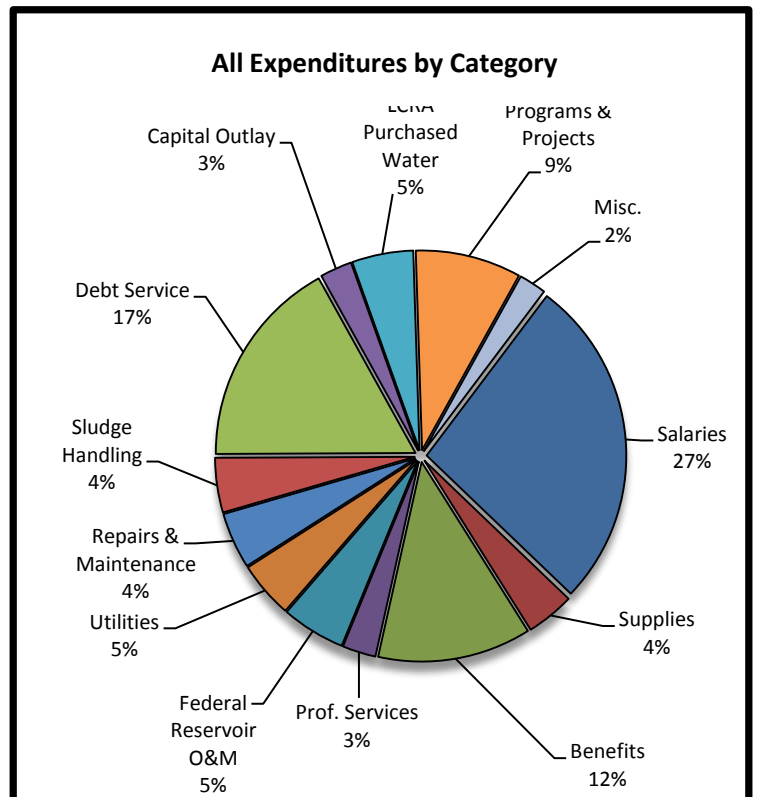
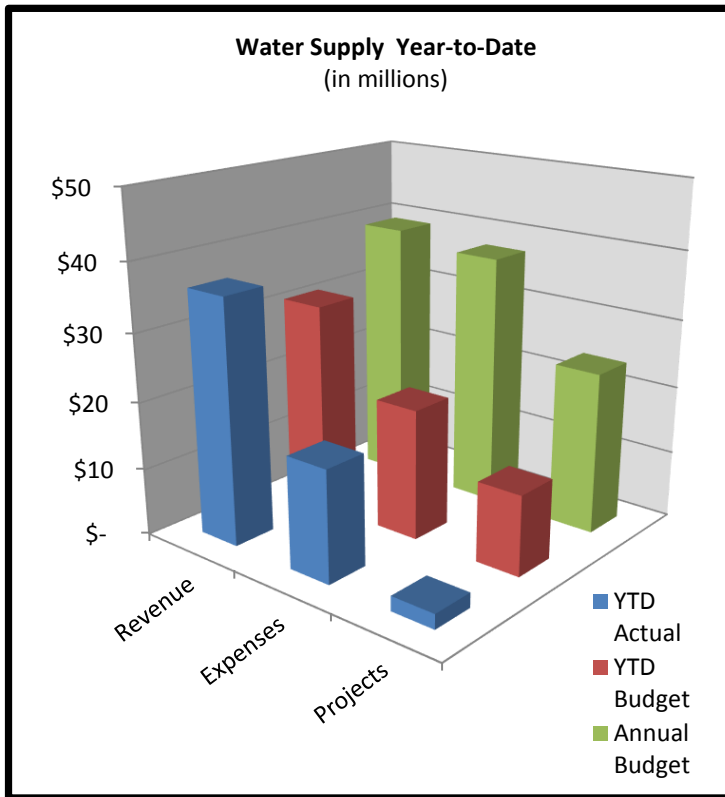




**BRAZOS RIVER AUTHORITY
SUMMARY
QUARTERLY BUDGET REPORT - 2nd QUARTER FY 2016
(in thousands)**

	Year-to Date			Annual Budget
	Budget	Actual	Variance	
<u>Water Supply</u>				
Beginning Working Capital	\$ 54,522	\$ 54,522	\$ -	\$ 54,522
Revenues	30,970	36,258	5,286	39,112
Less: Expenses	19,457	16,647	2,811	37,389
Less: Project Expenditures	460	288	172	920
Surplus/(Deficit)	11,053	19,323	8,268	803
Less: Capital Projects	11,520	1,938	9,582	23,061
Plus: Net Real Property	-	1,200	1,200	-
Ending Working Capital	\$ 54,055	\$ 73,107	\$ 19,052	\$ 32,264

<u>Cost Reimbursable</u>				
Revenues	\$ 8,176	\$ 8,900	\$ 724	\$ 16,566
Less: Expenses	8,284	6,818	1,466	16,566
Surplus/(Deficit)	\$ (108)	\$ 2,082	\$ 2,190	\$ -





**BRAZOS RIVER AUTHORITY
WATER SUPPLY OPERATIONS
QUARTERLY BUDGET REPORT - 2nd QUARTER FY 2016
(in thousands)**

	Year-to Date			Annual Budget
	Budget	Actual	Variance	
Beginning Working Capital	\$ 54,522	\$ 54,522	\$ -	\$ 54,522
Revenues				
Raw Water Sales - System	21,376	25,260	3,884	23,396
Raw Water Sales - Non-System	6,371	7,213	842	9,568
East Williamson County RWS	1,057	1,233	176	2,113
Sugar Land WW	1,061	1,025	(37)	2,122
Lake Operations	364	571	206	453
Grants - Operations only	228	257	29	457
Management Fees	273	235	(38)	546
Interest Income	214	288	74	428
Miscellaneous	26	176	150	29
Total Revenues	30,970	36,258	5,286	39,112
Operating Expenses				
<u>Upper Basin</u>				
Upper Basin Management	284	277	7	558
PK Lake	3,479	2,958	521	6,639
Lake Granbury	1,483	1,261	222	2,897
West Central Brazos WDS	738	223	515	1,487
<u>Central Basin</u>				
Central Basin Management	773	612	161	1,755
East Williamson County RWS	770	662	108	1,499
<u>Lower Basin</u>				
Lake Limestone	1,000	879	121	1,946
Sugar Land	1,089	1,024	65	2,120
Allens Creek	33	20	13	54
<u>Technical Services</u>				
Management	186	172	14	361
Construction	296	205	91	536
Water Services	448	381	67	873
Federal Reservoirs	4,148	3,418	730	8,347
Engineering	596	509	87	1,155
Environmental Services	799	721	78	1,537
Emergency, Safety & Compliance	145	132	13	279
<u>Planning Services</u>				
Planning & Development	108	106	2	214
<u>Central Services</u>				
Board of Directors	57	46	11	98
General Administration	261	259	2	506
Legal	292	268	24	569
Government & Customer Relations	438	427	11	856
Human Resources	336	293	43	663
Finance & Administration	838	830	8	1,607
Information Technology	1,128	1,101	27	2,183
Less: Central Services Allocated	(3,353)	(3,222)	(131)	(6,485)
Total Operating Expenses	16,372	13,562	2,811	32,254
Debt Service				
East Williamson County	2,109	2,108	-	2,542
Allens Creek	-	-	-	641
Federal Reservoirs	976	976	-	1,952
Project Expenditures	460	288	172	920
Total Expenses	19,917	16,935	2,983	38,309
Surplus/(Deficit) before CIP	11,053	19,323	8,268	803
Less: Capital Improvement Projects	11,520	1,938	9,582	23,061
Plus: Net Real Property	-	1,200	1,200	-
Ending Working Capital	\$ 54,055	\$ 73,107	\$ 19,052	\$ 32,264



BRAZOS RIVER AUTHORITY
COST REIMBURSABLE OPERATIONS
QUARTERLY BUDGET REPORT - 2nd QUARTER FY 2016
(in thousands)

	<u>Year to Date</u>			<u>Annual Budget</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	
Operating Revenues				
WCRRL	\$ 650	\$ 762	\$ 112	\$ 1,299
Temple-Belton	1,710	1,863	152	3,422
BCRWS	2,992	3,521	529	6,091
Hutto	435	508	73	975
Sandy Creek	660	587	(73)	1,320
Clute	393	458	66	785
Debt Service Revenues				
WCRRL	1,337	1,201	(136)	2,673
Total Revenues	8,176	8,900	724	16,566
Operating Expenses				
	<u>Central Basin</u>			
WCRRL	656	193	463	1,299
Temple-Belton	1,630	1,599	31	3,422
BCRWS	3,157	2,386	771	6,091
Hutto	441	326	115	975
Sandy Creek	664	636	28	1,320
	<u>Lower Basin</u>			
Clute	398	340	58	785
Debt Service Expenses				
WCRRL	1,337	1,337	(1)	2,673
Total Expenses	8,284	6,818	1,466	16,566
Surplus/(Deficit)	\$ (108)	\$ 2,082	\$ 2,190	\$ -



**BRAZOS RIVER AUTHORITY
DIRECTOR'S FEES AND EXPENSES
2ND QUARTER FY 2016**

	Year to Date			Total Annual Budget
	Budget	Actual	Variance	
Director Fees	\$ 11,750	\$ 11,590	\$ 160	\$ 22,725
Telephone/Communications	7,336	5,274	2,062	11,010
Professional Development	3,702	1,456	2,246	7,400
Transportation	11,190	9,028	2,162	22,375
Lodging	3,612	2,808	804	6,225
Meals	8,424	6,718	1,706	16,850
Materials & Supplies	5,500	5,489	11	6,250
Postage & Delivery	283	265	18	550
Bonds/Insurance	4,281	3,857	424	4,281
Rental	750	-	750	750
Total Directors' Expense	\$ 56,828	\$ 46,484	\$ 10,344	\$ 98,416



BRAZOS RIVER AUTHORITY
STATEMENTS OF NET POSITION
FEBRUARY 29, 2016 and FEBRUARY 28, 2015
(unaudited)
(in thousands)

	2016	2015
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS:		
UNRESTRICTED:		
Cash and cash equivalents	\$ 9,277	\$ 12,401
Investments	68,706	56,884
Accounts receivable	3,680	5,070
Other receivables	34	27
Other current assets	2,018	2,177
TOTAL UNRESTRICTED	83,715	76,559
RESTRICTED:		
Cash and cash equivalents	3,046	5,112
Investments	6,432	6,155
Interest	5	4
TOTAL RESTRICTED	9,483	11,271
TOTAL CURRENT ASSETS	93,198	87,830
NONCURRENT ASSETS:		
CAPITAL ASSETS:		
Land, storage and water rights	90,279	89,984
Reservoirs, water treatment & sewerage facilities	139,432	139,628
Building, structure & improvements	105,164	105,013
Vehicle, furniture & equipment	17,832	16,780
Construction in progress	30,299	28,166
TOTAL CAPITAL ASSETS	383,006	379,571
Less accumulated depreciation	(97,938)	(91,724)
NET CAPITAL ASSETS	285,068	287,847
OTHER NONCURRENT ASSETS:		
Net pension asset	274	-
Bond related costs	455	563
Other assets	1,841	1,926
TOTAL OTHER NONCURRENT ASSETS	2,570	2,489
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred amount on refunding	400	424
Pension Plans	2,505	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	2,905	424
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 383,741	\$ 378,590



BRAZOS RIVER AUTHORITY
STATEMENTS OF NET POSITION (continued)
FEBRUARY 29, 2016 and FEBRUARY 28, 2015
(unaudited)
(in thousands)

	2016	2015
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
CURRENT LIABILITIES:		
PAYABLE FROM CURRENT ASSETS:		
Accounts payable	\$ 3,317	\$ 7,437
Contracts payable	39	138
Accrued interest	213	190
Unearned revenues	3,420	6,606
TOTAL PAYABLE FROM CURRENT ASSETS	6,989	14,371
PAYABLE FROM RESTRICTED ASSETS:		
Accrued interest	676	900
Construction contracts payable	1,142	2,112
Other	500	476
TOTAL PAYABLE FROM RESTRICTED ASSETS	2,318	3,488
TOTAL CURRENT LIABILITIES	9,307	17,859
NONCURRENT LIABILITIES:		
Revenue bonds payable, net of current portion	70,466	72,520
Contracts payable, net of current portion	23,819	24,998
Net pension liability	8,081	-
Unearned revenues	406	451
Other liabilities	844	834
TOTAL NONCURRENT LIABILITIES	103,616	98,803
TOTAL LIABILITIES	112,923	116,662
DEFERRED INFLOWS OF RESOURCES	537	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	\$ 113,460	\$ 116,662
NET POSITION:		
Invested in capital assets	190,457	189,066
Restricted for construction and debt service	8,094	9,705
Unrestricted	71,730	63,157
TOTAL NET POSITION	\$ 270,281	\$ 261,928



BRAZOS RIVER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE THREE MONTHS ENDED
FEBRUARY 29, 2016 and FEBRUARY 28, 2015
(unaudited)
(in thousands)

OPERATING REVENUES:	2016	2015
Water Supply System:		
Raw water sales-non-system	\$ 7,213	\$ 6,855
Raw water sales-system	25,260	21,042
Treated water	1,233	1,233
Wastewater treatment	1,024	965
Lake operations	571	582
Grants	355	638
Other	544	511
Cost Reimbursable Operations:		
Water conveyance	1,989	1,869
Water treatment	584	610
Wastewater treatment	6,108	5,011
TOTAL OPERATING REVENUES	44,881	39,316
OPERATING EXPENSES:		
Personnel services	9,450	8,831
Materials and supplies	1,041	1,098
Utilities	1,267	2,278
Outside services	2,421	2,399
Repair and maintenance	1,228	1,112
Landfill and sludge hauling	1,221	992
Purchased water	1,290	1,242
Other	1,396	960
TOTAL OPERATING EXPENSES	19,314	18,912
OPERATING INCOME	25,567	20,404
NON-OPERATING REVENUES (EXPENSES):		
Investment income	293	245
Interest expense	(1,865)	(1,798)
Debt service - principal	(2,555)	(2,538)
Other expenses	(11)	(219)
TOTAL NET NON-OPERATING EXPENSES	(2,936)	(4,285)
INCOME BEFORE CONTRIBUTIONS	22,631	16,119
Capital contributions	343	819
CHANGE IN NET POSITION	22,974	16,938
NET POSITION, BEGINNING	247,307	244,990
NET POSITION, ENDING	\$ 270,281	\$ 261,928



**BRAZOS RIVER AUTHORITY
PROGRAMS AND PROJECTS
QUARTERLY BUDGET REPORT - 2ND QUARTER FY 2016**

	FY 2016 Annual Budget			FY 2016 Year to Date Actual				Inception to Date		
	Bonds, Grants, Other Expenditures	BRA Reserves Expenditures	Total Annual Budget	Bonds, Grants, Other Expenditures	BRA Reserves Expenditures	Total Actual Expenditures	Budget vs. Actual Variance	Budget	Actual	Balance
Water Supply System Programs										
Corps of Engineers Pool Rise Feasibility	\$ -	\$ 179	\$ 179	\$ -	\$ 111	\$ 111	\$ 68	\$ 1,216	\$ 877	\$ 338
IT Board Room Projector Replacement	-	65	65	-	2	2	63	65	2	63
IT Clearwell E-Discovery Software	-	100	100	-	91	91	9	100	91	9
PK Rec Development-Public Use	-	52	52	-	-	-	52	872	-	872
PK Rec Development-Scenic Cove	-	149	149	-	1	1	147	364	206	159
Reservoir Volumetric Surveys	-	260	260	-	72	72	188	3,016	241	2,775
Duck Creek Aquatic Life Assessment	52	-	52	16	1	17	35	104	17	87
East Williamson County WWTP Study	25	-	25	-	-	-	25	175	-	175
HB 1437 No Net Loss	100	100	200	-	-	-	200	200	-	200
Lower Basin Floodplain Protection Study, Phase I	552	8	560	168	8	176	384	1,066	649	418
Lower Basin Floodplain Protection Study, Phase II	255	7	263	-	-	-	263	550	-	550
Total Water Supply Programs	\$ 984	\$ 920	\$ 1,904	\$ 184	\$ 288	\$ 472	\$ 1,433	\$ 7,729	\$ 2,083	\$ 5,646
Water Supply System Projects										
Upper Basin										
Graham Flood Control	\$ -	\$ 1,649	\$ 1,649	\$ -	\$ -	\$ -	\$ 1,649	\$ 6,840	\$ 5,191	\$ 1,649
DeCordova Bend Trolley Replacement	-	1,067	1,067	-	16	16	1,052	1,544	272	1,272
PK Dam 12-inch Waterline	1	4,750	4,750	-	387	387	4,363	5,008	645	4,363
PK Buttress Corbels & Deck Panels	-	802	802	-	96	96	706	1,364	263	1,102
PK COC Tailrace Access Platforms	-	74	74	-	14	14	60	274	76	199
DeCordova Bend Dam Improvements-Low Flow Facilities	-	657	657	-	27	27	630	4,689	3,739	950
PK Property Management Study	-	60	60	-	13	13	47	3,600	3,490	110
Lake Granbury Admin Office Expansion	-	246	246	-	170	170	76	265	261	4
Lake Granbury Maint Bldg Expansion	-	194	194	-	98	98	96	208	197	12
PK Hearth & Bank Erosion Repair	-	150	150	-	1	1	149	1,484	669	815
PK RSMU Waterline Replace	2	550	550	-	86	86	464	597	134	464
PK Spillway Gate Coating Containment System	-	500	500	-	-	-	500	500	-	500
LG Reinforced Concrete Components	-	205	205	-	14	14	191	1,103	17	1,086
PK RSMU Access Road Chip Seal	-	144	144	-	20	20	124	144	20	124
LG Inspection Walkway Lighting	-	81	81	-	-	-	80	1,425	68	1,357
LG Road Repair	-	75	75	-	-	-	75	472	-	472
PK Dam Spillway Pump & Piping	-	50	50	-	8	8	42	765	8	757
LG Fishing Pier Replacement	-	40	40	-	-	-	40	231	-	231
PK Dam Operating Pier Trash Rack Replacement	-	40	40	-	3	3	37	425	3	422
LG Tainter Gates Trans Sys Mods.	-	39	39	-	-	-	39	1,226	-	1,226
Saltcedar Assessment	-	30	30	-	-	-	30	605	-	605
PK Dam Spillway Gate Actuator Replacement	-	26	26	-	-	-	26	391	-	391
Subtotal - Upper Basin Projects	\$ -	\$ 11,429	\$ 11,429	\$ -	\$ 953	\$ 953	\$ 10,476	\$ 33,162	\$ 15,052	\$ 18,110
Central Basin										
Groundwater Study/Evaluation	\$ -	\$ 25	\$ 25	\$ -	\$ -	\$ -	\$ 25	\$ 757	\$ 732	\$ 25
Trinity Groundwater	-	2,906	2,906	1,019	121	1,140	1,766	29,864	2,562	27,302
Williamson County Sludge Disposal Study	123	50	173	-	-	-	173	173	-	173
Aquilla Creek Instream Flow Data Assessment	-	10	10	-	-	-	10	142	-	142
Lake Granger/Groundwater Intake	3	45	45	-	9	9	36	19,407	19,042	366
Subtotal - Central Basin Projects	\$ 123	\$ 3,036	\$ 3,159	\$ 1,019	\$ 130	\$ 1,149	\$ 2,010	\$ 50,344	\$ 22,336	\$ 28,009



**BRAZOS RIVER AUTHORITY
PROGRAMS AND PROJECTS
QUARTERLY BUDGET REPORT - 2ND QUARTER FY 2016**

	FY 2016 Annual Budget			FY 2016 Year to Date Actual				Inception to Date			
	Bonds, Grants, Other Expenditures	BRA Reserves Expenditures	Total Annual Budget	Bonds, Grants, Other Expenditures	BRA Reserves Expenditures	Total Actual Expenditures	Budget vs. Actual Variance	Budget	Actual	Balance	
Lower Basin											
Allens Creek Reservoir (BRA Portion)	\$ -	\$ 2,727	\$ 2,727	\$ -	\$ 20	\$ 20	\$ 2,707	\$ 74,696	\$ 7,233	\$ 67,463	
LL Dam Tainter Gate Repairs	-	289	289	-	(5)	(5)	294	1,832	496	1,335	
LL Dam Hydrostatic Relief	-	260	260	-	95	95	165	410	196	214	
LL Dam Stoplog Hoist	-	100	100	-	1	1	99	2,070	3	2,067	
LL Dam Tainter Gate Power	-	100	100	-	3	3	97	1,926	7	1,919	
LL Dam Low Flow Facility	-	100	100	-	4	4	96	2,363	6	2,357	
LL Emergency Personnel Retrieval	-	100	100	-	-	-	100	683	-	683	
LL Stilling Basin Dewatering Design and Construction	-	200	200	-	-	-	200	285	-	285	
Subtotal - Lower Basin Projects	\$ -	\$ 3,876	\$ 3,876	\$ -	\$ 117	\$ 117	\$ 3,759	\$ 84,263	\$ 7,941	\$ 76,322	
Basin Wide											
Central Office HVAC/Flooring/Bldg Automation	\$ -	\$ 1,060	\$ 1,060	\$ -	\$ -	\$ -	\$ 1,059	\$ 2,218	\$ 74	\$ 2,144	
Enterprise Financial Software	-	811	811	-	-	-	811	860	49	811	
Lab Management Software Replacement	-	212	212	-	75	75	137	269	138	131	
Potential Future Water Management Strategies	-	500	500	-	-	-	500	5,005	5	5,000	
System Permit Application	-	1,691	1,691	6	250	256	1,435	25,303	15,576	9,726	
CO Parking Lot Paving	-	18	18	-	5	5	12	330	5	325	
Brazos Basin Watermaster	4	430	430	-	408	408	22	430	408	2	
Subtotal - Basin Wide Projects	\$ -	\$ 4,721	\$ 4,721	\$ 6	\$ 738	\$ 744	\$ 3,977	\$ 34,394	\$ 16,256	\$ 18,139	
Total Water Supply Projects	\$ 123	\$ 23,061	\$ 23,185	\$ 1,025	\$ 1,938	\$ 2,963	\$ 20,221	\$ 202,163	\$ 61,584	\$ 140,579	
Cost Reimbursable Projects											
WCRRWL Phase II Pumping	5	35	-	35	-	(228)	(228)	263	8,218	7,799	419
Total Cost Reimbursable Projects	\$ 35	\$ -	\$ 35	\$ -	\$ (228)	\$ (228)	\$ 263	\$ 8,218	\$ 7,799	\$ 419	

Notes

- 1) PK Dam 12 inch Waterline - On October 26, 2015 the Board of Directors approved an amendment of \$3,750,000 to the Fiscal Year 2016 budget.
- 2) PK RSMU Waterline replacement - On October 26, 2015 the Board of Directors approved an amendment of \$93,328 to the Fiscal Year 2016 budget.
- 3) Lake Granger/Groundwater Intake - On October 26, 2015 the Board of Directors approved an amendment of \$45,000 to the Fiscal Year 2016 budget.
- 4) Brazos Basin Watermaster - On January 25, 2016 the Board of Directors approved an amendment of \$20,000 to the Fiscal Year 2016 budget.
- 5) WCRRWL Phase II Pumps - On October 26, 2015 the Board of Directors approved an amendment of \$35,000 to the Fiscal Year 2016 budget.



BRAZOS RIVER AUTHORITY
ACCOUNTS RECEIVABLE AGING REPORT
as of March 31, 2016
(in thousands)

Type	CURRENT	1-30 DAYS	31-60 DAYS	61-90 DAYS	91-120 DAYS	OVER 120 DAYS	TOTALS
Water Sales:							
Long Term System Contracts	\$ 152	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 153
Utility Contracts	22						22
Interruptible Water Contracts			4				4
Lake Operations:							
Commercial Leases & Docks				1			1
Special-Use Leases						22	22
PK Water Permits & Mooring				3			3
LL Water Permits				1			1
LG Water Permits & Applic.Fees				7			7
Fed. Res. Water Permits							
Water Treatment:							
Central Basin	1,151						1,151
Lower Basin	230						230
	<u>\$ 1,555</u>	<u>\$ 1</u>	<u>\$ 4</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 1,595</u>

Lake Operations:

Costello Island - Commercial Dock	1
Residential Water Permits (155 customers)	<u>12</u>
	<u><u>13</u></u>

Special Use Lease

Cholla Petroleum Inc. (Disputed well drilling billing - settlement pending)	<u><u>22</u></u>
--	------------------

Water Sales:

Short Term Interruptible Water

Laguna Vista LTD	<u><u>4</u></u>
------------------	-----------------

Long Term System Contracts

Jerry Glaze (Ag Customer)	<u><u>1</u></u>
---------------------------	-----------------