

**TEXARKANA WATER UTILITIES
TEXAS REVENUE FUND
REVENUES AND EXPENDITURES
August 2016**

| | Water Sales Percentage | | Sewer Sales Percentage | | Other Revenues & Expenses | | | | | | | | | | | | | | | of Year has Passed | | | | | | | | | | | | FY 2015 YTD Actual |
|--------------------------------|------------------------|-------------------|------------------------|---------------------|---------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------------|----------------------------|----------------------------|---------------------------|----------------------------|-------------------------|-------------------------|-----------------------|------------------------|------------------------|--------------------------|---------------------|---------------------|---------------------|----------------------|--|--|--|--------------------|
| | 88.81% | 90.64% | 8.33% | 16.67% | 25.00% | 33.33% | 41.67% | 50.00% | 58.33% | 66.67% | 75.00% | 83.00% | 91.67% | Prior Year October Actual | Prior Year November Actual | Prior Year December Actual | Prior Year January Actual | Prior Year February Actual | Prior Year March Actual | Prior Year April Actual | Prior Year May Actual | Prior Year June Actual | Prior Year July Actual | Prior Year August Actual | | | | | | | | |
| | FY 2016 Budget | Period Actual | October Actual | November Actual | December Actual | January Actual | February Actual | March Actual | April Actual | May Actual | June Actual | July Actual | August Actual | YTD Actual | Unused Budget | % of Budget Used | | | | | | | | | | | | | | | | |
| Revenues | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Water Sales | 8,705,965 | 7,731,768 | 786,071.31 | 706,320.56 | 561,036.19 | 626,473.22 | 545,475.31 | 652,145.12 | 606,940.85 | 552,331.82 | 777,572.77 | 790,251.28 | 991,411.08 | 7,596,028.51 | 1,109,935 | 87.25% | 650,863.03 | 617,544.60 | 538,129.42 | 475,623.06 | 513,254.11 | 509,487.21 | 501,623.11 | 449,311.08 | 614,275.16 | 785,919.64 | 874,264.31 | 6,530,294.73 | | | | |
| Sewer Sales | 6,633,640 | 6,012,731 | 550,402.65 | 530,189.49 | 508,039.27 | 544,423.66 | 545,303.09 | 533,799.98 | 485,897.50 | 530,645.14 | 557,976.92 | 546,102.50 | 609,899.65 | 5,942,679.85 | 690,960 | 89.58% | 524,051.56 | 538,507.52 | 516,909.95 | 484,781.62 | 472,135.60 | 655,761.02 | 521,473.91 | 523,996.57 | 555,701.84 | 596,108.32 | 634,737.94 | 6,024,165.85 | | | | |
| Compost Sales | 58,282 | 53,427 | 5,457.86 | 2,229.07 | 2,025.73 | (52.57) | 7,806.10 | 8,745.32 | 14,285.89 | 9,503.06 | 10,235.72 | 7,004.13 | 4,550.03 | 71,790.34 | (13,508) | 123.18% | 6,278.21 | 2,283.70 | 2,915.59 | 2,073.16 | 6,034.92 | 3,505.14 | 9,633.74 | 8,109.00 | 5,027.09 | 4,515.44 | 3,128.59 | 53,504.58 | | | | |
| Connection Fees | 569,415 | 521,983 | 47,146.98 | 47,042.12 | 47,292.65 | 47,322.88 | 47,189.19 | 47,432.30 | 47,314.97 | 47,443.55 | 47,448.07 | 48,675.40 | 47,394.85 | 521,702.96 | 17,172 | 91.62% | 31,785.29 | 31,321.73 | 31,531.58 | 31,360.52 | 31,221.10 | 31,353.08 | 35,264.09 | 46,890.39 | 47,047.12 | 47,705.52 | 47,441.96 | 412,722.38 | | | | |
| Service Charges | 336,913 | 308,848 | 31,690.00 | 29,795.00 | 30,860.00 | 24,730.00 | 26,220.00 | 18,200.00 | 32,595.00 | 35,051.00 | 33,366.00 | 24,561.78 | 34,810.00 | 321,878.78 | 15,034 | 95.54% | 20,990.00 | 20,155.00 | 22,265.00 | 18,145.00 | 18,515.00 | 17,135.00 | 12,525.00 | 25,275.00 | 23,451.00 | 30,130.00 | 31,866.00 | 239,852.00 | | | | |
| Penalties | 281,000 | 257,933 | 33,161.34 | 20,917.25 | 30,050.74 | 25,105.29 | 25,351.68 | 24,362.55 | 21,909.91 | 20,380.24 | 22,382.08 | 31,042.28 | 22,372.88 | 277,036.24 | 3,964 | 98.59% | 26,790.15 | 21,509.57 | 24,918.86 | 29,668.39 | 18,443.23 | 23,541.20 | 21,956.88 | 23,832.78 | 25,513.12 | 24,276.26 | 264,307.58 | | | | | |
| Interest Revenue - Investments | 2,411 | 2,210 | 496.17 | 382.28 | 660.53 | 619.44 | 591.39 | 643.63 | 626.53 | 499.28 | 460.37 | 443.55 | 518.22 | 5,941.39 | (3,330) | 246.43% | 213.35 | 199.17 | 220.40 | 202.29 | 175.61 | 225.27 | 198.70 | 186.06 | 185.43 | 201.84 | 231.76 | 2,241.88 | | | | |
| Other Income | 515,221 | 472,303 | 36,556.02 | 35,558.33 | 34,590.40 | 31,006.30 | 49,446.21 | 52,857.75 | 39,939.59 | 34,560.38 | 33,919.57 | 33,757.18 | 40,573.95 | 422,757.68 | 92,463 | 82.05% | 46,490.21 | 68,485.97 | 37,885.30 | 33,611.58 | 38,313.65 | 31,379.82 | 53,485.88 | 30,087.02 | 50,440.66 | 38,384.42 | 7,097.90 | 435,662.41 | | | | |
| Total Revenues | 17,102,847 | 15,360,863 | 1,490,982.33 | 1,372,434.10 | 1,214,545.51 | 1,299,630.22 | 1,247,382.97 | 1,338,186.65 | 1,249,510.24 | 1,230,414.47 | 1,483,361.50 | 1,481,838.10 | 1,751,530.66 | 15,159,816.75 | 1,943,030 | 88.64% | 1,306,861.80 | 1,300,007.26 | 1,174,776.10 | 1,075,465.62 | 1,098,093.22 | 1,272,697.74 | 1,157,750.57 | 1,105,614.00 | 1,319,961.08 | 1,528,478.30 | 1,623,045.72 | 13,962,751.41 | | | | |
| Operating Expenses | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Administration | 251,183 | 230,259 | 42,048.33 | 21,247.80 | 26,409.22 | 19,170.69 | 18,446.04 | 18,015.20 | 17,929.60 | 18,651.33 | 26,724.87 | 18,697.27 | 19,369.82 | 246,710.17 | 4,473 | 98.22% | 15,153.35 | 16,911.45 | 21,298.50 | 15,696.34 | 15,697.79 | 17,855.37 | 19,262.06 | 17,577.11 | 17,560.89 | 27,128.14 | 18,126.39 | 202,267.39 | | | | |
| Safety | 62,353 | 57,159 | 3,969.18 | 4,576.41 | 5,859.30 | 4,064.29 | 4,032.85 | 4,027.52 | 4,154.08 | 4,006.64 | 5,833.33 | 4,032.09 | 4,021.24 | 48,576.93 | 77,911 | 77.91% | 4,082.58 | 4,566.31 | 5,934.14 | 4,052.69 | 4,801.74 | 4,328.33 | 4,363.05 | 4,198.10 | 4,110.02 | 5,953.90 | 4,469.54 | 50,860.40 | | | | |
| Acctg/Personnel | 273,144 | 250,391 | 17,849.82 | 27,932.63 | 27,182.67 | 18,825.76 | 18,449.36 | 39,950.88 | 16,001.95 | 19,637.43 | 27,211.16 | 19,981.57 | 21,127.96 | 254,151.19 | 18,993 | 93.05% | 15,060.36 | 21,839.75 | 24,606.54 | 16,838.90 | 23,634.96 | 20,487.65 | 36,742.58 | 20,912.78 | 17,260.05 | 23,041.69 | 18,142.58 | 238,567.84 | | | | |
| Information Techn | 774,517 | 710,000 | 46,610.00 | 57,335.48 | 67,773.75 | 51,713.15 | 44,866.83 | 54,219.82 | 52,676.57 | 49,688.11 | 94,772.00 | 44,415.07 | 47,203.27 | 611,073.05 | 163,444 | 78.90% | 48,554.39 | 84,618.01 | 66,792.10 | 48,951.22 | 47,954.16 | 52,928.77 | 44,034.42 | 50,933.38 | 66,496.31 | 49,501.33 | 613,839.39 | | | | | |
| Customer Services | 545,806 | 500,340 | 31,585.41 | 41,718.55 | 74,177.89 | 37,436.30 | 33,011.89 | 35,624.21 | 35,372.06 | 36,526.58 | 47,781.96 | 34,842.28 | 34,192.85 | 442,269.98 | 103,536 | 81.03% | 26,403.51 | 43,175.91 | 73,773.15 | 35,990.25 | 37,348.15 | 31,236.08 | 35,187.59 | 37,260.26 | 37,806.60 | 45,185.71 | 34,383.76 | 437,734.97 | | | | |
| Field Services | 370,080 | 339,252 | 21,946.99 | 28,902.82 | 36,094.48 | 22,627.34 | 27,569.27 | 23,929.24 | 28,216.98 | 26,536.69 | 33,646.75 | 24,866.10 | 28,046.05 | 301,482.71 | 68,597 | 81.46% | 20,122.14 | 26,312.68 | 27,723.30 | 29,713.88 | 22,779.71 | 27,020.49 | 26,571.61 | 23,797.84 | 29,699.56 | 30,508.84 | 235,407.72 | | | | | |
| Water Production | 2,816,080 | 2,581,501 | 141,825.91 | 262,217.55 | 248,350.68 | 197,093.76 | 184,045.30 | 108,116.46 | 160,241.87 | 283,074.31 | 258,324.88 | 186,644.66 | 226,332.25 | 2,256,267.63 | 559,812 | 80.12% | 162,727.78 | 266,525.73 | 257,701.89 | 226,627.52 | 123,602.66 | 180,818.36 | 222,591.20 | 214,475.23 | 228,543.71 | 197,109.39 | 298,228.76 | 2,378,952.23 | | | | |
| Wastewater - WC | 365,755 | 335,288 | 15,577.29 | 40,240.96 | 33,766.42 | 26,498.16 | 24,987.37 | 29,249.73 | 23,026.62 | 25,721.88 | 35,973.88 | 26,002.98 | 27,842.09 | 308,887.38 | 56,868 | 84.45% | 16,289.98 | 36,503.54 | 35,954.65 | 25,128.34 | 27,793.58 | 22,892.85 | 26,653.17 | 27,618.42 | 24,479.89 | 26,834.63 | 25,575.15 | 295,724.20 | | | | |
| Wastewater - SR | 2,352,664 | 2,156,687 | 112,924.72 | 261,537.09 | 202,404.06 | 159,486.76 | 171,985.82 | 150,105.69 | 198,525.47 | 161,033.37 | 188,431.20 | 148,208.79 | 162,799.73 | 1,917,442.70 | 435,221 | 81.50% | 134,876.02 | 214,800.55 | 194,978.88 | 155,186.62 | 162,801.25 | 175,924.20 | 181,894.71 | 171,596.10 | 179,230.64 | 205,093.55 | 169,290.23 | 1,945,672.75 | | | | |
| Wastewater - NT | 81,176 | 74,414 | 0.00 | 3,985.04 | 6,336.36 | 118.93 | 15,245.86 | 4,063.84 | 47.51 | 13,177.33 | 4,439.97 | 8,271.51 | 6,427.63 | 62,113.98 | 19,062 | 76.52% | 0.00 | 9.85 | 11.19 | 13,682.64 | 29.33 | 22,817.52 | 4,935.54 | 10,739.72 | 5,442.83 | 7,036.65 | 7,235.23 | 71,940.50 | | | | |
| Composting | 201,548 | 184,759 | 8,746.16 | 15,329.14 | 15,466.19 | 14,159.61 | 14,444.56 | 10,539.02 | 12,438.04 | 12,279.01 | 17,133.21 | 13,629.67 | 13,774.34 | 147,938.95 | 53,609 | 73.40% | 10,476.52 | 15,817.95 | 12,132.63 | 6,620.22 | 11,600.43 | 8,517.29 | 11,380.96 | 13,291.41 | 15,316.37 | 14,958.98 | 134,819.07 | | | | | |
| Oper Admin | 154,844 | 141,945 | 10,442.83 | 13,523.64 | 16,019.56 | 11,543.01 | 11,672.32 | 11,781.47 | 11,703.18 | 11,576.70 | 15,675.53 | 11,540.43 | 11,493.13 | 136,971.80 | 17,872 | 88.46% | 9,532.59 | 25,894.35 | 14,390.33 | 10,336.42 | 9,990.39 | 9,990.31 | 10,151.47 | 9,828.00 | 10,108.49 | 13,087.63 | 10,642.95 | 134,262.93 | | | | |
| W & S Construction | 546,479 | 500,957 | 25,934.61 | 38,840.98 | 42,966.78 | 27,549.09 | 40,631.89 | 30,363.79 | 35,781.67 | 29,636.67 | 38,031.67 | 31,614.81 | 35,913.89 | 375,265.85 | 171,213 | 68.67% | 32,673.66 | 37,863.68 | 44,079.11 | 37,097.84 | 27,349.55 | 26,596.83 | 33,390.22 | 45,865.69 | 39,373.42 | 44,578.70 | 38,393.21 | 407,806.91 | | | | |
| Water Distribution | 823,144 | 754,576 | 49,473.55 | 61,569.15 | 72,455.35 | 60,149.47 | 52,443.04 | 48,218.34 | 49,959.30 | 56,917.93 | 58,517.86 | 54,949.20 | 52,008.50 | 616,661.69 | 206,482 | 74.92% | 60,623.16 | 66,203.13 | 63,277.56 | 64,118.63 | 50,762.95 | 53,916.40 | 74,632.74 | 51,711.35 | 63,466.58 | 67,381.78 | 56,195.01 | 672,289.29 | | | | |
| Water Distrib-RR | 74,819 | 68,587 | 46,636.68 | 1,050.73 | 0.00 | 2,231.32 | 3,324.87 | (71.19) | 2,617.66 | 1,518.31 | 2,904.01 | 1,226.69 | (44,005.17) | 16,329.91 | 58,489 | 21.83% | 1,478.06 | 1,597.94 | 1,64.35 | 1,613.03 | 1,351.11 | 2,338.54 | 2,497.45 | 1,711.83 | 2,691.07 | 249.84 | 1,698.28 | 17,391.50 | | | | |
| Sewer Collection | 676,565 | 620,207 | 37,934.47 | 43,075.32 | 54,306.51 | 47,892.76 | 51,580.39 | 49,609.95 | 46,799.24 | 39,767.66 | 55,891.49 | 44,142.46 | 44,862.98 | 515,863.23 | 160,702 | 76.25% | 42,068.12 | 48,972.37 | 58,447.34 | 48,997.17 | 45,979.02 | 40,532.91 | 69,267.34 | 44,895.54 | 47,008.05 | 36,664.00 | 47,884.28 | 530,716.14 | | | | |
| Service Center | 268,528 | 246,160 | 19,248.38 | 24,823.89 | 18,888.37 | 17,841.11 | 15,327.10 | 16,609.92 | 16,811.05 | 24,970.57 | 17,944.37 | 16,658.59 | 208,201.24 | 60,327 | 77.53% | 16,269.14 | 18,676.09 | 24,905.81 | 17,891.42 | 15,441.64 | 18,435.49 | 17,118.76 | 17,120.54 | 18,252.42 | 24,454.17 | 16,800.66 | 205,366.14 | | | | | |
| Engineering Design | 449,752 | 412,288 | 30,568.77 | 15,575.01 | 40,158.06 | 21,380.35 | 22,781.75 | 24,888.68 | 23,828.43 | 20,980.18 | 29,578.83 | 31,805.37 | 6,844.29 | 268,389.72 | 181,362 | 59.68% | 31,866.04 | 40,928.11 | 44,109.70 | 33,995.27 | 41,770.74 | 29,2 | | | | | | | | | | |

Chart 1
FY 2016 Revenues
Period Budget vs Actual
August 2016

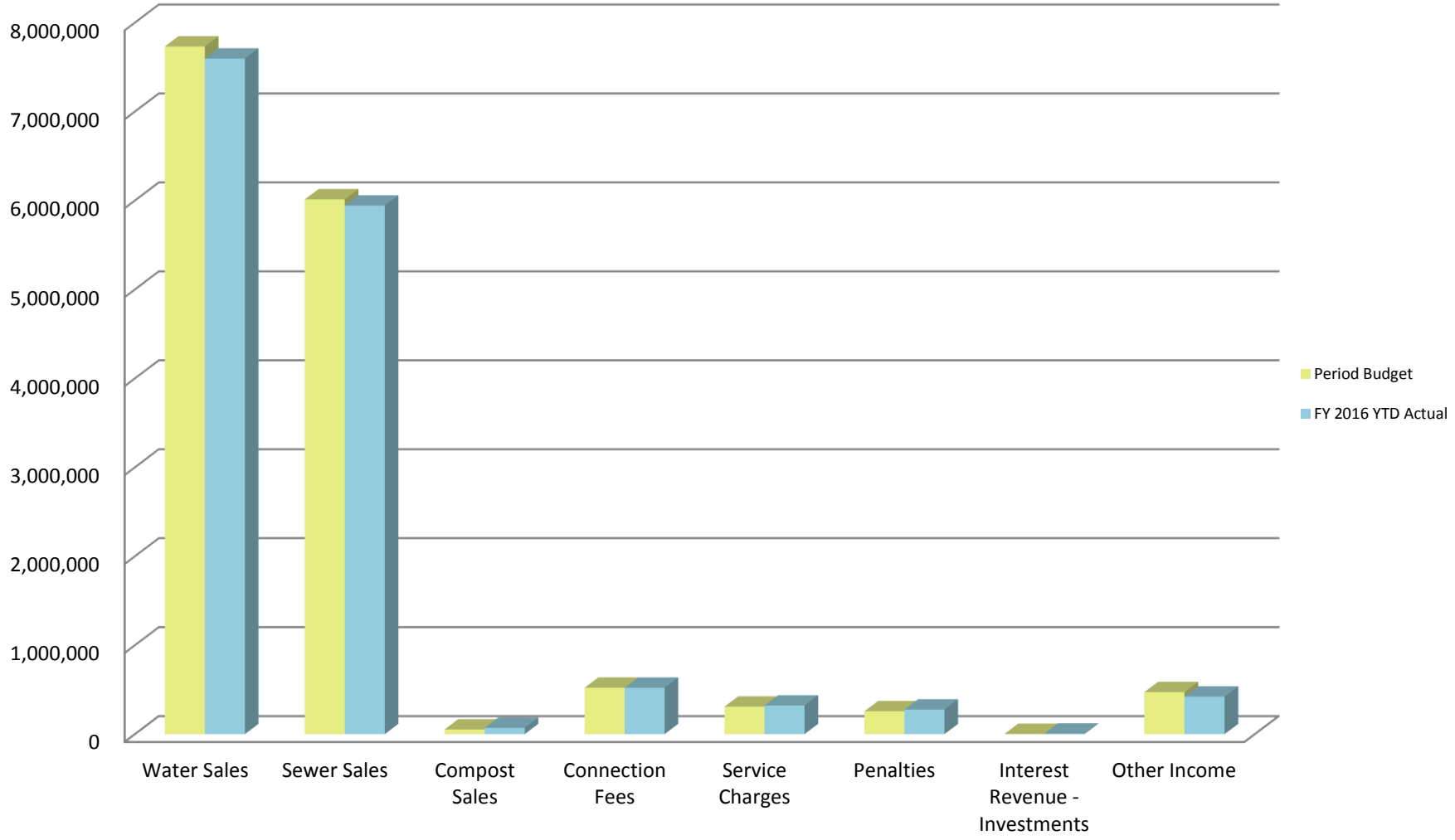


Chart 2
FY 2016 Operating Expenses
Period Budget vs Actual
August 2016

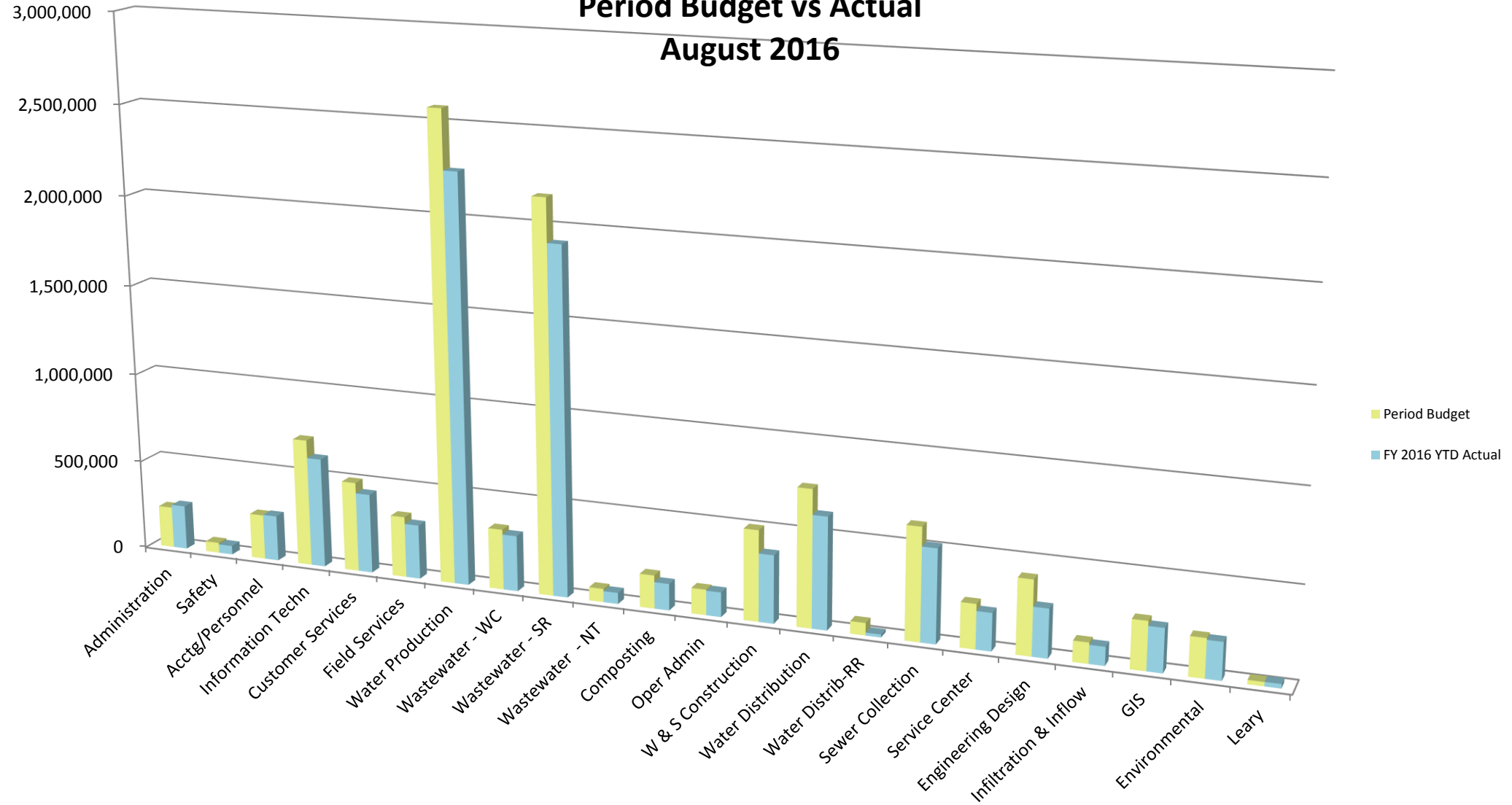


Chart 3
FY 2016 Total Revenues & Expenses
Period Budget vs Actual
August 2016

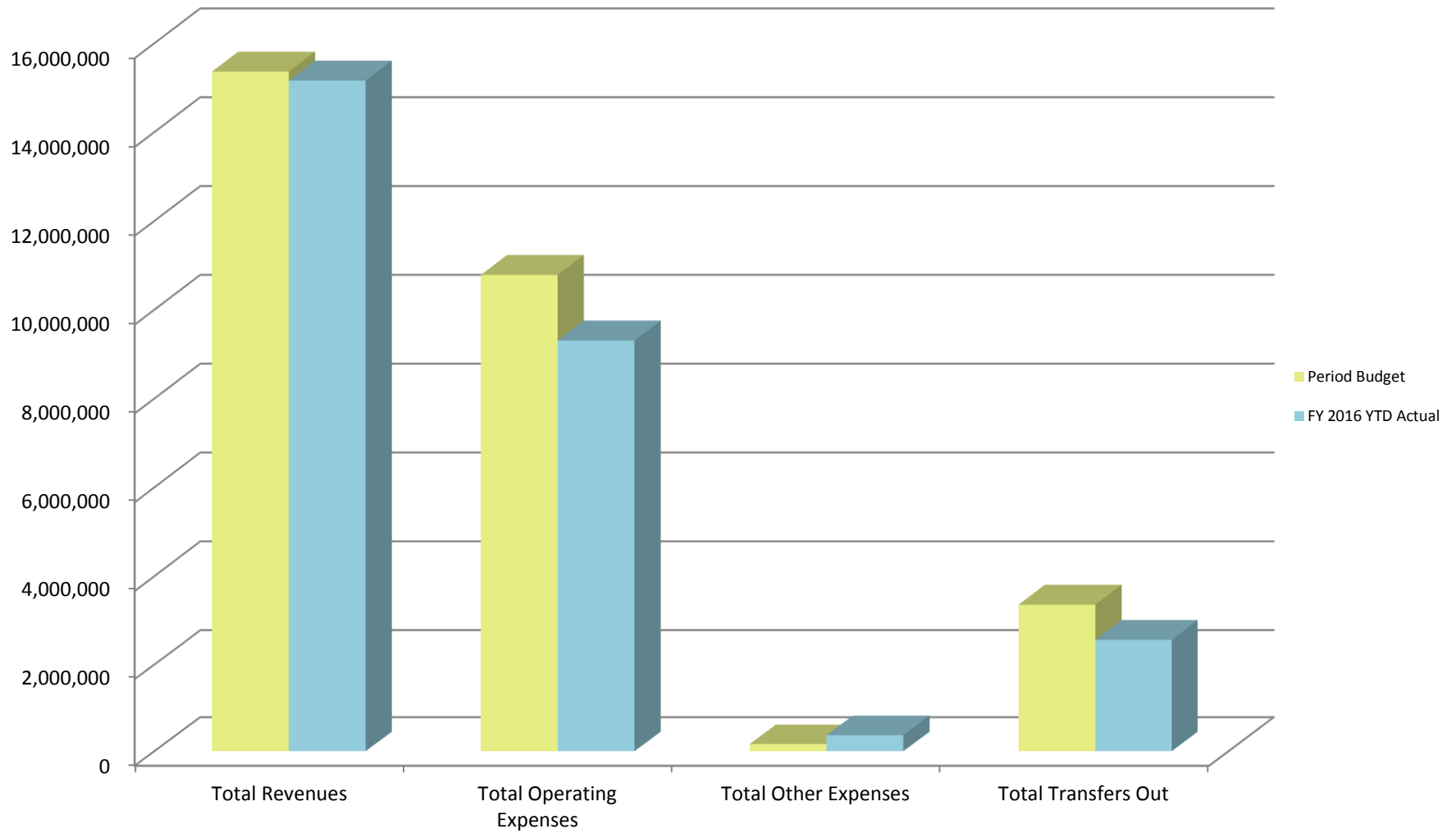
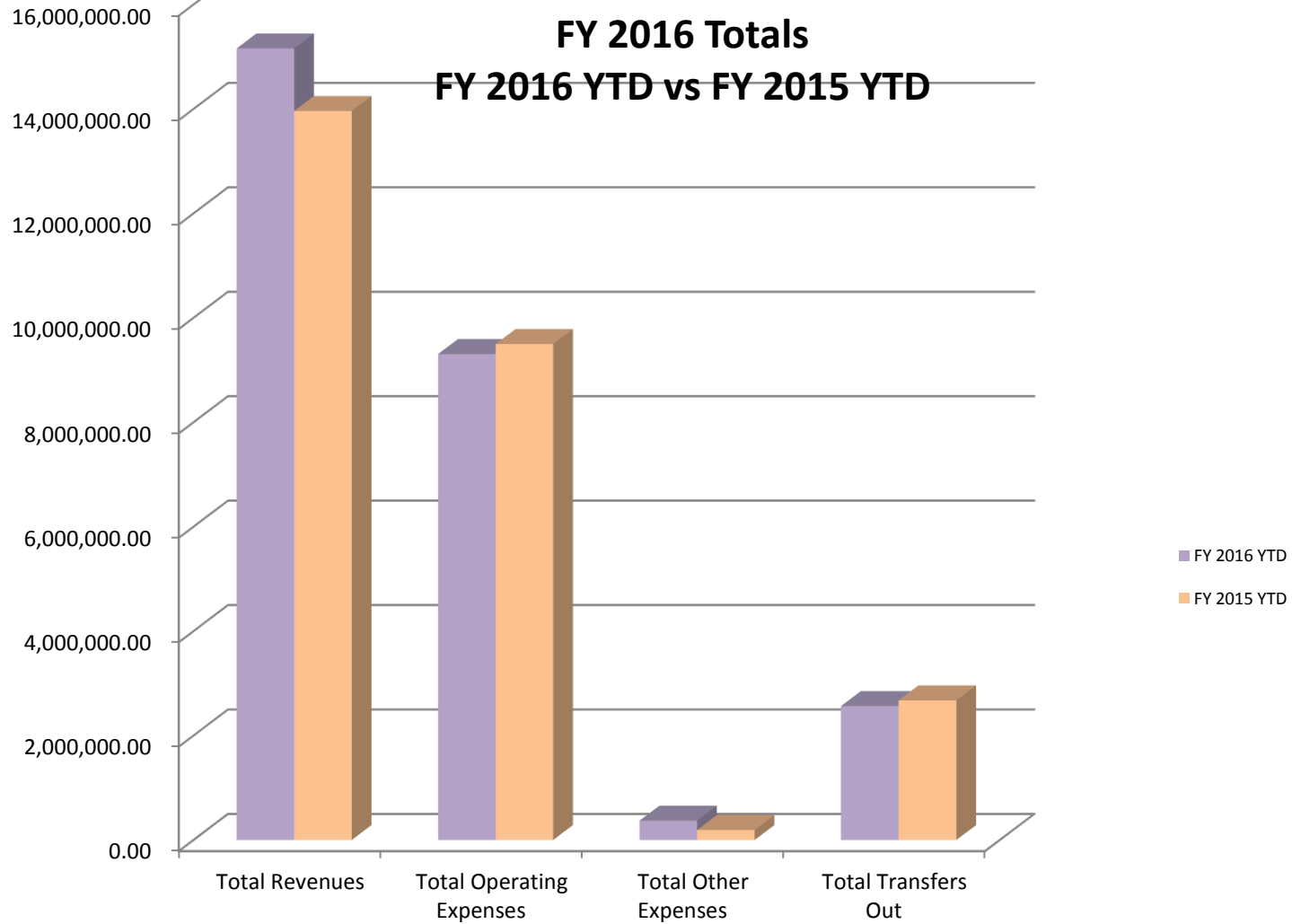


Chart 4
FY 2016 Totals
FY 2016 YTD vs FY 2015 YTD



**TEXARKANA WATER UTILITIES
TEXAS REVENUE FUND
REPORT ANALYSIS
FY 2016
August 2016**

Chart 1 - Revenues

| | | | |
|----------------|------------|------------|--------------|
| Water Sales | Actual | 7,596,030 | |
| | Budget | 7,731,768 | |
| | Difference | (135,738) | -1.76% Under |
| Sewer Sales | Actual | 5,942,680 | |
| | Budget | 6,012,731 | |
| | Difference | (70,051) | -1.17% Under |
| Total Revenues | Actual | 15,159,817 | |
| | Budget | 15,360,863 | |
| | Difference | (201,046) | -1.31% Under |

YTD Water Sales through August were slightly below the period budget by 1.76% for an unfavorable variance of \$135,738 Sewer Sales were below the period budget by \$70,051 or 1.24%. Residential and Commercial Sewer Sales were \$109,643 or 1.98% higher than this time last year. Water & Sewer Revenues were greater than this time last year with a 7.84% increase. Total Revenues were \$201,046 under the period budget for an unfavorable variance of 1.31%.

Chart 2 - Operating Expenses

| | | | |
|--------------------------|------------|-------------|---------------|
| Total Operating Expenses | Actual | 9,307,000 | |
| | Budget | 10,784,024 | |
| | Difference | (1,477,024) | -13.70% Under |

As of August 2016, Total Operating Expenses for the divisions were under budget by \$1,477,024 as nineteen out of twenty-two divisions came in under budget through the month resulting in a favorable variance of 13.70%.

Chart 3 - Total Revenues & Expenses

| | | | |
|--------------------------|------------|-------------|---------------|
| Total Revenues | Actual | 15,159,817 | |
| | Budget | 15,360,863 | |
| | Difference | (201,046) | -1.31% Under |
| Total Operating Expenses | Actual | 9,307,000 | |
| | Budget | 10,784,024 | |
| | Difference | (1,477,024) | -13.70% Under |
| Total Other Expenses | Actual | 370,407 | |
| | Budget | 165,006 | |
| | Difference | 205,401 | 124.48% Over |
| Total Transfers | Actual | 2,565,075 | |
| | Budget | 3,358,234 | |
| | Difference | (793,159) | -23.62% Under |

Total Revenues were slightly under the period budget by 1.31% as of August while Total Operating Expenses were 13.70% favorably under budget. Due to higher Riverbend expenses, Total Other Expenses were 205,401 over the period budget. Total Transfers were

**TEXARKANA WATER UTILITIES
TEXAS REVENUE FUND
REPORT ANALYSIS
FY 2016
August 2016**

23.62% under the period budget through the month of August.

Chart 4 - Total YTD Revenues & Expenses - FY 2016 vs FY 2015

| | | | |
|--------------------------|------------|------------|--------|
| Total Revenues | FY 2016 | 15,159,817 | |
| | FY 2015 | 13,962,751 | |
| | Difference | 1,197,065 | 8.57% |
| Total Operating Expenses | FY 2016 | 9,307,000 | |
| | FY 2015 | 9,498,929 | |
| | Difference | (191,929) | -2.02% |
| Total Other Expenses | FY 2016 | 370,407 | |
| | FY 2015 | 191,394 | |
| | Difference | 179,013 | 93.53% |
| Total Transfers | FY 2016 | 2,565,075 | |
| | FY 2015 | 2,674,066 | |
| | Difference | (108,990) | -4.08% |

A comparison of FY16 year-to-date activity to the same period in FY15 shows the following:

Total YTD Revenues are \$1,197,065 or 8.57% over revenues through the same period last year as Water and Sewer Revenues are 7.84% greater than last year.

Total Operating Expenses are \$191,929 below the YTD period compared to this time last year for a 2.02% decrease.

Total Other Expenses are higher than those of the prior year with a 93.53% increase due to increased legal costs from the prior year and higher Riverbend expenses.