



Austin Water

FY 2017 Proposed Budget

August 10, 2016 | City of Austin, Texas



Department Overview

Mission Statement: The mission of Austin Water is to provide safe, reliable, high quality, sustainable, and affordable water services to our customers so that all community needs for water are met.

Major Accomplishments

- Texas Living Waters' Inaugural Water Conservation Scorecard: Highest score amongst 300 utilities in the state for Water Conservation
- Improved bond ratings by rating agencies for Austin Water's financial outlook, from Negative to Stable
- Ullrich is one of only a handful of water plants in the nation to receive the Partnership for Safe Water's President Award for superior water quality

Service Areas
Treatment
Pipeline Operations
Environmental Affairs & Conservation
Engineering Services
Water Resources Management
Reclaimed Water Services
One Stop Shop
Support Services

Key Performance Data	FY 15 Actual	FY 16 Estimate	FY 17 Projected
Drinking Water Quality: Turbidity	0.08	0.1	0.1
Wastewater Quality: Carbonaceous Biochemical Oxygen Demand (CBOD)	2.19	3	3
Percent Invested in Capital Improvements Program (CIP) Projects compared to Planned Spending via the CIP Budget	65.74	90	80
Total pumpage per capita per day	122	123	123
Number of reportable wastewater overflows per 100 miles of wastewater lines per year	3.04	3	3
Percent of priority 1 leaks responded to within 3 hours	88.8	90	90
Credit rating for separate-lien water utility revenue bonds	AA	AA	AA

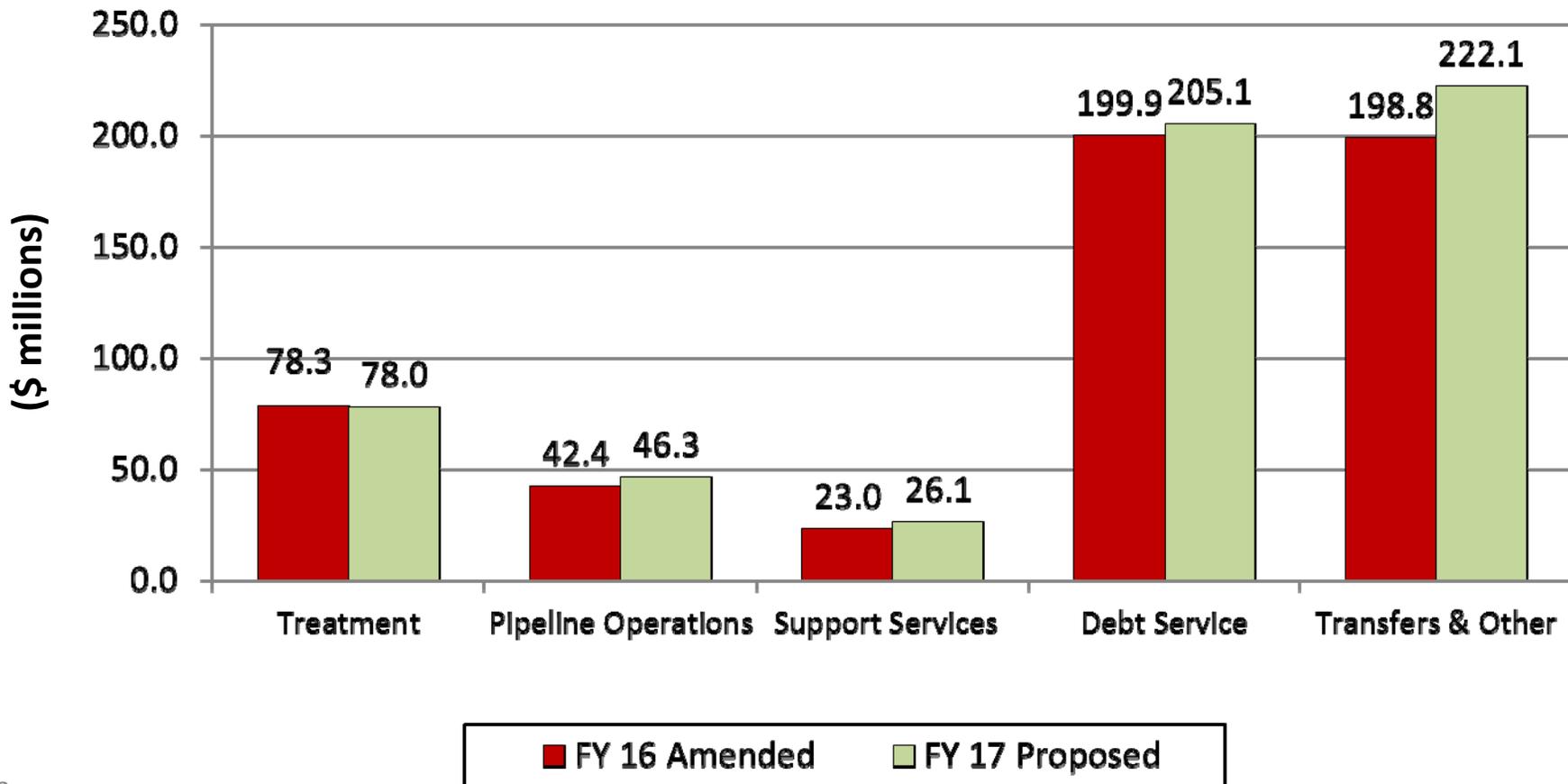
Uses of Funds

Department Expenditures:

FY 16 Amended: \$542.4 million

FY 17 Proposed: \$577.7 million

FY 2017 positions:
1,170.00



Budget Highlights

Changes from FY 2016

Description	Amount
20.5 new positions for a growing service area and customer base that has resulted in increasing workloads for operational and maintenance staff	\$2.0 million
2.0 new positions for the Expedited Plan Review Program	\$0
Increased operating fund cash transfer to CIP	\$10.7 million
Increased debt service requirements	\$5.2 million
Increased General Fund transfer	\$2.1 million
Increased Water Revenue Stability Reserve Fund transfer	\$0.1 million

➤ Vacancy Rate History

- FY15 Vacancy Rate: 5.8%
- FY16 Vacancy Rate: 4.6%, 53 positions vacant

Capital Highlights

FY 2017 Appropriation – \$545.2 million
FY 2017 Spending Plan – \$164.9 million

Category	Appropriation
Water Infrastructure Improvements	\$252.1 million
Wastewater Infrastructure Improvements	\$226.9 million
Reclaimed Infrastructure Improvements	\$62.1 million
Vehicles and equipment	\$4.1 million



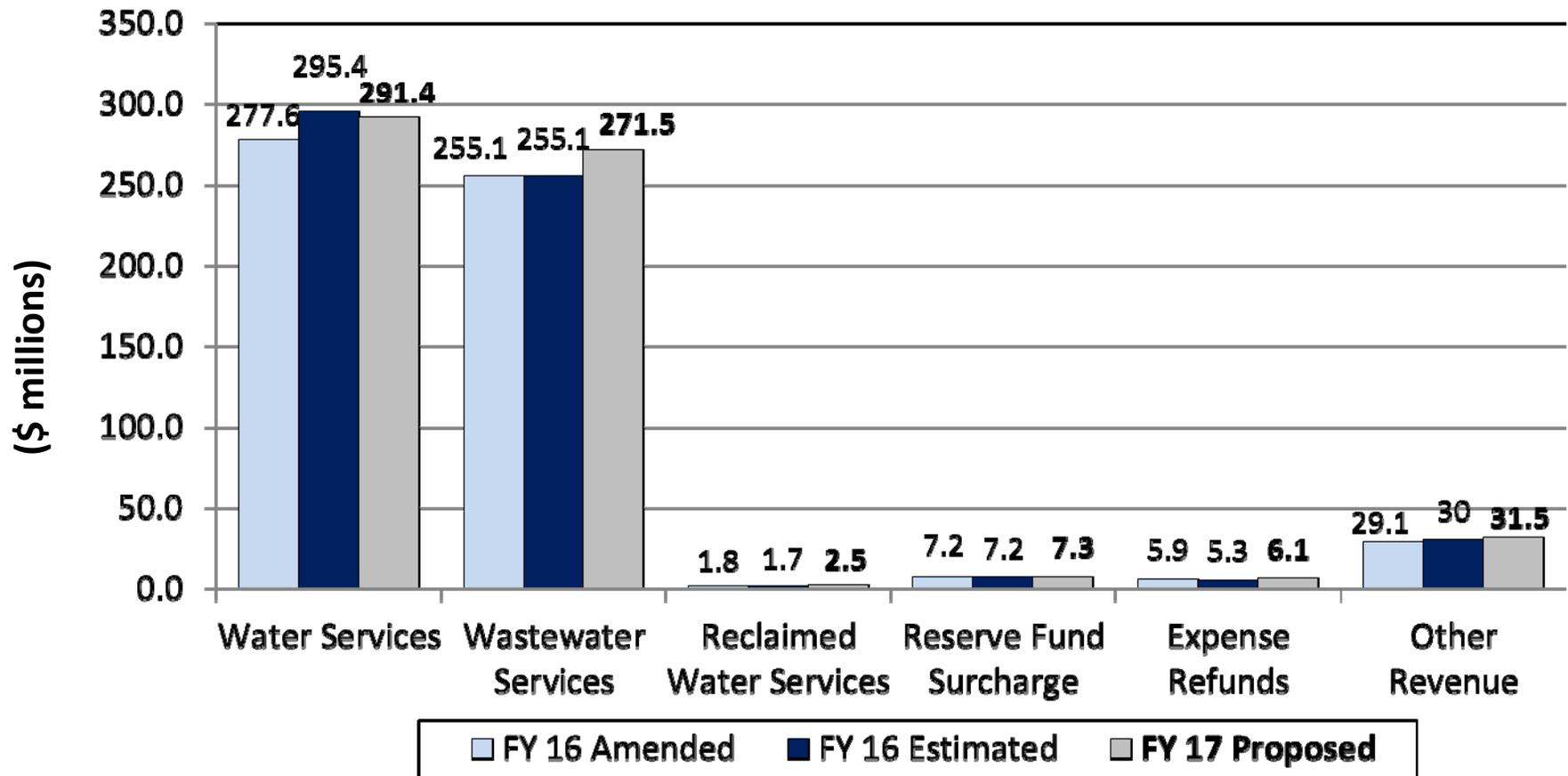
Sources of Funds

Department Revenue:

FY 16 Amended: \$576.7 million

FY 16 Estimated: \$594.7 million

FY 17 Proposed: \$610.3 million



Rate and Revenue Highlights

➤ Total Revenue is increasing by \$31.3 million over FY 2016 Amended Budget:

- Water Services 2.9% system-wide rate revenue increase
- Wastewater Services 3.0% system-wide rate revenue increase
- Reclaimed Water Services 10.0% system-wide rate revenue increase

➤ Reclaimed Water

- PARD rate proposed to be reduced (\$1.15 per 1,000 gallons)

Typical Residential Customer Bills 5,800 Gals. Water and 4,000 Gals. Wastewater	FY 2016 Rate	FY 2017 Proposed Rate	Monthly Change
Water Service	\$40.26	\$41.59	\$1.33
Wastewater Service	\$39.98	\$41.60	\$1.62
Total Revenue	\$80.24	\$83.19	\$2.95

Horizon Issues and Challenges

Looking Beyond FY 2017...

- **Water Supply Resiliency**
 - Long-range integrated water resource plan
- **Financial Stability**
 - A strong bond rating is critical to controlling debt financing costs
- **Sustainable Water Infrastructure**
 - Austin Water's infrastructure assets, such as our treatment facilities, storage tanks, water mains and sewer lines, are aging and deteriorating
- **Maintaining Service Levels for Growing Service Area**
- **Regulatory Requirements**

For More Information

Director

- Greg Meszaros, (512) 972-0108

Assistant
Director

- David Anders, (512) 972-0323

Media
Inquires

- AW PIO, (512) 972-0151

