

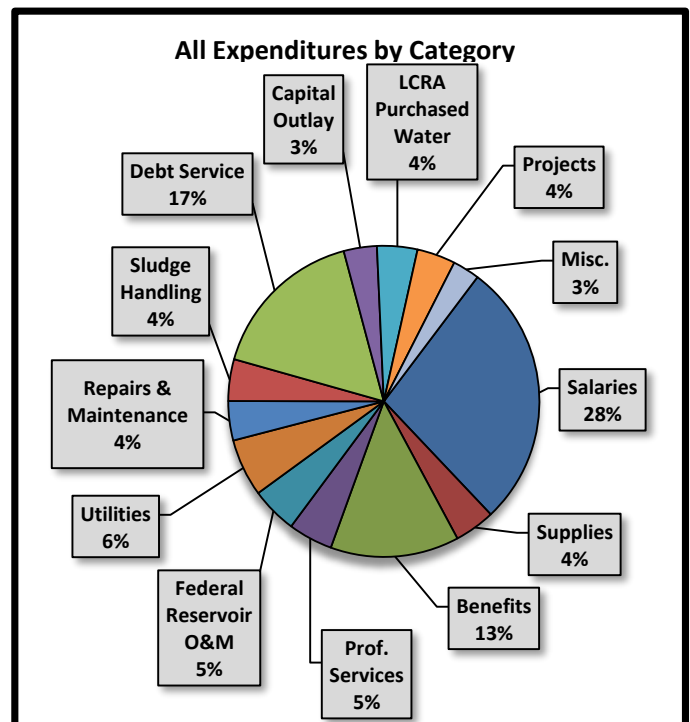
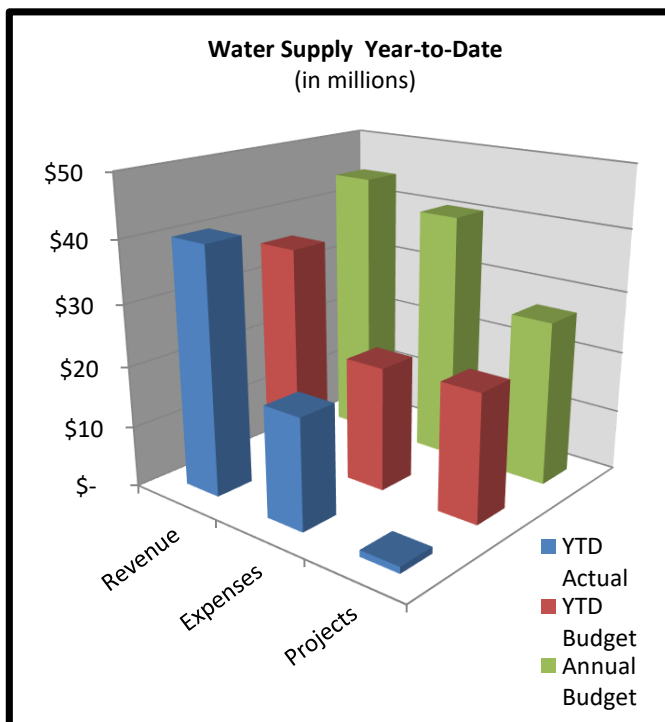


**BRAZOS RIVER AUTHORITY
SUMMARY
QUARTERLY BUDGET REPORT - 2nd QUARTER FY 2018
(in thousands)**

	Year-to Date			Annual Budget
	Budget	Actual	Variance	
Water Supply				
Beginning Working Capital	\$ 77,268	\$ 77,268	\$ -	\$ 77,268
Less: Rate Stabilization Reserves	2,800	2,800	-	2,800
Adjusted Beginning Working Capital	74,468	74,468	-	74,468
Revenues	35,860	40,218	4,358	41,562
Rate Stabilization Reserves	-	-	-	2,800
Revenues	35,860	40,218	4,358	44,362
Less: Expenses	17,215	15,030	2,185	35,371
Less: Debt Service	3,117	3,116	-	5,133
Less: Operating Programs	2,308	443	1,865	3,095
Surplus/(Deficit)	13,220	21,629	8,409	763
Less: Capital Improvement Projects	18,671	637	18,034	23,761
Less: Addition to R&R Reserve	500	500	-	500
Ending Working Capital	\$ 68,518	\$ 94,960	\$ 26,442	\$ 50,970

Cost Reimbursable

Revenues	\$ 10,158	\$ 7,627	\$ (2,531)	\$ 18,382
Less: Expenses	8,734	7,627	1,106	18,382
Surplus/(Deficit)	\$ 1,424	\$ -	\$ (1,425)	\$ -





**BRAZOS RIVER AUTHORITY
WATER SUPPLY OPERATIONS
QUARTERLY BUDGET REPORT - 2nd QUARTER FY 2018
(in thousands)**

	Year-to Date			Annual Budget
	Budget	Actual	Variance	
Adjusted Beginning Working Capital	\$ 74,468	\$ 74,468	\$ -	\$ 74,468
Revenues				
Raw Water Sales - System	24,175	29,331	5,156	26,978
Raw Water Sales - Non-System	5,282	6,744	1,462	6,858
East Williamson County RWS	1,109	1,294	185	2,218
Sugar Land WW	1,311	1,033	(278)	2,622
Lake Operations	135	332	197	457
Grants	424	394	(30)	1,234
Management Fees	310	274	(36)	625
Interest Income	250	736	486	500
Miscellaneous	63	80	17	70
Rate Stabilization Reserves	2,800	-	(2,800)	2,800
Total Revenues	35,860	40,218	4,358	44,362
Operating Expenses				
<u>Upper Basin</u>				
Upper Basin Management	311	296	15	612
PK Lake	3,698	3,271	427	8,063
Lake Granbury	1,458	1,236	222	3,125
<u>Central Basin</u>				
Central Basin Management	914	809	105	1,696
East Williamson County RWS	797	684	113	1,808
Trinity Wells	52	-	52	91
<u>Lower Basin</u>				
Lake Limestone	1,027	883	144	2,292
Sugar Land	1,310	1,049	261	2,621
Allens Creek	56	20	36	82
<u>Technical Services</u>				
Management	200	182	18	383
Construction	198	228	(30)	359
Water Services	731	566	165	1,430
Federal Reservoirs	4,449	3,966	483	8,801
Engineering	592	560	32	1,181
Environmental Services	1,107	987	120	2,220
Emergency, Safety & Compliance	189	173	16	363
<u>Planning Services</u>				
Planning & Development	125	121	4	244
<u>Central Services</u>				
Board of Directors	62	54	8	127
General Administration	294	294	-	568
Legal	339	303	36	661
Government & Customer Relations	491	439	52	962
Human Resources	451	387	64	886
Finance & Administration	1,023	959	64	1,956
Information Technology	1,353	1,348	5	2,534
Less: Central Services Allocated	(4,012)	(3,784)	(228)	(7,695)
Total Operating Expenses	17,215	15,030	2,185	35,371
Debt Service				
East Williamson County	2,142	2,141	-	2,540
Allens Creek	-	-	-	641
Federal Reservoirs	975	975	-	1,952
Total Debt Service	3,117	3,116	-	5,133
Operating Programs	2,308	443	1,865	3,095
Total Expenses	22,640	18,589	4,050	43,599
Surplus/(Deficit) before CIP	13,220	21,629	8,409	763
Less: Capital Improvement Projects	18,671	637	18,034	23,761
Less: Addition to R&R Reserve	500	500	-	500
Ending Working Capital	\$ 68,518	\$ 94,960	\$ 26,442	\$ 50,970



BRAZOS RIVER AUTHORITY
COST REIMBURSABLE OPERATIONS
QUARTERLY BUDGET REPORT - 2nd QUARTER FY 2018
(in thousands)

	Year to Date			Annual Budget
	Budget	Actual	Variance	
Operating Revenues				
WCRRWL	\$ 803	\$ 668	\$ (135)	\$ 1,377
Temple-Belton/Doshier Farm	1,997	1,444	(553)	3,477
BCRWS	3,686	2,610	(1,076)	6,480
BCRWS R&R	60	34	(26)	120
Hutto	1,112	526	(586)	1,986
Sandy Creek	759	562	(197)	1,318
Clute	554	446	(108)	950
Debt Service Revenues				
WCRRWL	1,187	1,337	150	2,674
Total Revenues	10,158	7,627	(2,531)	18,382
Operating Expenses				
<u>Central Basin</u>				
WCRRWL	637	668	(31)	1,377
Temple-Belton/Doshier Farm	1,674	1,444	230	3,477
BCRWS	3,234	2,644	590	6,480
Hutto	715	526	189	1,986
Sandy Creek	676	562	114	1,318
<u>Lower Basin</u>				
Clute	460	446	14	950
Debt Service Expenses				
WCRRWL	1,337	1,337	-	2,674
Total Expenses	8,734	7,627	1,106	18,382
Surplus/(Deficit)	\$ 1,424	\$ -	\$ (1,425)	\$ -



**BRAZOS RIVER AUTHORITY
DIRECTOR'S FEES AND EXPENSES
2ND QUARTER FY 2018**

	Year to Date			Total Annual Budget
	Budget	Actual	Variance	
Director Fees	\$ 13,506	\$ 10,650	\$ 2,856	\$ 27,013
Telephone/Communications	5,502	5,502	0	11,010
Professional Development	2,252	575	1,677	7,400
Transportation	11,508	8,051	3,457	23,012
Lodging	5,231	5,221	10	9,010
Meals	9,599	9,585	14	17,750
Materials & Supplies	14,000	13,914	86	25,140
Postage & Delivery	310	226	84	620
Bonds/Insurance	-	-	-	4,826
Rental	-	-	-	1,500
Total Directors' Expense	\$ 61,908	\$ 53,724	\$ 8,184	\$ 127,281



BRAZOS RIVER AUTHORITY
STATEMENTS OF NET POSITION
FEBRUARY 28, 2018 and 2017
(unaudited)
(in thousands)

	2018	2017
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS:		
UNRESTRICTED:		
Cash and cash equivalents	\$ 54,081	\$ 39,839
Investments	51,074	55,734
Accounts receivable	4,678	3,866
Other receivables	69	49
Other current assets	2,240	1,964
TOTAL UNRESTRICTED	112,142	101,452
RESTRICTED:	-	-
TOTAL CURRENT ASSETS	112,142	101,452
NONCURRENT ASSETS:		
RESTRICTED:		
Cash and cash equivalents	2,759	2,988
Investments	6,124	6,459
Interest	15	8
TOTAL RESTRICTED	8,898	9,455
CAPITAL ASSETS:		
Land, storage and water rights	106,893	90,233
Reservoirs, water treatment & sewerage facilities	139,472	139,472
Building, structure & improvements	110,658	105,119
Vehicle, furniture & equipment	16,803	17,615
Construction in progress	16,792	36,153
TOTAL CAPITAL ASSETS	390,618	388,592
Less accumulated depreciation	(111,016)	(104,962)
NET CAPITAL ASSETS	279,602	283,630
OTHER NONCURRENT ASSETS:		
Capital appreciation bonds due from others	175	326
Other assets	1,671	1,756
TOTAL OTHER NONCURRENT ASSETS	1,846	2,082
TOTAL NONCURRENT ASSETS	290,346	295,167
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred amount on refunding	352	376
Pension Plans	3,450	5,947
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,802	6,323
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 406,290	\$ 402,942



BRAZOS RIVER AUTHORITY
STATEMENTS OF NET POSITION (continued)
FEBRUARY 28, 2018 and 2017
(unaudited)
(in thousands)

	<u>2018</u>	<u>2017</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
CURRENT LIABILITIES:		
PAYABLE FROM CURRENT ASSETS:		
Accounts payable	\$ 5,249	\$ 6,451
Contracts payable	42	40
Accrued interest	187	195
Unearned revenues	7,201	3,758
TOTAL PAYABLE FROM CURRENT ASSETS	<u>12,679</u>	<u>10,444</u>
PAYABLE FROM RESTRICTED ASSETS:		
Accrued interest	681	679
Construction contracts payable	221	947
Revenue bonds payable	721	697
Other	267	240
TOTAL PAYABLE FROM RESTRICTED ASSETS	<u>1,890</u>	<u>2,563</u>
TOTAL CURRENT LIABILITIES	<u>14,569</u>	<u>13,007</u>
NONCURRENT LIABILITIES:		
Revenue bonds payable, net of current portion	65,268	67,930
Contracts payable, net of current portion	21,465	22,659
Net pension liability	10,086	11,711
Unearned revenues	316	360
Other liabilities	818	831
TOTAL NONCURRENT LIABILITIES	<u>97,953</u>	<u>103,491</u>
TOTAL LIABILITIES	<u>112,522</u>	<u>116,498</u>
DEFERRED INFLOWS OF RESOURCES	<u>1,007</u>	<u>1,100</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>\$ 113,529</u>	<u>\$ 117,598</u>
NET POSITION:		
Invested in capital assets	192,412	192,059
Restricted for construction and debt service	7,763	8,341
Unrestricted	92,586	84,944
TOTAL NET POSITION	<u>\$ 292,761</u>	<u>\$ 285,344</u>
TOTAL LIABILITIES, DERERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 406,290</u>	<u>402,942</u>



BRAZOS RIVER AUTHORITY
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE SIX MONTHS ENDED
FEBRUARY 28, 2018 and 2017
(unaudited)
(in thousands)

OPERATING REVENUES:	2018	2017
Water Supply System:		
Raw water sales-non-system	\$ 6,744	\$ 7,170
Raw water sales-system	29,331	27,617
Treated water	1,294	1,235
Wastewater treatment	1,033	1,057
Lake operations	332	276
Grants	394	375
Other	576	547
Cost Reimbursable Operations:		
Water conveyance	2,007	1,992
Water treatment	571	687
Wastewater treatment	4,859	6,826
TOTAL OPERATING REVENUES	47,141	47,782
 OPERATING EXPENSES:		
Personnel services	10,798	10,129
Materials and supplies	1,159	1,031
Utilities	1,686	1,246
Outside services	2,795	2,858
Repair and maintenance	1,160	1,203
Landfill and sludge hauling	1,172	1,079
Purchased water	1,135	1,134
Other	1,622	1,788
TOTAL OPERATING EXPENSES	21,527	20,468
OPERATING INCOME	25,614	27,314
 NON-OPERATING REVENUES (EXPENSES):		
Investment income	757	416
Interest expense	(1,780)	(1,818)
Debt service - principal	(2,674)	(2,613)
Other (expenses)/income	4	1
TOTAL NET NON-OPERATING EXPENSES	(3,693)	(4,014)
INCOME BEFORE CONTRIBUTIONS	21,921	23,300
Capital contributions	-	108
CHANGE IN NET POSITION	21,921	23,408
NET POSITION, BEGINNING	270,840	261,936
NET POSITION, ENDING	\$ 292,761	\$ 285,344



**BRAZOS RIVER AUTHORITY
PROGRAMS AND PROJECTS
QUARTERLY BUDGET REPORT -2nd QUARTER FY 2018**

	FY 2018 Annual Budget			FY 2018 Year to Date Actual				Inception to Date		
	Bonds, Grants, Other Funding	Reserves/ Current Revenues	Total Annual Budget	Bonds, Grants, Other Funding	Reserves/ Current Revenues	Total Actual Expenditures	Budget vs. Actual Variance	Budget	Actual	Balance
Water Supply System Operating Programs										
BW-IT-Polycom Replacements	\$ -	\$ 160	\$ 160	\$ -	\$ 131	\$ 131	\$ 29	\$ 160	\$ 131	\$ 29
BW-IT-Off Channel Reservoirs	-	217	217	-	-	-	217	500	-	500
BW-PD-Potential Future Water Management Strategies (5)	-	278	278	-	-	-	278	5,000	53	4,947
BW-WS-Corps of Engineers Pool Rise Feasibility	-	119	119	-	-	-	119	1,159	953	206
CB-OT-HB 1437 No Net Loss	100	100	200	-	5	5	195	400	78	322
CB-OT-Lake Somerville Augmentation	-	80	80	-	-	-	80	100	-	100
CB-OT-Williamson County Sludge Disposal Study	123	50	173	-	-	-	173	173	-	173
CO-ES-Duck Creek Aquatic Life Assessment	11	3	14	-	1	1	13	103	102	1
CO-ES-Environmental Laboratory	-	200	200	-	-	-	200	200	-	200
CO-ES-Freshwater Mussel Rapid Risk Assessment	-	550	550	-	47	47	503	1,925	335	1,590
CO-FA-Enterprise Financial Software (3)	-	330	330	-	-	-	330	860	294	566
LB-OT-Lower Basin Floodplain Protection Study, Phase I (3), (5)	93	120	213	29	1	30	183	1,061	943	118
LB-OT-Lower Basin Floodplain Protection Study, Phase II (3), (5)	61	207	268	83	28	111	157	554	443	111
UB-PK-Recreational Development	-	145	145	-	13	13	132	4,146	2,063	2,083
UB-PK-Dam Fiber Optic Cable Replacement	-	65	65	-	51	51	14	65	51	14
UB-PK-Natural Resource Inventory	-	83	83	-	56	56	27	150	122	28
Total Water Supply Programs	\$ 388	\$ 2,707	\$ 3,095	\$ 112	\$ 331	\$ 443	\$ 2,652	\$ 16,556	\$ 5,568	\$ 10,988
Water Supply System Capital Improvement Projects										
Upper Basin										
UB-LG-Fishing Pier Replacement	\$ -	\$ 170	\$ 170	\$ -	\$ 3	\$ 3	\$ 167	\$ 289	\$ 45	\$ 244
UB-LG-Low Flow Facilities	-	660	660	-	34	34	626	4,775	3,888	887
UB-LG-Reinforced Concrete Components	-	750	750	-	-	-	750	1,288	43	1,245
UB-LG-Road Repair	-	800	800	-	-	-	800	1,026	66	960
UB-LG-Trolley Replacement	-	1,372	1,372	-	37	37	1,335	2,720	606	2,114
UB-PK-Bay #9 Weir Box	-	4	4	-	-	-	4	250	50	200
UB-PK-CAASLE	-	1,747	1,747	-	2	2	1,745	3,129	344	2,785
UB-PK-COC Access Platforms	-	830	830	-	-	-	830	933	85	848
UB-PK-Hearth and Bank Erosion Repair	-	215	215	-	-	-	215	2,212	777	1,435
UB-PK-Operating Pier Trash Rack Replacement	-	105	105	-	-	-	105	300	97	203
UB-PK-Southside Boathouse	-	200	200	-	-	-	200	210	-	210
UB-PK-Dam Spillway Gate Actuator Replacement	-	240	240	-	24	24	216	2,190	24	2,166
UB-PK-Spillway Gate Coating Containment	-	300	300	-	172	172	128	730	594	136
UB-PK-Dam Spillway Pump and Piping	-	609	609	-	-	-	609	672	23	649
UB-OT-Graham Flood Control (1)	-	1,400	1,400	-	-	-	1,400	6,843	5,163	1,680
Subtotal - Upper Basin Projects	\$ -	\$ 9,402	\$ 9,402	\$ -	\$ 272	\$ 272	\$ 9,130	\$ 27,567	\$ 11,806	\$ 15,761
Central Basin										
CB-BE-Lake Belton-Stillhouse Hollow Pipeline	\$ -	\$ 244	\$ 244	\$ -	\$ -	\$ -	\$ 244	\$ 32,570	\$ 135	\$ 32,435
CB-OT-Trinity Groundwater	-	3,255	3,255	-	3	299	302	22,860	4,228	18,632
Subtotal - Central Basin Projects	\$ -	\$ 3,499	\$ 3,499	\$ 3	\$ 299	\$ 302	\$ 3,197	\$ 55,430	\$ 4,364	\$ 51,066
Lower Basin										
LB-AC-Allens Creek Reservoir	\$ -	\$ 5,749	\$ 5,749	\$ -	\$ -	\$ -	\$ 5,749	\$ 92,422	\$ 7,426	\$ 84,996
LB-LL-Dam Embankment Hydrostatic Relief System	-	550	550	-	4	4	546	1,837	243	1,594
LB-LL-Dam Low Flow Facility Modifications	-	515	515	-	-	-	515	5,052	7	5,045
LB-LL-Road Repairs and Improvements	-	600	600	-	-	-	600	1,450	-	1,450
LB-LL-Stilling Basin Dewatering Design and Construction	-	250	250	-	1	1	249	1,375	1	1,374
LB-LL-Dam Tainter Gate Power Transmission System	-	100	100	-	-	-	100	6,740	190	6,550
LB-LL-Dam Tainter Gate Repairs and Improvements	-	3,000	3,000	-	6	6	2,994	12,467	923	11,544
Subtotal - Lower Basin Projects	\$ -	\$ 10,764	\$ 10,764	\$ -	\$ 12	\$ 12	\$ 10,752	\$ 121,343	\$ 8,791	\$ 112,552
Basin Wide										
CO-TS-HVAC/Flooring/Bldg. Automation	\$ -	\$ 16	\$ 16	\$ -	\$ 1	\$ 1	\$ 15	\$ 3,114	\$ 27	\$ 3,087
CO-TS-Parking Lot Pavement Assessment and Repair (2)	-	80	80	-	50	50	30	1,495	90	1,405
Subtotal - Basin Wide Projects	\$ -	\$ 96	\$ 96	\$ -	\$ 52	\$ 52	\$ 44	\$ 4,609	\$ 117	\$ 4,492
Total Water Supply Capital Improvement Projects	\$ -	\$ 23,761	\$ 23,761	\$ 3	\$ 635	\$ 637	\$ 23,124	\$ 208,949	\$ 25,077	\$ 183,872

Notes

- (1) The Board of Directors approved a budget amendment for \$1.4 million for Graham Flood Control at the October 30, 2017 meeting
- (2) The Board of Directors approved a budget amendment for \$55,000 for Parking Lot Pavement Assessment & Repair project at the January 29, 2018 meeting
- (3) Budget transfer of \$70,000 from Enterprise Financial Software to Lower Basin Flood Protection Studies to fund Board resolution from January 29, 2018 meeting
- (4) Budget transfer of \$33,000 from Off Channel Reservoirs to PK Natural Resource Inventory to cover timing difference
- (5) Budget transfer of \$222,000 from Potential Future Water Management Strategies to Lower Basin Floodplain Protection Study Phase 1 (\$59,000) and Lower Basin Floodplain Protection Study Phase 2 (\$163,000) to cover timing difference

BRAZOS RIVER AUTHORITY
ACCOUNTS RECEIVABLE AGING REPORT
as of March 31, 2018
(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	395	-	-	-	-	-	395
CPI -based & Fixed-rate Contracts	91	-	-	-	-	-	91
Utility Contracts	22	-	-	-	-	-	22
Lake Operations:							
Commercial Leases & Docks	-	-	-	1	-	-	1
Special-Use Leases	-	-	-	-	-	23	23
PK Water Permits & Mooring	-	-	1	1	-	-	2
LG Water Permits & Applic.Fees	(3)	-	2	2	-	-	2
Water Treatment:							
Central Basin	1,167	-	-	-	-	-	1,167
Lower Basin	91	1	-	-	-	-	92
	<u>1,764</u>	<u>1</u>	<u>3</u>	<u>5</u>	<u>-</u>	<u>23</u>	<u>1,795</u>

Lake Operations:

Special Use Lease

Cholla Petroleum Inc.

(Disputed well drilling billing - settlement pending)

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