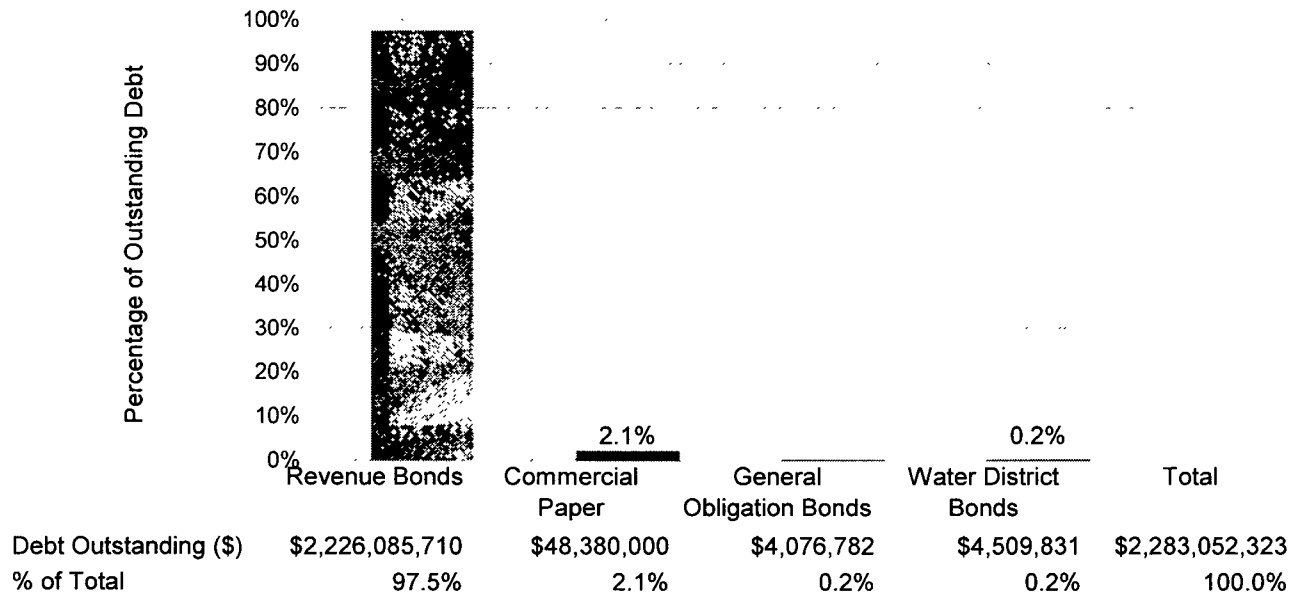
Chemicals were \$636.1 thousand or 13.7% above allotment due to higher than estimated spending in the Water Treatment and Wastewater Treatment Divisions. The flooding event in October required additional chemical use.

Electrical Services were \$645.7 thousand or 11.0% below allotment due to lower than estimated spending in the Pump Stations and Reservoir Maintenance and Lift Stations and Remote Facilities Divisions. Monthly electrical services can vary from month to month.

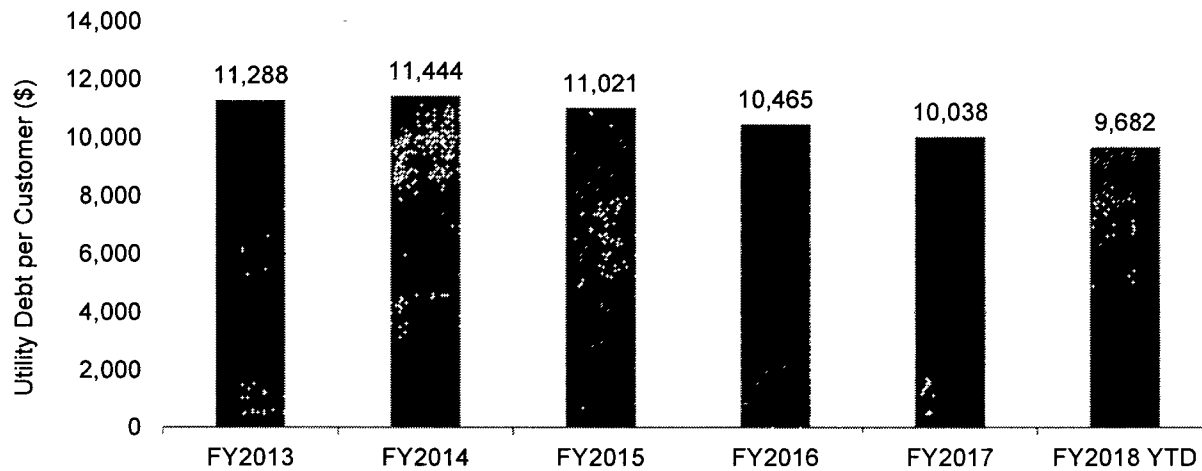
DEBT OUTSTANDING & DEBT SERVICE

Outstanding Utility Debt

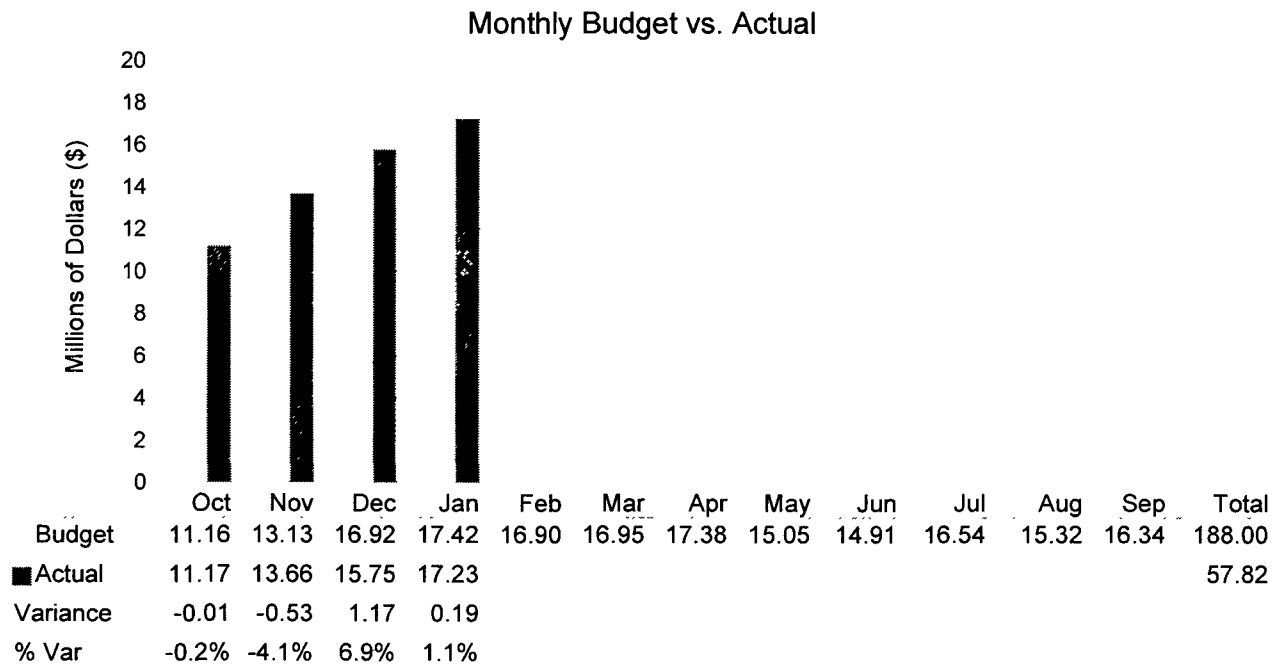
Debt Outstanding by Type



Utility Debt per Customer by Fiscal Year

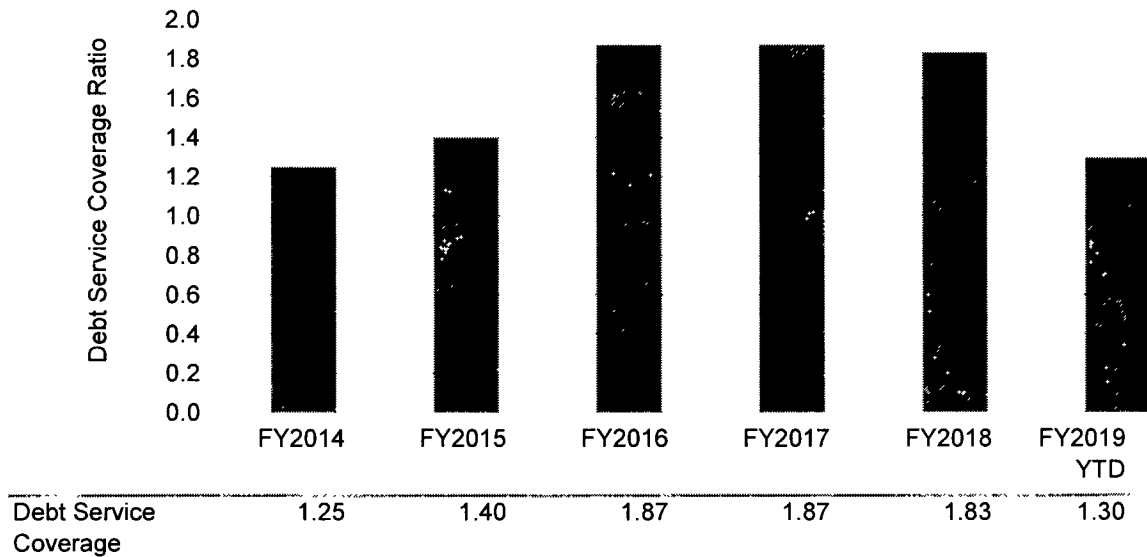


Combined Debt Service Requirement by Month



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 January 2019 was \$17.23 million, \$0.19 million less than projected for the month. Combined debt service for the fiscal year was \$57.82, \$0.8 million less or 1.4% than projected, primarily related to beginning debt fund balances, interest income, Build America Bonds (BABS) subsidy, and interest ratios on variable debt.

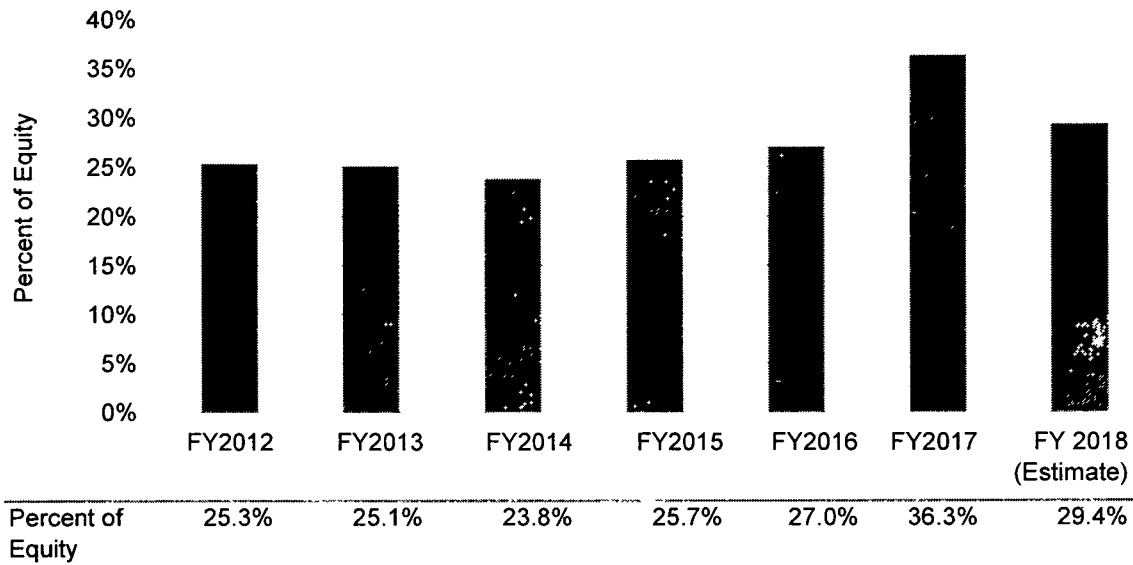
Debt Service Coverage



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.

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

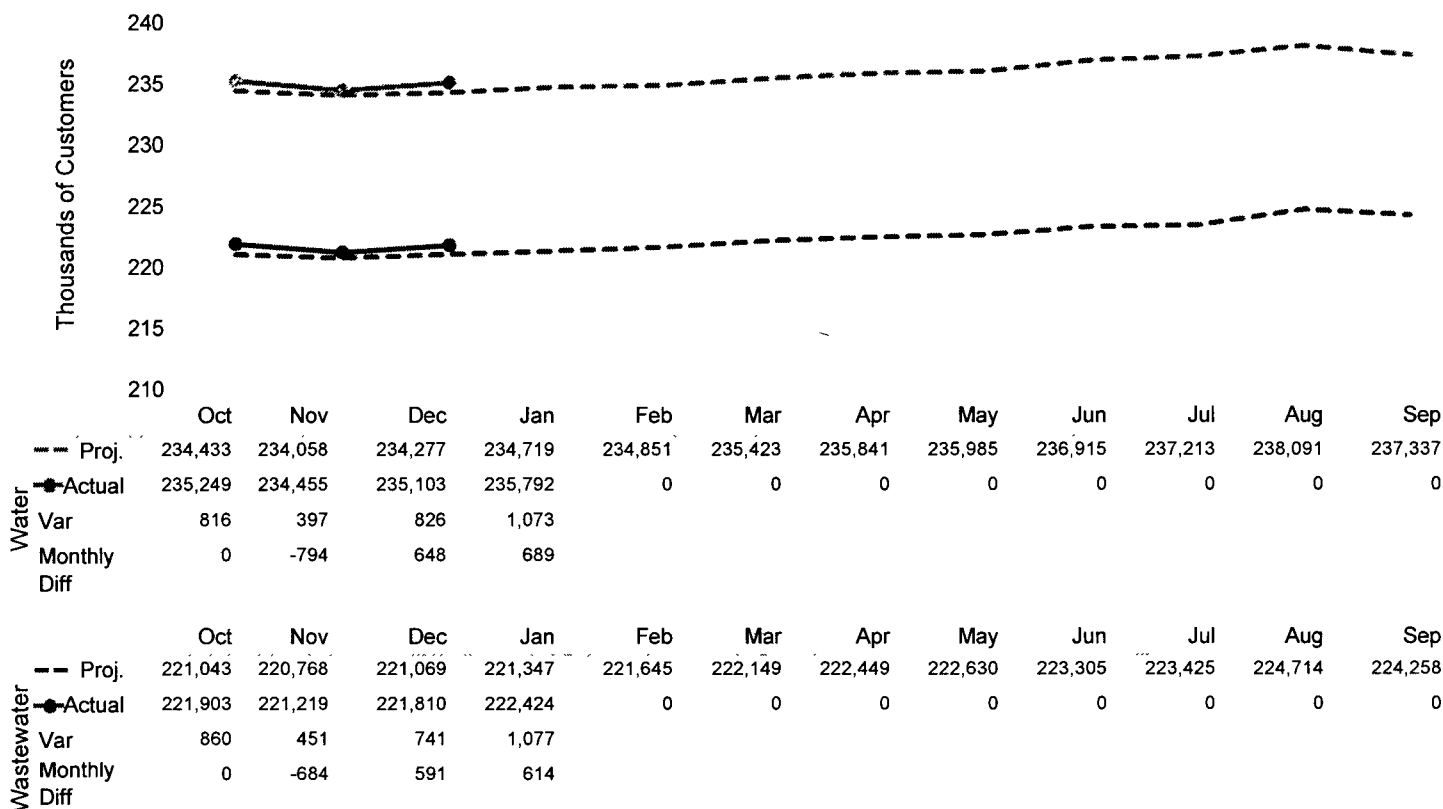


The Percent of Equity in Utility Systems is computed by dividing the combined utility system equity by the combined utility system costs, net of depreciation. The Percent of Equity is calculated based upon the audited financials from the Controller's Office.

CUSTOMER DEMAND CHARACTERISTICS

Number of Customers

Monthly Actual vs. Projections



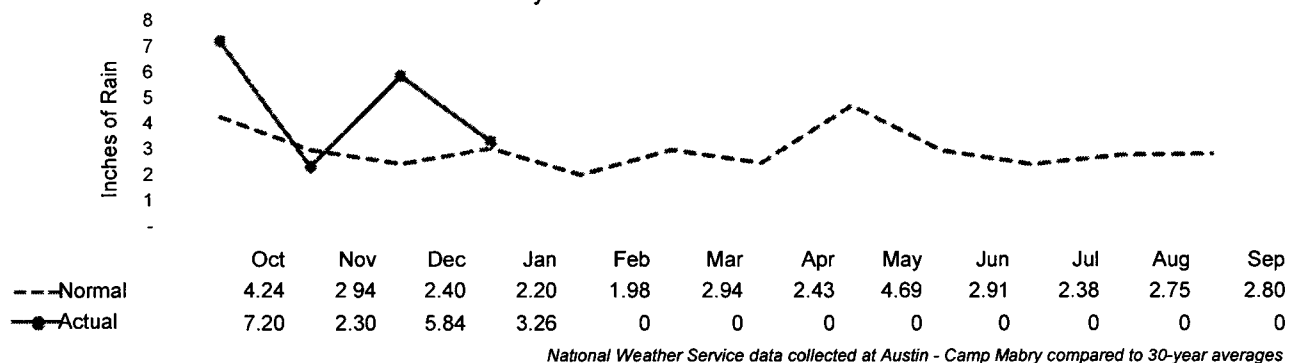
As of January 31, 2019, there were 235,792 water customers; which is 1,073 greater than projected. January 2018 there were 231,719 customers a year-over-year increase of 4,073 customers.

As of January 31, 2019, there were 222,424 wastewater customers; which is was 1,077 greater than projected. January 2018 there were 218,462 customer a year-over-year increase of 3,962 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.

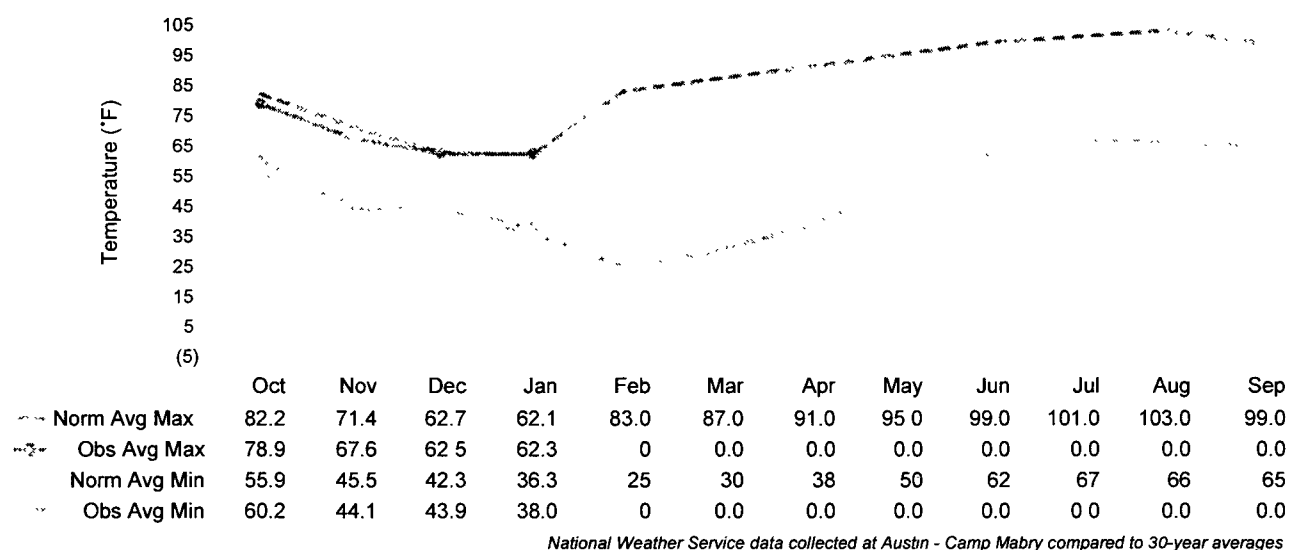
Rainfall and Average Temperatures by Month

Monthly Rainfall Actual vs. Normal



In January, 3.26 inches of rain fell, 1.06 inches above 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



January's average high temperature was above normal levels by 0.2 degrees and the average low was above normal levels by 1.7 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 99% of capacity.