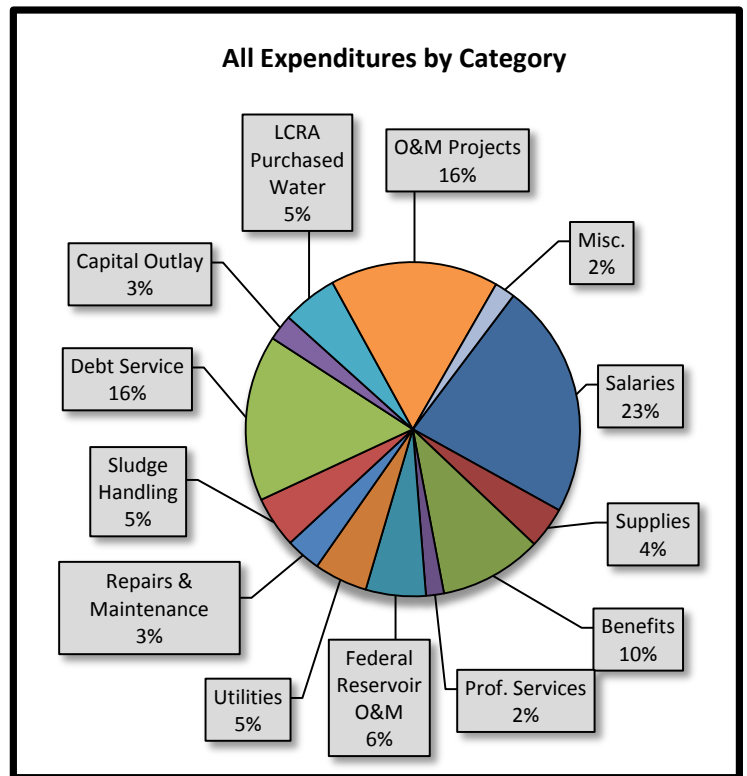
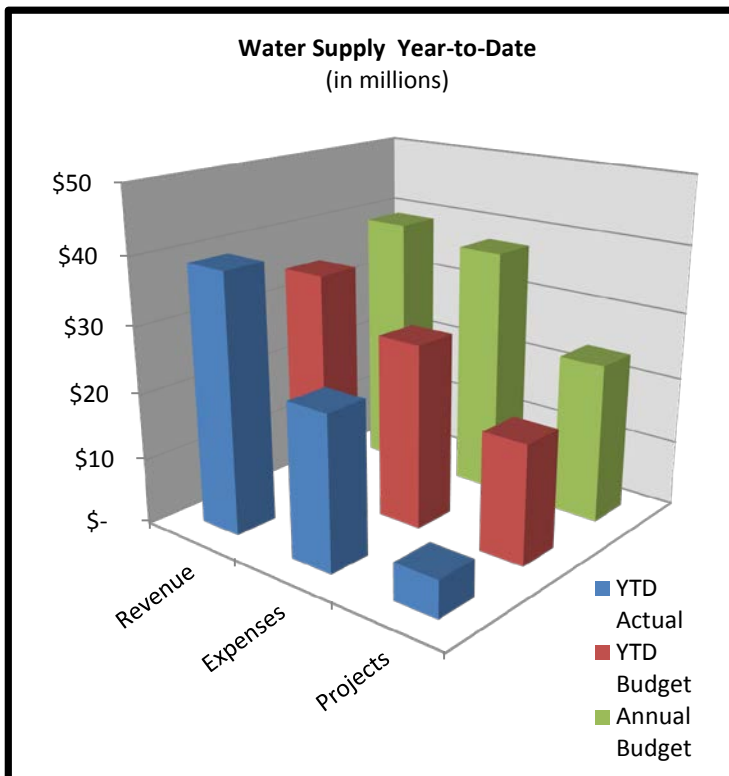




**BRAZOS RIVER AUTHORITY
SUMMARY
QUARTERLY BUDGET REPORT - 3rd QUARTER FY 2016
(in thousands)**

	Year-to Date			Annual Budget
	Budget	Actual	Variance	
Water Supply				
Beginning Working Capital	\$ 54,522	\$ 54,522	\$ -	\$ 54,522
Revenues	34,614	38,963	4,348	39,112
Less: Expenses	27,812	23,194	4,619	37,389
Less: Project Expenditures	690	405	285	920
Surplus/(Deficit)	6,112	15,364	9,252	803
Less: Capital Projects	17,281	5,241	12,040	23,111
Plus: Net Real Property	-	11,270	11,270	-
Ending Working Capital	\$ 43,353	\$ 75,915	\$ 32,562	\$ 32,214

Cost Reimbursable				
Revenues	\$ 12,265	\$ 13,094	\$ 829	\$ 16,354
Less: Expenses	12,280	10,155	2,125	16,503
Surplus/(Deficit)	\$ (15)	\$ 2,939	\$ 2,954	\$ (149)





BRAZOS RIVER AUTHORITY
WATER SUPPLY OPERATIONS
QUARTERLY BUDGET REPORT - 3rd 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	22,769	26,410	3,641	23,396
Raw Water Sales - Non-System	7,178	7,626	448	9,568
East Williamson County RWS	1,585	1,761	176	2,113
Sugar Land WW	1,592	1,534	(59)	2,122
Lake Operations	389	342	(47)	453
Grants - Operations only	342	385	42	457
Management Fees	410	347	(63)	546
Interest Income	321	466	145	428
Miscellaneous	28	92	65	29
Total Revenues	34,614	38,963	4,348	39,112
Operating Expenses				
<u>Upper Basin</u>				
Upper Basin Management	421	413	8	558
PK Lake	5,054	4,380	674	6,639
Lake Granbury	2,190	1,822	368	2,897
West Central Brazos WDS	1,105	227	878	1,487
<u>Central Basin</u>				
Central Basin Management	1,404	834	570	1,755
East Williamson County RWS	1,134	937	197	1,499
<u>Lower Basin</u>				
Lake Limestone	1,473	1,266	207	1,946
Sugar Land	1,605	1,517	88	2,120
Allens Creek	43	32	11	54
<u>Technical Services</u>				
Management	274	258	16	361
Construction	416	297	119	536
Water Services	661	577	84	873
Federal Reservoirs	6,248	4,919	1,329	8,347
Engineering	875	712	163	1,155
Environmental Services	1,168	1,081	87	1,537
Emergency, Safety & Compliance	212	190	22	279
<u>Planning Services</u>				
Planning & Development	161	157	4	214
<u>Central Services</u>				
Board of Directors	76	63	13	98
General Administration	383	380	3	506
Legal	431	413	18	569
Government & Customer Relations	647	621	26	856
Human Resources	500	467	33	663
Finance & Administration	1,222	1,169	53	1,607
Information Technology	1,656	1,640	16	2,183
Less: Central Services Allocated	(4,918)	(4,751)	(167)	(6,485)
Total Operating Expenses	24,441	19,621	4,821	32,254
Debt Service				
East Williamson County	1,907	2,108	(202)	2,542
Allens Creek	-	-	-	641
Federal Reservoirs	1,464	1,464	-	1,952
Project Expenditures	690	405	285	920

	Total Expenses	28,502	23,599	4,904	38,309
Surplus/(Deficit) before CIP		6,112	15,364	9,252	803
Less: Capital Improvement Projects		17,281	5,241	12,040	23,111
Plus: Net Real Property		-	11,270	11,270	-
Ending Working Capital		\$ 43,353	\$ 75,915	\$ 32,562	\$ 32,214



BRAZOS RIVER AUTHORITY
COST REIMBURSABLE OPERATIONS
QUARTERLY BUDGET REPORT - 3rd 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				
WCRRWL	\$ 974	\$ 1,083	\$ 108	\$ 1,299
Temple-Belton	2,566	2,640	74	3,422
BCRWS	4,488	5,064	576	5,864
Hutto	653	726	74	870
Sandy Creek	990	836	(154)	1,320
Clute	589	655	66	785
Debt Service Revenues				
WCRRWL	2,005	2,090	85	2,673
Total Revenues	12,265	13,094	829	16,354
Operating Expenses				
	<u>Central Basin</u>			
WCRRWL	978	239	739	1,299
Temple-Belton	2,411	2,262	150	3,193
BCRWS	4,646	3,799	848	6,138
Hutto	656	477	179	975
Sandy Creek	992	890	102	1,320
	<u>Lower Basin</u>			
Clute	592	482	110	785
Debt Service Expenses				
WCRRWL	2,005	2,006	(1)	2,673
Total Expenses	12,280	10,155	2,125	16,503
Surplus/(Deficit)	\$ (15)	\$ 2,939	\$ 2,954	\$ (149)



**BRAZOS RIVER AUTHORITY
DIRECTOR'S FEES AND EXPENSES
3RD QUARTER FY 2016**

	Year to Date			Total Annual Budget
	Budget	Actual	Variance	
Director Fees	\$ 17,046	\$ 14,890	\$ 2,156	\$ 22,725
Telephone/Communications	9,172	7,914	1,258	11,010
Professional Development	5,553	2,640	2,913	7,400
Transportation	13,413	12,182	1,232	22,375
Lodging	5,418	5,256	162	6,225
Meals	12,636	10,046	2,590	16,850
Materials & Supplies	6,000	5,959	41	6,250
Postage & Delivery	475	454	21	550
Bonds/Insurance	5,227	4,047	1,180	4,281
Rental	1,125	-	1,125	750
Total Directors' Expense	\$ 76,065	\$ 63,388	\$ 12,677	\$ 98,416



BRAZOS RIVER AUTHORITY
STATEMENTS OF NET POSITION
MAY 31, 2016 and 2015
(unaudited)
(in thousands)

	2016	2015
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS:		
UNRESTRICTED:		
Cash and cash equivalents	\$ 16,196	\$ 8,408
Investments	66,737	55,897
Accounts receivable	3,741	5,569
Other receivables	41	32
Other current assets	1,437	1,686
TOTAL UNRESTRICTED	88,152	71,592
RESTRICTED:		
Cash and cash equivalents	4,703	6,156
Investments	6,445	6,165
Interest	5	4
TOTAL RESTRICTED	11,153	12,325
TOTAL CURRENT ASSETS	99,305	83,917
NONCURRENT ASSETS:		
CAPITAL ASSETS:		
Land, storage and water rights	90,249	89,971
Reservoirs, water treatment & sewerage facilities	139,432	139,424
Building, structure & improvements	105,179	105,013
Vehicle, furniture & equipment	17,971	17,109
Construction in progress	33,594	28,906
TOTAL CAPITAL ASSETS	386,425	380,423
Less accumulated depreciation	(98,337)	(91,937)
NET CAPITAL ASSETS	288,088	288,486
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	\$ 392,868	\$ 375,316



BRAZOS RIVER AUTHORITY
STATEMENTS OF NET POSITION (continued)
MAY 31, 2016 and 2015
(unaudited)
(in thousands)

	2016	2015
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
CURRENT LIABILITIES:		
PAYABLE FROM CURRENT ASSETS:		
Accounts payable	\$ 4,217	\$ 4,437
Contracts payable	39	38
Accrued interest	424	273
Unearned revenues	3,457	6,670
TOTAL PAYABLE FROM CURRENT ASSETS	8,137	11,418
PAYABLE FROM RESTRICTED ASSETS:		
Accrued interest	1,173	969
Construction contracts payable	1,147	2,113
Other	501	476
TOTAL PAYABLE FROM RESTRICTED ASSETS	2,821	3,558
TOTAL CURRENT LIABILITIES	10,958	14,976
NONCURRENT LIABILITIES:		
Revenue bonds payable, net of current portion	70,467	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	103,617	98,803
TOTAL LIABILITIES	114,575	113,779
DEFERRED INFLOWS OF RESOURCES	538	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	\$ 115,113	\$ 113,779
NET POSITION:		
Invested in capital assets	193,471	189,804
Restricted for construction and debt service	9,055	10,607
Unrestricted	75,229	61,126
TOTAL NET POSITION	\$ 277,755	\$ 261,537



BRAZOS RIVER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE THREE MONTHS ENDED
MAY 31, 2016 and 2015
(unaudited)
(in thousands)

OPERATING REVENUES:	2016	2015
Water Supply System:		
Raw water sales-non-system	\$ 7,626	\$ 7,769
Raw water sales-system	26,410	22,501
Treated water	1,761	1,761
Wastewater treatment	1,534	1,484
Lake operations	342	650
Grants	521	904
Other	772	753
Cost Reimbursable Operations:		
Water conveyance	3,211	2,858
Water treatment	833	872
Wastewater treatment	8,704	7,134
TOTAL OPERATING REVENUES	51,714	46,686
 OPERATING EXPENSES:		
Personnel services	13,850	13,211
Materials and supplies	1,556	1,554
Utilities	2,001	2,958
Outside services	3,407	3,512
Repair and maintenance	1,657	1,556
Landfill and sludge hauling	1,850	1,612
Purchased water	1,856	1,926
Other	1,717	1,156
TOTAL OPERATING EXPENSES	27,894	27,485
 OPERATING INCOME	 23,820	 19,201
 NON-OPERATING REVENUES (EXPENSES):		
Investment income	475	368
Gain on sale of capital assets	11,381	1,693
Interest expense	(2,573)	(2,416)
Debt service - principal	(3,003)	(2,999)
Other expenses	(23)	(221)
TOTAL NET NON-OPERATING EXPENSES	6,257	(3,575)
 INCOME BEFORE CONTRIBUTIONS	 30,077	 15,626
Capital contributions	371	921
 CHANGE IN NET POSITION	 30,448	 16,547
NET POSITION, BEGINNING	247,307	244,990
NET POSITION, ENDING	\$ 277,755	\$ 261,537



**BRAZOS RIVER AUTHORITY
PROGRAMS AND PROJECTS
QUARTERLY BUDGET REPORT - 3RD 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	\$ -	\$ 117	\$ 117	\$ 62	\$ 1,216	\$ 883	\$ 332
IT Board Room Projector Replacement	-	65	65	-	2	2	63	65	2	63
IT Clearwell E-Discovery Software	-	100	100	-	100	100	-	100	100	-
PK Rec Development-Public Use	-	52	52	-	-	-	52	872	-	872
PK Rec Development-Scenic Cove	-	149	149	-	99	99	49	364	304	61
Reservoir Volumetric Surveys	-	260	260	-	72	72	188	3,016	241	2,775
Duck Creek Aquatic Life Assessment	52	-	52	31	2	33	18	104	33	71
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	215	11	226	334	1,066	698	368
Lower Basin Floodplain Protection Study, Phase II	255	7	263	1	1	2	261	550	2	548
Total Water Supply Programs	\$ 984	\$ 920	\$ 1,904	\$ 247	\$ 405	\$ 652	\$ 1,252	\$ 7,729	\$ 2,264	\$ 5,465
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	-	74	74	993	1,544	331	1,213
PK Dam 12-inch Waterline	1	4,750	4,750	-	2,742	2,742	2,008	5,008	3,000	2,008
PK Buttress Corbels & Deck Panels	-	802	802	-	135	135	667	1,364	302	1,062
PK COC Tailrace Access Platforms	-	74	74	-	17	17	57	274	79	195
DeCordova Bend Dam Improvements-Low Flow Facilities	-	657	657	-	(97)	(97)	755	4,689	3,614	1,075
PK Property Management Study	-	60	60	-	11	11	49	3,600	3,488	112
Lake Granbury Admin Office Expansion	-	246	246	-	171	171	75	265	262	3
Lake Granbury Maint Bldg Expansion	-	194	194	-	99	99	95	208	198	11
PK Hearth & Bank Erosion Repair	-	150	150	-	17	17	133	1,484	685	799
PK RSMU Waterline Replace	2	550	550	-	392	392	158	597	440	158
PK Spillway Gate Coating Containment System	-	500	500	-	5	5	495	500	5	495
LG Reinforced Concrete Components	-	205	205	-	19	19	186	1,103	22	1,081
PK RSMU Access Road Chip Seal	-	144	144	-	99	99	45	144	99	45
LG Inspection Walkway Lighting	-	81	81	-	1	1	80	1,425	68	1,357
LG Road Repair	-	75	75	-	11	11	64	472	11	461
PK Dam Spillway Pump & Piping	-	50	50	-	23	23	27	765	23	742
LG Fishing Pier Replacement	-	40	40	-	29	29	11	231	29	202
PK Dam Operating Pier Trash Rack Replacement	-	40	40	-	17	17	23	425	17	408
LG Tainter Gates Trans Sys Mods.	-	39	39	-	-	-	39	1,226	-	1,226
Salcedar Assessment	-	30	30	-	18	18	12	605	18	587
PK Dam Spillway Gate Actuator Replacement	-	26	26	-	-	-	26	391	-	391
Subtotal - Upper Basin Projects	\$ -	\$ 11,429	\$ 11,429	\$ -	\$ 3,783	\$ 3,783	\$ 7,645	\$ 33,162	\$ 17,882	\$ 15,279
Central Basin										
Groundwater Study/Evaluation	\$ -	\$ 25	\$ 25	\$ -	\$ 10	\$ 10	\$ 15	\$ 757	\$ 742	\$ 15
Trinity Groundwater	-	2,906	2,906	913	323	1,236	1,669	29,864	2,658	27,206
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	-	26	26	19	19,407	19,059	348
Subtotal - Central Basin Projects	\$ 123	\$ 3,036	\$ 3,159	\$ 913	\$ 359	\$ 1,272	\$ 1,887	\$ 50,344	\$ 22,459	\$ 27,885



**BRAZOS RIVER AUTHORITY
PROGRAMS AND PROJECTS
QUARTERLY BUDGET REPORT - 3RD 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	\$ -	\$ 45	\$ 45	\$ 2,682	\$ 74,696	\$ 7,258	\$ 67,437	
LL Dam Tainter Gate Repairs	-	289	289	-	9	9	280	1,832	511	1,321	
LL Dam Hydrostatic Relief	-	260	260	-	126	126	134	410	228	182	
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	-	5	5	95	2,363	7	2,356	
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	\$ -	\$ 190	\$ 190	\$ 3,686	\$ 84,263	\$ 8,013	\$ 76,250	
Basin Wide											
Central Office HVAC/Flooring/Bldg Automation	\$ -	\$ 1,060	\$ 1,060	\$ -	\$ 3	\$ 3	\$ 1,057	\$ 2,218	\$ 76	\$ 2,142	
Enterprise Financial Software	-	811	811	-	1	1	810	860	50	810	
Lab Management Software Replacement	-	212	212	-	135	135	77	269	198	70	
Potential Future Water Management Strategies	-	500	500	-	-	-	500	5,005	5	5,000	
System Permit Application	-	1,691	1,691	10	334	344	1,347	25,303	15,664	9,638	
CO Parking Lot Paving	-	18	18	-	12	12	6	330	12	318	
Brazos Basin Watermaster	4	-	430	430	-	424	6	430	424	6	
Freshwater Mussel Rapid Risk Assessment	6	-	50	50	-	-	50	425	-	425	
Subtotal - Basin Wide Projects	\$ -	\$ 4,771	\$ 4,771	\$ 10	\$ 909	\$ 919	\$ 3,852	\$ 34,839	\$ 16,430	\$ 18,409	
Total Water Supply Projects	\$ 123	\$ 23,111	\$ 23,235	\$ 924	\$ 5,241	\$ 6,164	\$ 17,070	\$ 202,608	\$ 64,785	\$ 137,823	
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.
- 6) Freshwater Mussel Rapid Risk Assessment - On April 25, 2016 the Board of Directors approved an amendment of \$50,000 to the Fiscal Year 2016 budget



BRAZOS RIVER AUTHORITY
ACCOUNTS RECEIVABLE AGING REPORT
 as of June 30, 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	\$ 119	\$ 12	\$ -	\$ -	\$ -	\$ -	\$ 131
Utility Contracts	22						22
LT-CPI Based	106						106
Lake Operations:							
Special-Use Leases						22	22
Water Treatment:							
Central Basin	1,001						1,001
Lower Basin	240						240
	<u>\$ 1,488</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 1,522</u>

Special Use Lease

Cholla Petroleum Inc.

(Disputed well drilling billing - settlement pending)

22

Water Sales:

Long Term System Contracts

Double Diamond Inc.

White Bluff POA

6

6

12