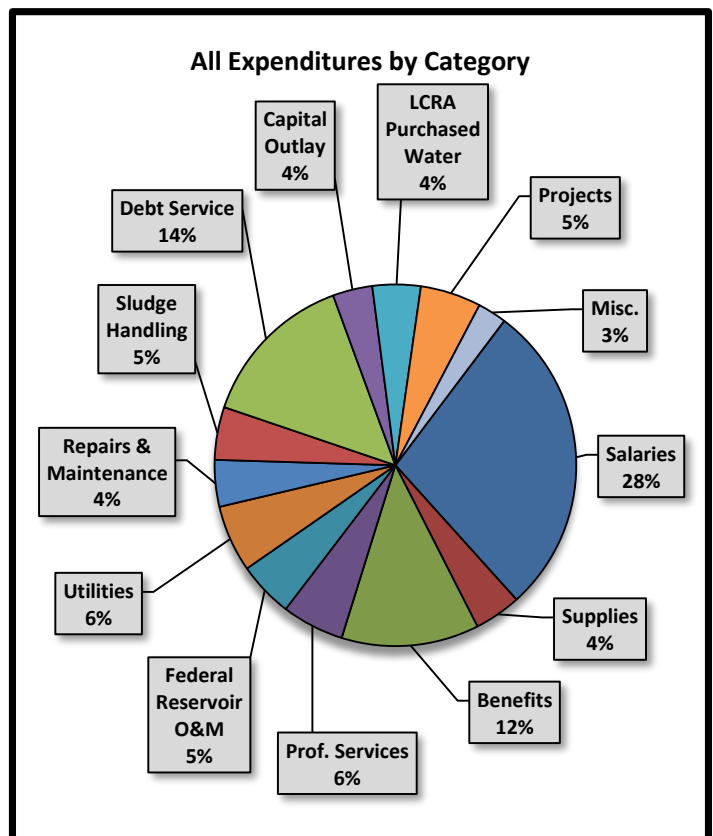
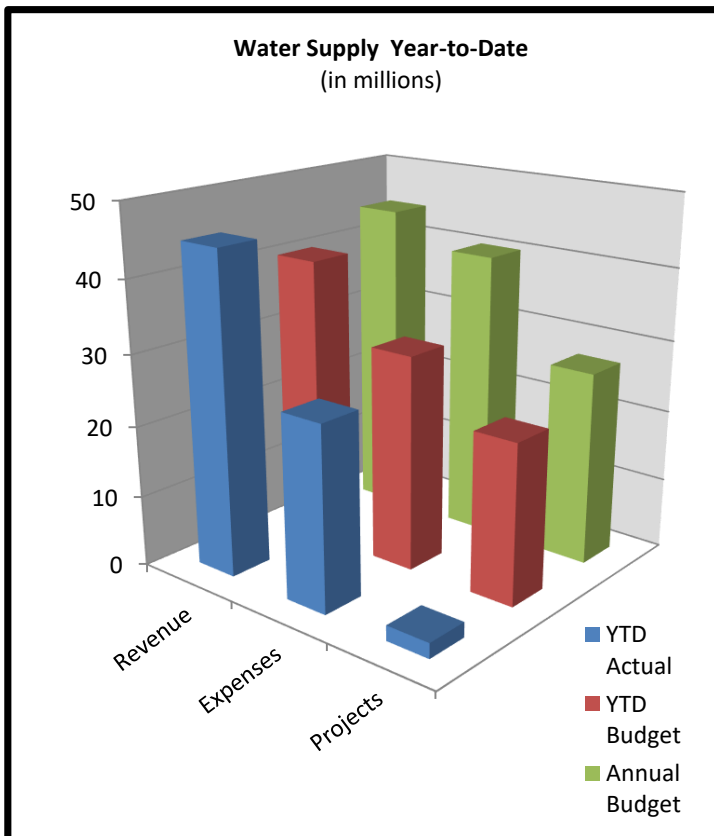




**BRAZOS RIVER AUTHORITY  
SUMMARY  
QUARTERLY BUDGET REPORT - 3rd QUARTER FY 2018  
(in thousands)**

	Year-to Date			Annual Budget
	Budget	Actual	Variance	
<b>Water Supply</b>				
Beginning Working Capital	74,468	74,468	-	74,468
Revenues	40,130	44,837	4,706	44,362
Less: Expenses	26,604	22,176	4,428	35,071
Less: Debt Service	3,605	3,605	-	5,133
Less: Operating Programs	2,655	668	1,987	3,395
<b>Surplus/(Deficit)</b>	7,267	18,388	11,121	763
Less: Capital Improvement Projects	19,864	1,481	18,383	23,761
Less: Addition to R&R Reserve	500	500	-	500
<b>Ending Working Capital</b>	<b>\$ 61,371</b>	<b>\$ 90,875</b>	<b>\$ 29,504</b>	<b>\$ 50,970</b>

Revenues	\$ 13,565	\$ 11,270	\$ (2,295)	\$ 18,382
Less: Expenses	13,219	11,270	1,948	18,382
<b>Surplus/(Deficit)</b>	<b>\$ 347</b>	<b>\$ -</b>	<b>\$ (347)</b>	<b>\$ -</b>





**BRAZOS RIVER AUTHORITY**  
**WATER SUPPLY OPERATIONS**  
**QUARTERLY BUDGET REPORT - 3rd QUARTER FY 2018**  
(in thousands)

	Year-to Date			Annual Budget
	Budget	Actual	Variance	
<b>Beginning Working Capital</b>	\$ 74,468	\$ 74,468	\$ -	\$ 74,468
<b>Revenues</b>				
Raw Water Sales - System	26,098	31,273	5,175	26,978
Raw Water Sales - Non-System	6,100	7,473	1,373	6,858
East Williamson County RWS	1,663	1,848	185	2,218
Sugar Land WW	1,766	1,553	(213)	2,622
Lake Operations	159	388	229	457
Grants	634	604	(30)	1,234
Management Fees	467	408	(60)	625
Interest Income	375	1,206	831	500
Miscellaneous	67	84	17	70
Rate Stabilization Reserves	2,800	-	(2,800)	2,800
<b>Total Revenues</b>	<b>40,130</b>	<b>44,837</b>	<b>4,706</b>	<b>44,362</b>
<b>Operating Expenses</b>				
<u>Upper Basin</u>				
Upper Basin Management	462	446	16	612
PK Lake	6,024	5,106	918	8,063
Lake Granbury	2,315	1,839	476	3,125
<u>Central Basin</u>				
Central Basin Management	1,286	1,099	187	1,696
East Williamson County RWS	1,340	1,082	258	1,808
Trinity Wells	71	-	71	91
<u>Lower Basin</u>				
Lake Limestone	1,749	1,416	333	2,292
Sugar Land	1,966	1,532	434	2,621
Allens Creek	69	28	41	82
<u>Technical Services</u>				
Management	292	222	70	383
Construction	342	301	41	359
Federal Reservoirs	6,855	5,609	1,246	8,801
Engineering	873	796	77	1,181
Emergency, Safety & Compliance	277	249	28	363
<u>Water Services</u>				
Water Resources	856	828	28	1,130
<u>Environmental Services</u>				
Environmental Services	1,641	1,446	195	2,220
<u>Planning Services</u>				
Planning & Development	185	177	8	244
<u>Central Services</u>				
Board of Directors	98	79	19	127
General Administration	450	450	-	568
Legal	500	449	51	661
Government & Customer Relations	727	650	77	962
Human Resources	669	582	87	886
Finance & Administration	1,491	1,331	160	1,956
Information Technology	1,966	1,953	13	2,534
Less: Central Services Allocated	(5,902)	(5,494)	(408)	(7,695)
<b>Total Operating Expenses</b>	<b>26,604</b>	<b>22,176</b>	<b>4,428</b>	<b>35,071</b>
<b>Debt Service</b>				
East Williamson County	2,141	2,141	-	2,540
Allens Creek	-	-	-	641
Federal Reservoirs	1,464	1,464	-	1,952
<b>Total Debt Service</b>	<b>3,605</b>	<b>3,605</b>	<b>-</b>	<b>5,133</b>
<b>Operating Programs</b>	<b>2,655</b>	<b>668</b>	<b>1,987</b>	<b>3,395</b>
<b>Total Expenses</b>	<b>32,864</b>	<b>26,449</b>	<b>6,415</b>	<b>43,599</b>
<b>Surplus/(Deficit) before CIP</b>	<b>7,267</b>	<b>18,388</b>	<b>11,121</b>	<b>763</b>
Less: Capital Improvement Projects	19,864	1,481	18,383	23,761
Less: Addition to R&R Reserve	500	500	-	500
<b>Ending Working Capital</b>	<b>\$ 61,371</b>	<b>\$ 90,875</b>	<b>\$ 29,504</b>	<b>\$ 50,970</b>



**BRAZOS RIVER AUTHORITY**  
**COST REIMBURSABLE OPERATIONS**  
**QUARTERLY BUDGET REPORT - 3rd QUARTER FY 2018**  
(in thousands)

	<b>Year to Date</b>			<b>Annual Budget</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>	
<b>Operating Revenues</b>				
WCRRWL	\$ 1,033	\$ 911	\$ (122)	\$ 1,377
Temple-Belton/Doshier Farm	2,608	2,127	(481)	3,477
BCRWS	4,862	3,896	(966)	6,480
BCRWS R&R	90	34	(56)	120
Hutto	1,489	795	(694)	1,986
Sandy Creek	989	879	(110)	1,318
Clute	712	622	(90)	950
<b>Debt Service Revenues</b>				
WCRRWL	1,782	2,006	224	2,674
<b>Total Revenues</b>	<b>13,565</b>	<b>11,270</b>	<b>(2,295)</b>	<b>18,382</b>
<b>Operating Expenses</b>				
<b><u>Central Basin</u></b>				
WCRRWL	961	911	50	1,377
Temple-Belton/Doshier Farm	2,433	2,127	306	3,477
BCRWS	5,098	3,930	1,168	6,480
Hutto	1,052	795	257	1,986
Sandy Creek	1,001	879	122	1,318
<b><u>Lower Basin</u></b>				
Clute	667	622	45	950
<b>Debt Service Expenses</b>				
WCRRWL	2,006	2,006	-	2,674
<b>Total Expenses</b>	<b>13,219</b>	<b>11,270</b>	<b>1,948</b>	<b>18,382</b>
<b>Surplus/(Deficit)</b>	<b>\$ 347</b>	<b>\$ -</b>	<b>\$ (347)</b>	<b>\$ -</b>



**BRAZOS RIVER AUTHORITY  
DIRECTOR'S FEES AND EXPENSES  
3RD QUARTER FY 2018**

	<b>Year to Date</b>			<b>Total Annual Budget</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>	
Director Fees	\$ 20,259	\$ 16,350	\$ 3,909	\$ 27,013
Telephone/Communications	8,253	5,616	2,637	11,010
Professional Development	5,553	4,609	944	7,400
Transportation	17,262	11,954	5,308	23,012
Lodging	7,959	7,783	176	9,010
Meals	13,561	13,436	125	17,750
Materials & Supplies	18,864	15,466	3,398	25,140
Postage & Delivery	468	263	205	620
Bonds/Insurance	4,826	3,885	941	4,826
Rental	1,125	-	1,125	1,500
<b>Total Directors' Expense</b>	<b>\$ 98,130</b>	<b>\$ 79,363</b>	<b>\$ 18,767</b>	<b>\$ 127,281</b>



**BRAZOS RIVER AUTHORITY**  
**STATEMENTS OF NET POSITION**  
**MAY 31, 2018 and 2017**  
**(unaudited)**  
**(in thousands)**

	<u>2018</u>	<u>2017</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>CURRENT ASSETS:</b>		
<b>UNRESTRICTED:</b>		
Cash and cash equivalents	\$ 43,578	\$ 45,756
Investments	58,732	45,811
Accounts receivable	3,817	3,710
Other receivables	121	49
Other current assets	1,554	1,474
<b>TOTAL UNRESTRICTED</b>	<u>107,802</u>	<u>96,800</u>
<b>RESTRICTED:</b>	-	-
<b>TOTAL CURRENT ASSETS</b>	<u>107,802</u>	<u>96,800</u>
<b>NONCURRENT ASSETS:</b>		
<b>RESTRICTED:</b>		
Cash and cash equivalents	3,569	4,680
Investments	6,636	6,473
Interest	16	9
<b>TOTAL RESTRICTED</b>	<u>10,221</u>	<u>11,162</u>
<b>CAPITAL ASSETS:</b>		
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	16,932	16,083
Construction in progress	17,573	37,014
<b>TOTAL CAPITAL ASSETS</b>	<u>391,528</u>	<u>387,921</u>
Less accumulated depreciation	(111,436)	(103,440)
<b>NET CAPITAL ASSETS</b>	<u>280,092</u>	<u>284,481</u>
<b>OTHER NONCURRENT ASSETS:</b>		
Capital appreciation bonds due from others	175	326
Other assets	1,671	1,756
<b>TOTAL OTHER NONCURRENT ASSETS</b>	<u>1,846</u>	<u>2,082</u>
<b>TOTAL NONCURRENT ASSETS</b>	<u>292,159</u>	<u>297,725</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>		
Deferred amount on refunding	353	376
Pension Plans	3,450	5,947
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>3,803</u>	<u>6,323</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 403,764</u>	<u>\$ 400,848</u>



**BRAZOS RIVER AUTHORITY**  
**STATEMENTS OF NET POSITION (continued)**  
**MAY 31, 2018 and 2017**  
**(unaudited)**  
**(in thousands)**

	2018	2017
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
CURRENT LIABILITIES:		
PAYABLE FROM CURRENT ASSETS:		
Accounts payable	\$ 4,176	\$ 4,728
Contracts payable	42	40
Accrued interest	376	393
Unearned revenues	8,222	3,764
TOTAL PAYABLE FROM CURRENT ASSETS	12,816	8,925
PAYABLE FROM RESTRICTED ASSETS:		
Accrued interest	1,173	1,173
Construction contracts payable	221	947
Revenue bonds payable	-	-
Unearned revenues	724	692
Other	268	240
TOTAL PAYABLE FROM RESTRICTED ASSETS	2,386	3,052
TOTAL CURRENT LIABILITIES	15,202	11,977
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	361
Other liabilities	820	832
TOTAL NONCURRENT LIABILITIES	97,955	103,493
TOTAL LIABILITIES	113,157	115,470
DEFERRED INFLOWS OF RESOURCES	1,007	1,100
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	\$ 114,164	\$ 116,570
NET POSITION:		
Invested in capital assets	193,624	193,607
Restricted for construction and debt service	7,680	8,664
Unrestricted	88,296	82,007
TOTAL NET POSITION	\$ 289,600	\$ 284,278
TOTAL LIABILITIES, DERERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 403,764	400,848



**BRAZOS RIVER AUTHORITY**  
**STATEMENTS OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**FOR THE NINE MONTHS ENDED**  
**MAY 31, 2018 and 2017**  
**(unaudited)**  
**(in thousands)**

OPERATING REVENUES:	<u>2018</u>	<u>2017</u>
Water Supply System:		
Raw water sales-non-system	\$ 7,473	\$ 8,014
Raw water sales-system	31,273	29,482
Treated water	1,848	1,765
Wastewater treatment	1,553	1,607
Lake operations	388	308
Grants	604	651
Other	830	792
Cost Reimbursable Operations:		
Water conveyance	2,916	3,222
Water treatment	879	987
Wastewater treatment	7,136	9,754
<b>TOTAL OPERATING REVENUES</b>	<u>54,900</u>	<u>56,582</u>
 OPERATING EXPENSES:		
Personnel services	15,451	14,755
Materials and supplies	1,681	1,615
Utilities	2,462	1,854
Outside services	4,537	4,143
Repair and maintenance	1,740	1,715
Landfill and sludge hauling	1,868	1,790
Purchased water	1,702	1,700
Other	2,340	1,941
<b>TOTAL OPERATING EXPENSES</b>	<u>31,781</u>	<u>29,513</u>
 OPERATING INCOME	<u>23,119</u>	<u>27,069</u>
 NON-OPERATING REVENUES (EXPENSES):		
Investment income	1,249	674
Gain on sale of capital assets	13	73
Interest expense	(2,461)	(2,511)
Debt service - principal	(3,148)	(3,077)
Other (expenses)/income	(12)	(30)
<b>TOTAL NET NON-OPERATING EXPENSES</b>	<u>(4,359)</u>	<u>(4,871)</u>
 INCOME BEFORE CONTRIBUTIONS	18,760	22,198
Capital contributions	<u>-</u>	<u>144</u>
 CHANGE IN NET POSITION	18,760	22,342
 NET POSITION, BEGINNING	<u>270,840</u>	<u>261,936</u>
 NET POSITION, ENDING	<u>\$ 289,600</u>	<u>\$ 284,278</u>



**BRAZOS RIVER AUTHORITY  
PROGRAMS AND PROJECTS  
QUARTERLY BUDGET REPORT - 3RD 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
<b>Water Supply System Operating Programs</b>										
BW-IT-Polycom Replacements	\$ -	\$ 160	\$ 160	\$ -	\$ 159	\$ 159	\$ 1	\$ 160	\$ 159	\$ 1
BW-PD-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	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	173	-	-	-	173	173	-	173
CO-ES-Duck Creek Aquatic Life Assessment		11	14	-	1	1	13	103	102	1
CO-ES-Environmental Laboratory		-	200	-	-	-	200	200	-	200
CO-ES-Freshwater Mussel Rapid Risk Assessment		-	550	-	97	97	453	1,925	385	1,540
CO-FA-Enterprise Financial Software	(3)	-	330	-	27	27	303	860	321	539
BW-WS-Contract Analysis Tool	(6)	-	300	-	37	37	263	350	37	313
LB-OT-Lower Basin Floodplain Protection Study, Phase I	(3), (5)	93	120	45	2	46	167	1,061	959	102
LB-OT-Lower Basin Floodplain Protection Study, Phase II	(3), (5)	61	207	121	42	162	106	554	494	60
UB-PK-Recreational Development		-	145	-	13	13	132	4,146	2,062	2,084
UB-PK-Dam Fiber Optic Cable Replacement		-	65	-	65	65	-	65	65	-
UB-PK-Natural Resource Inventory		-	83	-	56	56	27	150	122	28
<b>Total Water Supply Programs</b>	<b>\$ 388</b>	<b>\$ 3,007</b>	<b>\$ 3,395</b>	<b>\$ 165</b>	<b>\$ 502</b>	<b>\$ 668</b>	<b>\$ 2,727</b>	<b>\$ 16,906</b>	<b>\$ 5,792</b>	<b>\$ 11,114</b>
<b>Water Supply System Capital Improvement Projects</b>										
<b>Upper Basin</b>										
UB-LG-Fishing Pier Replacement	\$ -	\$ 170	\$ 170	\$ -	\$ 4	\$ 4	\$ 166	\$ 289	\$ 46	\$ 243
UB-LG-Low Flow Facilities	-	660	660	-	37	37	623	4,775	3,892	883
UB-LG-Reinforced Concrete Components	-	750	750	-	-	-	750	1,288	43	1,245
UB-LG-Road Repair	-	800	800	-	2	2	798	1,026	68	958
UB-LG-Trolley Replacement	-	1,372	1,372	-	229	229	1,143	2,720	797	1,923
UB-PK-Bay #9 Weir Box	-	4	4	-	-	-	4	250	50	200
UB-PK-CAASLE	-	1,747	1,747	-	6	6	1,741	3,129	348	2,781
UB-PK-COC Access Platforms	-	830	830	-	-	-	830	933	85	848
UB-PK-Hearth and Bank Erosion Repair	-	215	215	-	80	80	135	2,212	857	1,355
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	-	224	224	76	730	646	84
UB-PK-Dam Spillway Pump and Piping	-	609	609	-	2	2	607	672	25	647
UB-OT-Graham Flood Control	(1)	1,400	1,400	-	-	-	1,400	6,843	5,163	1,680
<b>Subtotal - Upper Basin Projects</b>	<b>\$ -</b>	<b>\$ 9,402</b>	<b>\$ 9,402</b>	<b>\$ -</b>	<b>\$ 609</b>	<b>\$ 609</b>	<b>\$ 8,793</b>	<b>\$ 27,567</b>	<b>\$ 12,143</b>	<b>\$ 15,424</b>
<b>Central Basin</b>										
CB-BE-Lake Belton-Stillhouse Hollow Pipeline	\$ -	\$ 244	\$ 244	\$ -	\$ -	\$ -	\$ 244	\$ 32,570	\$ 136	\$ 32,434
CB-OT-Trinity Groundwater	-	3,255	3,255	3	771	774	2,481	22,860	4,700	18,160
<b>Subtotal - Central Basin Projects</b>	<b>\$ -</b>	<b>\$ 3,499</b>	<b>\$ 3,499</b>	<b>\$ 3</b>	<b>\$ 771</b>	<b>\$ 774</b>	<b>\$ 2,725</b>	<b>\$ 55,430</b>	<b>\$ 4,836</b>	<b>\$ 50,594</b>
<b>Lower Basin</b>										
LB-AC-Allens Creek Reservoir	\$ -	\$ 5,749	\$ 5,749	\$ -	\$ 1	\$ 1	\$ 5,748	\$ 92,422	\$ 7,427	\$ 84,995
LB-LL-Dam Embankment Hydrostatic Relief System	-	550	550	-	5	5	545	1,837	244	1,593
LB-LL-Dam Low Flow Facility Modifications	-	515	515	-	1	1	514	5,052	8	5,044
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-Tainter Gate Replacement	-	3,000	3,000	-	23	23	2,977	12,467	940	11,527
<b>Subtotal - Lower Basin Projects</b>	<b>\$ -</b>	<b>\$ 10,764</b>	<b>\$ 10,764</b>	<b>\$ -</b>	<b>\$ 32</b>	<b>\$ 32</b>	<b>\$ 10,732</b>	<b>\$ 121,343</b>	<b>\$ 8,811</b>	<b>\$ 112,532</b>
<b>Basin Wide</b>										
CO-TS-HVAC/Flooring/Bldg. Automation	\$ -	\$ 16	\$ 16	\$ -	\$ 11	\$ 11	\$ 5	\$ 3,114	\$ 36	\$ 3,078
CO-TS-Parking Lot Pavement Assessment and Repair	(2)	-	80	-	56	56	24	1,495	96	1,399
<b>Subtotal - Basin Wide Projects</b>	<b>\$ -</b>	<b>\$ 96</b>	<b>\$ 96</b>	<b>\$ -</b>	<b>\$ 67</b>	<b>\$ 67</b>	<b>\$ 29</b>	<b>\$ 4,609</b>	<b>\$ 132</b>	<b>\$ 4,477</b>
<b>Total Water Supply Capital Improvement Projects</b>	<b>\$ -</b>	<b>\$ 23,761</b>	<b>\$ 23,761</b>	<b>\$ 3</b>	<b>\$ 1,478</b>	<b>\$ 1,481</b>	<b>\$ 22,280</b>	<b>\$ 208,949</b>	<b>\$ 25,921</b>	<b>\$ 183,028</b>

**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
- (6) Budget transfer of \$300,000 from Water Services O&M Budget to Contract Analysis Tool Operating Program. During the budget process it was determined that this capital item would carry-over into FY 2019 and should be included as an Operating Program.





**BRAZOS RIVER AUTHORITY**  
**ACCOUNTS RECEIVABLE AGING REPORT**  
as of **June 30, 2018**  
(in thousands)

Type	CURRENT	1-30 DAYS	31-60 DAYS	61-90 DAYS	91-120 DAYS	OVER 120 DAYS	TOTALS
<b>Water Sales:</b>							
Long Term System Contracts	390	151	-	-	-	-	541
CPI -based & Fixed-rate Contracts	132	-	-	-	-	-	132
Utility Contracts	22	-	-	-	-	-	22
<b>Lake Operations:</b>							
Special-Use Leases	-	-	-	-	-	22	22
PK Water Permits & Mooring	(2)	-	-	-	-	-	(2)
LL Water Permits	(0)	-	-	-	-	-	(0)
LG Water Permits & Applic.Fees	(6)	0	0	0	-	1	(5)
<b>Water Treatment:</b>							
Central Basin	1,477	-	-	-	-	-	1,477
Lower Basin	274	-	-	-	-	-	274
	<u>2,288</u>	<u>151</u>	<u>0</u>	<u>0</u>	<u>-</u>	<u>23</u>	<u>2,462</u>

**Water Sales:**

**Long-term System Contracts**

Jerry Glaze (CB-SWSA)	1
NRG Texas Power LLC (LB-SWAA)	146
Rex Worrell (UB-SWAA)	4
	<u>151</u>

**Lake Operations**

LG Pending Water & Dock Transfers	<u>1</u>
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**Special Use Lease**

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