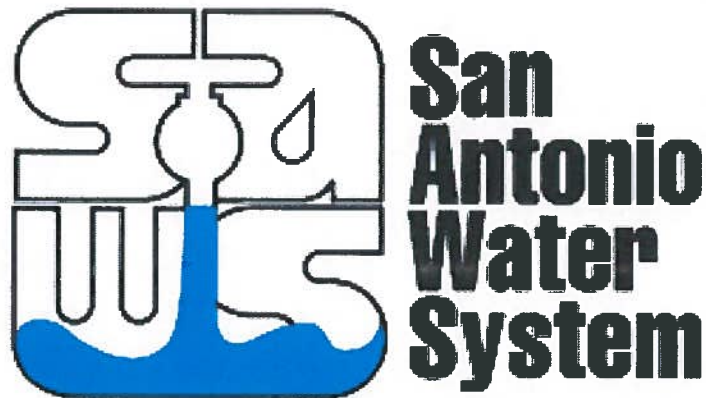


# San Antonio Water System

## ***CONDENSED MONTHLY FINANCIAL REPORT February 2017***



**San Antonio, Texas**

**CONDENSED MONTHLY FINANCIAL REPORT  
SAN ANTONIO WATER SYSTEM  
FEBRUARY 28, 2017**

Attached is the monthly financial report of the San Antonio Water System (SAWS) for the month ended February 28, 2017. This report presents financial and management information for all funds, activities, and programs for which the Board of Trustees has been given responsibility to manage and control.

**FINANCIAL HIGHLIGHTS**

- SAWS' net position increased by \$13.8 million during the month.
- Operating revenues for the month of \$48.2 million were \$.9 million unfavorable to budget but \$2.6 million more than a year ago.
- Operating expenses before depreciation for the month of \$23.5 million were \$1.4 million favorable to budget but \$3.4 million more than the prior year.
- Net interest expense was \$1.4 million favorable to budget for the month and \$.1 million less than the prior year.
- SAWS' net income before capital contributions for the month of \$3.2 million was \$1.7 million favorable to budget but \$.8 million less than February 2016.
- Capital contributions for the month were \$10.6 million compared to the budget of \$9.7 million and \$9.4 million in February 2016.

**OVERALL FINANCIAL CONDITION**

	February 28, 2017	
<i>(\$ in thousands)</i>		
Assets	\$	5,918,734
Deferred Outflows of Resources		94,898
Liabilities		(3,367,985)
Deferred Inflows of Resources		(2,793)
Total Net Position	<u>\$</u>	<u>2,642,853</u>
Net Investment in Capital Assets	\$	2,095,377
Restricted Net Position		338,363
Unrestricted Net Position		209,113
Total Net Position	<u>\$</u>	<u>2,642,853</u>

During the month, SAWS' total assets and deferred outflows of resources increased \$16.7 million primarily due to increases in capital assets, cash and investments. Total liabilities and deferred inflows of resources increased \$2.9 million as interest accrued on outstanding debt more than offset the decrease in accounts payable.

Working capital totaled \$382.7 million and includes an operating reserve of \$54.1 million in accordance with SAWS' ordinance requirement of a two-month reserve amount based upon the current fiscal year's budget for operating and maintenance expense. SAWS' net position ratio was 43.9% at February 28, 2017, 43.8% at January 31, 2017 and 42.9% at February 29, 2016.

SAWS' bond ordinance requires SAWS to set rates and charges sufficient to maintain a debt coverage ratio of at least 1.25x the current year annual debt service on outstanding senior lien debt. The following

chart includes SAWS' current year debt coverage ratios for both senior lien and total bonded debt. The improvement in the debt coverage ratio for senior lien debt is primarily due to refunding senior lien debt with junior lien debt in February 2017 and during 2016.

<b>Debt Coverage Ratios</b>			
	<u>2/28/2017</u>	<u>1/31/2017</u>	<u>2/29/2016</u>
Current Year Debt Service - Senior Lien Debt	5.41	4.56	3.42
Current Year Debt Service - Total Debt	1.68	1.68	1.43

As of February 28, 2017 SAWS is in compliance with the terms and provisions of the ordinances and documents related to its outstanding bonds and tax-exempt commercial paper.

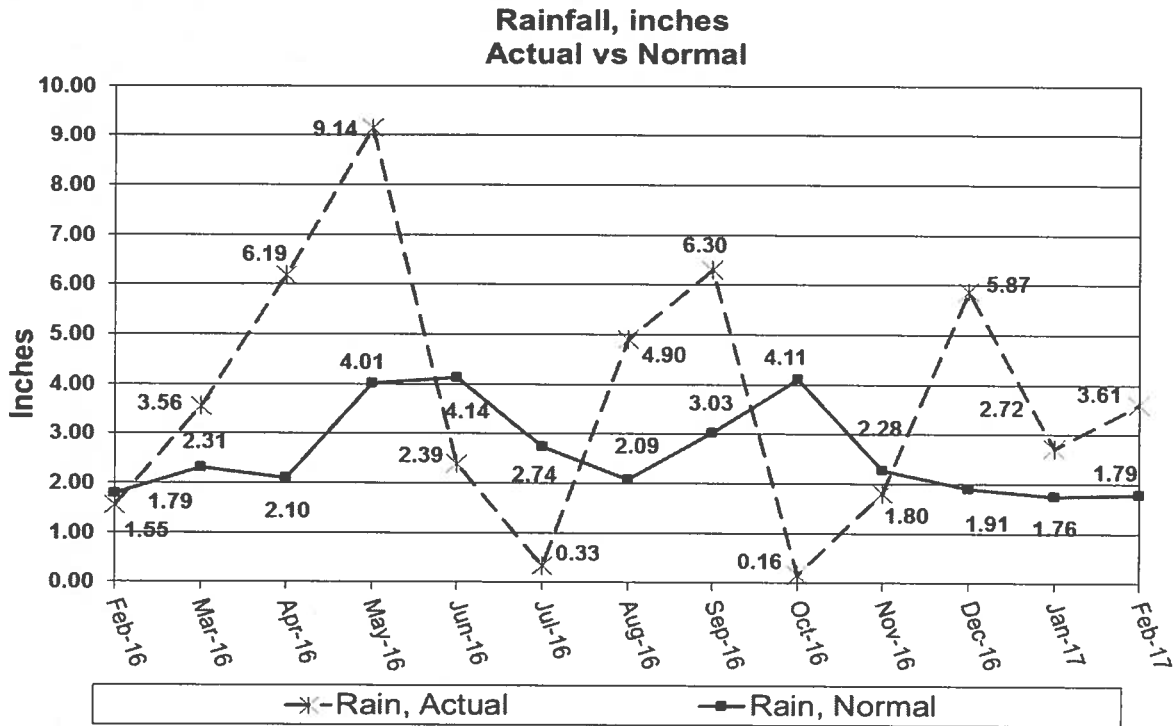
## RESULTS OF OPERATIONS

The following table shows a consolidated summary of SAWS' Statement of Revenues, Expenses and Changes in Net Position for the month of February 2017 with comparisons to both the budget and the prior year.

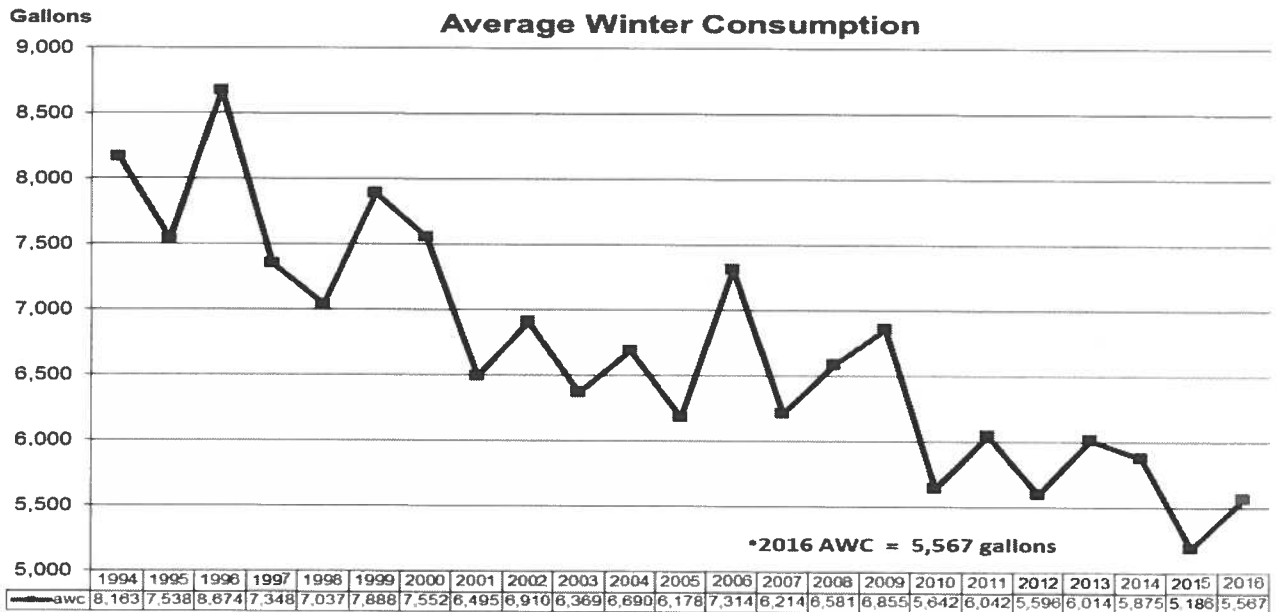
(\$ in thousands)	February-17		Fav (Unfav)	February-16	Fav (Unfav)
	Actual	Budget*	Variance To Budget	Actual	Variance To Prior Year
Operating Revenues					
Water Supply System	\$ 12,891	\$ 13,678	\$ (787)	\$ 12,550	\$ 341
Water Delivery System	14,063	14,483	(419)	13,638	425
Wastewater System	20,508	20,096	412	18,599	1,909
Chilled Water and Steam System	783	853	(70)	814	(31)
Total operating revenues	<u>48,245</u>	<u>49,110</u>	<u>(865)</u>	<u>45,601</u>	<u>2,644</u>
Operating Expenses Before Depreciation	23,488	24,851	1,362	20,080	(3,408)
Depreciation Expense	12,399	12,394	(5)	11,388	(1,011)
Total operating expenses	<u>35,887</u>	<u>37,244</u>	<u>1,358</u>	<u>31,468</u>	<u>(4,419)</u>
Operating Income	12,358	11,866	493	14,133	(1,775)
Miscellaneous Revenues	11	-	11	11	(0)
Investment income	504	344	160	261	243
Interest Expense	7,605	8,890	1,285	7,429	(176)
Payments to the City of San Antonio	1,250	1,271	21	1,030	(220)
Other Non-operating Expense	836	598	(237)	2,005	1,170
Net Income (Loss) Before Capital Contributions	<u>3,182</u>	<u>1,450</u>	<u>1,733</u>	<u>3,940</u>	<u>(757)</u>
Grant Revenue	157	-	157	-	157
Capital Recovery Fees	5,437	4,424	1,013	4,187	1,250
Plant Contributions	5,053	5,250	(197)	5,207	(153)
Total Contributions	<u>10,647</u>	<u>9,674</u>	<u>974</u>	<u>9,394</u>	<u>1,254</u>
Change in Net Position	<u>\$ 13,830</u>	<u>\$ 11,123</u>	<u>\$ 2,706</u>	<u>\$ 13,334</u>	<u>\$ 496</u>

\*Budget includes adjustments to certain benefit related costs in order to comply with generally accepted accounting principles. The budget reflected on the Schedule of Sources and Uses reflects these costs on a cash basis.

Total operating revenues for February 2017 were \$.9 million unfavorable to budget but \$2.6 million more than February 2016. Water delivery and supply revenues of \$27 million were \$1.2 million unfavorable to budget but \$.8 million more than February 2016. Rainfall during the last two months is almost twice the normal rainfall for the period contributing to the unfavorable variance to budget. The increase from February 2016 is primarily due to an average water rate adjustment of 7.9% which went into effect on February 1, 2017.



Wastewater revenue for the month of \$20.5 million was \$.4 million favorable to budget and \$1.9 million more than the prior year. Increased revenues from general class customers led to the favorable variance to budget. The Average Winter Consumption (AWC) of 5,567 gallons that went into effect in March 2016 was 7.3% more than the AWC that was in effect in February 2016. The increase in the AWC combined with the 5.6% rate increase implemented in February 2017 contributed to the favorable variance to last year.



Operating expenses before depreciation were \$1.4 million favorable to budget for the month but \$3.4 million more than a year ago. The favorable variance to budget is primarily due to timing of spending related to maintenance and certain contractual professional services. The unfavorable variance to last year is primarily due to increases in utilities and water options and the timing of spending on maintenance and contractual professional services.

Investment income for the month was \$.2 million favorable to budget and \$.2 million more than February 2016. The yield on SAWS investment portfolio was .69% for the month compared to the budgeted yield of .75% and .39% earned on the portfolio a year ago. Total investment balances were greater than both forecast and the prior year.

Interest expense for the month was \$1.3 million favorable to budget but \$.2 million more than February 2016. The conservative nature of the budgeting process, which ensures that current rates are sufficient to support the current year's construction program, contributed to the favorable variance from budget. Additional debt issued since February 2016 led to the increase in interest expense from the prior year.

In February 2017, capital contributions included \$.2 million in Edwards Aquifer Authority grant funds earned related to SAWS water leak repair program, \$5.4 million in impact fees and \$5.1 million in plant contributions from developers. Impact fees and plant contributions can vary significantly from month-to-month but are an indication of development activity in the San Antonio region. Growth in the number of customer connections averaged 1.5% over the last 12 months (February 2016 - February 2017) and 1.7% for the preceding 12 month period (February 2015 – February 2016).

## CASH FLOWS

Cash and cash equivalents increased \$5.5 million during February 2017. Cash inflows during the month included \$22.7 million from operations and \$5.4 million in proceeds from developers. Cash outflows for the month consisted primarily of \$19.8 million spent on the acquisition and construction of property, plant and equipment and \$2.1 million in interest paid related to bonds refunded during the month. SAWS refunded \$100 million in 2007 and 2007A Series Bonds for savings.

The following table summarizes the Capital Improvement Programs (CIP) from 2015 through 2017. In order to fully execute the planned CIP, SAWS is projected to award \$409.7 million in additional capital contracts. Additionally, outstanding commitments on awarded contracts total \$408.2 million at February 28, 2017.

<i>(\$ in millions)</i>	<b>Original</b>	<b>Revised</b>		<b>Percent</b>
<b>Plan Year</b>	<b>Plan</b>	<b>Plan</b>	<b>Commitments</b>	<b>Committed</b>
CY2017	\$ 367.5	\$ 367.5	\$ 60.6	16.5%
CY2016	247.2	288.3	202.6	70.3%
CY2015	236.2	221.3	205.6	92.9%
	<u>\$ 850.9</u>	<u>\$ 877.1</u>	<u>\$ 468.8</u>	53.5%

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Douglas P. Evanson', with a long horizontal flourish extending to the right.

Douglas P. Evanson  
Senior Vice President/Chief Financial Officer

**CONDENSED  
MONTHLY FINANCIAL REPORT  
SAN ANTONIO WATER SYSTEM  
February 28, 2017**

**Table of Contents**

Statement of Net Position .....	1 - 2
Statement of Revenues, Expenses and Changes in Net Position .....	3
Statement of Cash Flows .....	4 - 5
Consolidating Schedule of Sources and Uses of Funds – Current Month .....	6
Consolidating Schedule of Sources and Uses of Funds – Year-to-Date .....	7
Consolidating Schedule of Sources and Uses of Funds – Water Supply – Current Month .....	8
Consolidating Schedule of Sources and Uses of Funds – Water Supply – Year-to-Date .....	9
Operation and Maintenance Expense by Account .....	10 - 11
Investment Portfolio .....	12
Key Financial Ratios .....	13
Construction in Progress Summary – Total .....	14 - 15
Statistical Data .....	16

**San Antonio Water System  
STATEMENT OF NET POSITION  
February 28, 2017**

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

<b>CURRENT ASSETS</b>	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	\$ 66,816,480	\$ 111,547,720
Investments	243,752,591	113,290,101
Accrued interest receivable	1,978,040	1,250,134
Accounts receivable - net of allowance for uncollectable accounts of \$5,654,261 and \$5,655,110 respectively	65,942,438	72,872,869
Inventory - materials and supplies	4,999,121	5,303,074
Prepaid expenses	7,957,441	7,729,834
<b>Total current unrestricted assets</b>	<u>391,446,111</u>	<u>311,993,732</u>
 <b>RESTRICTED ASSETS</b>		
Debt Service Fund		
Cash and Cash Equivalents	18,396,273	6,099,181
Investments	89,408,055	92,588,924
Construction Funds		
Investments	30,920,621	20,425,383
Customers' deposits - System Fund	13,573,848	12,642,794
Operating Reserve - System Fund	54,143,274	52,279,428
<b>Total current restricted assets</b>	<u>206,442,071</u>	<u>184,035,710</u>
<b>Total current assets</b>	<u>597,888,182</u>	<u>496,029,442</u>
 <b>NONCURRENT ASSETS</b>		
Restricted Noncurrent Assets		
Reserve fund:		
Cash and cash equivalents	41,997	214,062
Investments	88,638,697	87,517,491
Construction funds:		
Cash and cash equivalents	51,565,145	151,553,536
Investments	283,575,759	176,960,779
 <b>CAPITAL ASSETS</b>		
Utility plant in service	6,310,405,731	5,689,216,595
Less allowance for depreciation	2,013,274,327	1,883,248,340
	<u>4,297,131,404</u>	<u>3,805,968,255</u>
Land, water rights and other intangible assets	349,398,245	349,250,035
Construction in Progress	250,494,071	519,045,029
<b>Total capital assets</b>	<u>4,897,023,720</u>	<u>4,674,263,319</u>
 <b>TOTAL ASSETS</b>	 5,918,733,500	 5,586,538,629
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Loss on bond refunding	54,057,819	47,622,271
Deferred outflows pensions	28,115,201	16,081,724
Derivative Instrument	12,725,005	20,304,712
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>94,898,025</u>	<u>84,008,707</u>
 <b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	 \$ <u>6,013,631,525</u>	 \$ <u>5,670,547,336</u>



**San Antonio Water System**  
**STATEMENT OF NET POSITION - continued**  
**February 28, 2017**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

	<b>2017</b>	<b>2016</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 25,858,243	\$ 27,191,122
Third party billing collections payable	1,090,037	1,008,154
Accrued vacation pay	5,814,455	5,332,067
Accrued payroll and benefits	4,806,282	4,247,960
Accrued claims payable	4,537,973	2,489,243
Accrued stormwater services	3,488,426	3,279,209
Health Insurance Payable	2,134,844	1,862,645
Sundry payables and deferred income	7,291,928	7,862,010
Total current unrestricted liabilities	55,022,188	53,272,410
 <b>LIABILITIES PAYABLE FROM RESTRICTED FUNDS</b>		
Debt Service Fund		
Accrued interest payable	32,663,783	29,442,301
Construction funds:		
Contract retainage payable	16,383,353	17,301,543
Sundry payables	14,537,268	3,123,840
Customers' deposits	13,573,848	12,642,794
Revenue bonds payable within one year	83,040,000	78,570,000
Total current restricted liabilities	160,198,252	141,080,478
Total current liabilities	215,220,440	194,352,888
 <b>LONG-TERM LIABILITIES</b>		
Accrued vacation payable	3,402,086	3,420,424
Long-term unfunded post-retirement obligations	73,154,237	79,711,488
Net pension liability	63,021,914	42,585,154
Derivative Instrument	16,562,857	24,509,764
Commercial paper notes	241,610,000	224,005,000
Revenue bonds payable after one year	2,537,729,998	2,501,894,998
Unamortized premium	218,739,011	165,037,631
Less unamortized discount	(1,455,868)	(2,572,847)
Total long-term liabilities	3,152,764,235	3,038,591,612
Total Liabilities	3,367,984,675	3,232,944,500
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows - pensions	2,793,408	6,783,933
<b>TOTAL LIABILITIES &amp; DEFERRED INFLOWS OF RESOURCES</b>	3,370,778,083	3,239,728,433
 <b>NET POSITION</b>		
Restricted:		
Net investment in capital assets	2,095,377,294	1,952,438,244
Restricted for construction	152,940,900	170,311,192
Restricted for debt service	75,140,543	69,245,804
Restricted for debt service reserve	56,138,615	58,021,024
Restricted for operating reserve	54,143,274	52,279,428
Total Restricted Net Position	2,433,740,626	2,302,295,692
Unrestricted Net Position	209,112,816	128,523,211
<b>TOTAL NET POSITION</b>	\$ 2,642,853,442	\$ 2,430,818,903

**San Antonio Water System**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**Two months ended February 2017**

	2017 YTD Actual	2017 YTD Budget*	2016 YTD Actual	Variance	
				To Budget	To Prior Year
<b>Operating revenues:</b>					
Water Resources - Misc.	\$ 273,653	\$ 265,017	\$ 215,517	\$ 8,636	\$ 58,136
Water Supply Fee	19,607,365	22,853,437	19,765,201	(3,246,072)	(157,836)
EAA/TCEQ Fee	3,630,879	4,062,171	4,350,809	(431,292)	(719,930)
Recycle Water	794,955	832,520	920,072	(37,565)	(125,117)
Stormwater	875,167	765,307	824,390	109,860	50,777
Metered Water	28,965,885	30,493,377	27,655,600	(1,527,492)	1,310,285
Conservation Metered Water	1,418,963	1,555,009	1,375,101	(136,046)	43,862
Wastewater service charges	40,835,978	40,736,284	37,671,020	99,694	3,164,958
Chilled water	1,599,035	1,705,989	1,610,129	(106,954)	(11,094)
Less: Uncollectible accounts	(800,088)	(724,481)	(805,638)	(75,607)	5,550
<b>Total operating revenues</b>	<b>97,201,792</b>	<b>102,544,629</b>	<b>93,582,201</b>	<b>(5,342,837)</b>	<b>3,619,591</b>
<b>Operating expenses:</b>					
Salaries and fringe benefits	22,791,926	23,528,748	21,908,022	736,822	(883,904)
Contractual services	23,588,086	26,702,542	19,511,400	3,114,456	(4,076,686)
Materials & supplies	2,617,510	4,241,707	2,520,181	1,624,197	(97,329)
Other charges	1,822,210	1,870,234	1,583,987	48,024	(238,223)
Capitalized cost	(5,042,842)	(6,082,494)	(5,430,752)	(1,039,652)	(387,910)
Intercompany transfers	888	-	-	(888)	(888)
Total operating expenses before depreciation	45,777,778	50,260,737	40,092,838	4,482,959	(5,684,940)
Depreciation expense	24,552,243	24,667,394	23,213,583	115,151	(1,338,660)
<b>Total operating expenses</b>	<b>70,330,021</b>	<b>74,928,131</b>	<b>63,306,421</b>	<b>4,598,110</b>	<b>(7,023,600)</b>
<b>Operating income (loss)</b>	<b>26,871,771</b>	<b>27,616,498</b>	<b>30,275,780</b>	<b>(744,727)</b>	<b>(3,404,009)</b>
<b>Non-operating revenues:</b>					
Miscellaneous revenue	22,062	-	28,311	22,062	(6,249)
Interest earned	995,391	687,500	507,659	307,891	487,732
Gain/(Loss) on Investments	-	-	-	-	-
<b>Total non-operating revenues</b>	<b>1,017,453</b>	<b>687,500</b>	<b>535,970</b>	<b>329,953</b>	<b>481,483</b>
<b>Non-operating expenses:</b>					
Debt issuance costs	887,260	726,374	1,749,398	(160,886)	862,138
Other financing charges	450,193	450,193	365,975	0	(84,218)
Interest expense					
Revenue bonds and commercial paper	18,439,878	20,987,531	17,988,168	2,547,653	(451,710)
Capitalized interest	(465,176)	(466,667)	(860,880)	(1,491)	(395,704)
Amortized discount/premiums/Loss on refunding	(2,718,838)	(2,718,840)	(2,188,938)	(2)	529,900
Loss (gain) on sale of fixed assets	(184,622)	-	(30,316)	184,622	154,306
Transfers to GKDA	13,320	20,400	15,295	7,080	1,975
Transfers to City of San Antonio	2,513,127	2,652,549	2,113,759	139,422	(399,368)
<b>Total non-operating expenses</b>	<b>18,935,142</b>	<b>21,651,540</b>	<b>19,152,461</b>	<b>2,716,398</b>	<b>217,319</b>
<b>Net income (loss) before capital contributions</b>	<b>8,954,082</b>	<b>6,652,458</b>	<b>11,659,289</b>	<b>2,301,624</b>	<b>(2,705,207)</b>
<b>Capital contributions:</b>					
Grant Revenue	358,915	-	-	358,915	358,915
Capital recovery fees	10,811,185	8,847,316	9,123,209	1,963,869	1,687,976
Plant contributions	9,380,583	10,500,000	10,130,685	(1,119,417)	(750,102)
<b>Total capital contributions</b>	<b>20,550,683</b>	<b>19,347,316</b>	<b>19,253,894</b>	<b>1,203,367</b>	<b>1,296,789</b>
<b>CHANGE IN NET POSITION</b>	<b>29,504,765</b>	<b>25,999,774</b>	<b>30,913,183</b>	<b>3,504,991</b>	<b>(1,408,418)</b>
<b>NET POSITION, beginning balances</b>	<b>2,613,348,677</b>	<b>2,613,348,677</b>	<b>2,399,905,720</b>		
<b>NET POSITION, ending balances</b>	<b>\$ 2,642,853,442</b>	<b>\$ 2,639,348,451</b>	<b>\$ 2,430,818,903</b>		

\*Budget includes amounts for non-cash items not included in the Board approved Sources & Uses budget.

**San Antonio Water System  
STATEMENT OF CASH FLOWS  
Two months ended February 2017**

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 105,132,703	\$ 95,367,989
Cash paid to vendors for operations	(40,648,019)	(36,517,926)
Cash paid to employees for services	<u>(18,949,681)</u>	<u>(17,901,388)</u>
Net cash provided by operating activities	45,535,003	40,948,675
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Payments to the City of San Antonio	(1,823,889)	(1,472,449)
Payments to other entities	<u>(27,461)</u>	<u>(26,176)</u>
Net cash used for noncapital financing activities	(1,851,350)	(1,498,625)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from sale of capital assets	215,901	30,318
Proceeds from developers for plant construction	10,811,185	9,123,209
Proceeds from grants	358,915	-
Payment to employees for construction of plant	(3,430,087)	(3,732,654)
Payment to vendors for construction of plant	(1,612,756)	(1,698,098)
Payments for acquisition of equipment and furniture	(1,175,163)	(1,084,181)
Payments for acquisition of property and plant	(34,456,952)	(60,293,523)
Proceeds from revenue bonds	102,068,721	252,499,574
Payment for retirement/refunding of revenue bonds	(100,495,000)	(256,638,750)
Payment of interest on commercial paper	(801,185)	(684,159)
Payment of interest on revenue bonds	(2,249,849)	(3,687,485)
Payment for bond related expenses	(887,260)	(1,749,396)
Payment for finance charges	<u>(455,657)</u>	<u>(471,237)</u>
Net cash used for capital and related financing activities	(32,109,187)	(68,386,382)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(165,359,823)	(84,495,902)
Maturity of investments	133,204,802	101,406,658
Interest income and other	<u>664,276</u>	<u>638,568</u>
Net cash provided (used) by investing activities	(31,490,745)	17,549,324
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(19,916,279)	(11,387,008)
<b>CASH AND CASH EQUIVALENTS, AT BEGINNING OF YEAR</b>	<u>156,736,174</u>	<u>280,801,507</u>
<b>CASH AND CASH EQUIVALENTS, AT END OF PERIOD</b>	<u>\$ 136,819,895</u>	<u>\$ 269,414,499</u>

**San Antonio Water System  
STATEMENT OF CASH FLOWS  
Two months ended February 2017**

	<b>2017</b>	<b>2016</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET ASSETS</b>		
Cash and Cash Equivalents		
Unrestricted		
System Fund	\$ 66,816,480	\$ 111,547,720
Restricted		
Debt Service Fund	18,396,273	6,099,181
Reserve Fund	41,997	214,062
Construction Fund	51,565,145	151,553,536
	\$ 136,819,895	\$ 269,414,499
 <b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income	\$ 26,871,771	\$ 30,275,780
Adjustments to reconcile operating income to net cash provided by operating activities:		
Non-cash revenues from City of San Antonio	(675,097)	(630,429)
Provision for uncollectible accounts	800,088	805,638
Depreciation expense	24,552,243	23,213,583
Change in assets, deferred outflows, liabilities and deferred inflows:		
(Increase)/Decrease in accounts receivable	2,679,489	(4,980,703)
(Increase)/Decrease in inventory	81,410	53,132
(Increase)/Decrease in prepaid expenses	(3,347,166)	(1,246,579)
(Decrease)/Increase in accounts payable	(11,152,701)	(14,222,371)
(Decrease)/Increase in amount due for third party collections	(10,726)	6,035
(Decrease)/Increase in accrued vacation payable	363,596	(53,164)
(Decrease)/Increase in accrued payroll and benefits	668,526	990,838
(Decrease)/Increase in accrued stormwater services	44,355	371,964
(Decrease)/Increase in health claims payables	37,145	323,809
(Decrease)/Increase in unfunded post-retirement obligations	(518,502)	(561,021)
(Decrease)/Increase in sundry payables and accruals	4,947,689	6,429,145
(Decrease)/Increase in customers' deposits	192,883	173,018
Total Adjustments	18,663,232	10,672,895
Net cash provided by operating activities	\$ 45,535,003	\$ 40,948,675

San Antonio Water System  
**CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS**  
 Month ended February 2017

SOURCES OF FUNDS	Water	Water	Wastewater	Chilled Water	Total	Budget	Favorable (Unfavorable)	Variance
	Supply System	Delivery System	System	System	System	Current Allocations		
<b>OPERATING REVENUES</b>	\$ 122,019	\$ -	\$ -	\$ -	\$ 122,019	\$ 132,508	\$(10,489)	-7.92%
Water Resources - Misc.	9,331,724	-	-	-	9,331,724	10,013,607	(681,883)	-6.81%
Water Supply Fee	1,615,086	122,423	37,584	-	1,775,093	1,908,429	(133,336)	-6.99%
EAAT/CEO Pass Through Fees	407,340	-	-	-	407,340	392,497	14,843	3.78%
Recycled water system	440,061	-	-	-	440,061	382,654	57,407	15.00%
Stormwater	687,650	-	-	-	687,650	724,463	(36,803)	-5.08%
Metered Water - Conservation	(61,892)	14,602,387	-	-	14,602,387	14,993,461	(381,074)	-2.54%
Metered Water - Water Delivery	-	(86,981)	(149,434)	-	(236,415)	(236,415)	-	0.00%
Affordability Discount Program	-	-	20,256,646	-	20,256,646	19,874,759	381,887	1.92%
Wastewater System	-	-	515,049	-	515,049	486,428	28,621	5.88%
Wastewater Surcharge	-	-	-	782,770	782,770	852,985	(70,225)	-8.23%
Chilled water	-	-	-	-	-	-	-	0.00%
Operating Transfer	469,166	(469,166)	-	-	-	(346,169)	(51,141)	14.77%
Less: Uncollectible Accounts	(119,948)	(125,232)	(152,130)	-	(397,310)	(397,310)	-	0.00%
Total operating revenues	12,891,206	14,063,421	20,507,715	782,770	48,245,112	49,110,030	(864,919)	-1.76%
<b>NON-OPERATING REVENUES</b>								
Interest earned and miscellaneous	131,712	124,474	127,706	11,386	395,278	345,052	50,226	14.56%
Interest earned on Project Fund & R&R Funds	4,677	24,783	89,836	-	119,296	25,781	93,515	362.72%
Total non-operating revenues	136,389	149,257	217,542	11,386	514,574	370,833	143,741	38.76%
<b>CAPITAL CONTRIBUTIONS</b>								
Capital Recovery and Service Extension Fees	2,065,305	1,577,158	1,794,693	-	5,437,156	4,423,660	1,013,496	22.91%
Grant revenue	-	156,810	-	-	156,810	-	156,810	-
Total capital contributions	2,065,305	1,733,968	1,794,693	-	5,593,966	4,423,660	1,170,306	26.46%
<b>TOTAL SOURCES OF FUNDS</b>	\$ 15,092,900	\$ 15,946,646	\$ 22,519,950	\$ 794,156	\$ 54,353,652	\$ 53,904,523	\$ 449,129	0.83%
<b>USES OF FUNDS</b>								
<b>OPERATION AND MAINTENANCE*</b>								
Salaries and fringe benefits	2,413,407	4,007,259	4,728,787	115,498	11,264,951	11,548,623	(283,672)	2.46%
Contractual services	7,018,316	2,436,112	2,707,478	349,042	12,510,948	13,485,680	(974,732)	7.30%
Materials and supplies	128,908	487,271	823,489	15,074	1,464,742	2,108,615	(643,873)	30.54%
Other charges	195,131	273,563	385,125	21,446	881,418	6,153	874,265	0.70%
Capitalized cost	(388,695)	(987,343)	(1,055,825)	(13,164)	(2,425,027)	(2,955,029)	(530,002)	17.94%
Intercompany transfers	-	-	-	-	-	-	-	0.00%
Total operation and maintenance	9,367,067	6,246,862	7,589,054	487,856	23,690,879	25,079,307	(1,388,428)	5.54%
<b>OPERATING RESERVE REQUIREMENT</b>								
Debt Requirements								
Interest costs	1,875,487	3,094,632	3,796,986	78,185	8,845,290	10,002,716	(1,157,426)	11.57%
Retirement of bonds	1,986,971	2,240,351	2,694,672	56,339	6,978,333	7,647,431	(669,098)	8.75%
Subordinate lien debt:								
Interest costs	157,517	24,737	58,204	36,857	277,315	299,178	(21,863)	7.31%
Retirement of bonds	168,036	26,390	62,091	39,317	295,834	304,721	(8,887)	2.92%
Net variable interest - swap	2,032	319	751	476	3,578	-	(3,578)	0.00%
Commercial paper notes	10,405	68,969	12,848	-	92,222	191,871	(99,649)	51.94%
Other Debt Expense	52,217	89,812	75,805	7,263	225,097	225,097	(0)	0.00%
Total debt requirements	4,252,665	5,545,210	6,701,357	218,437	16,717,669	18,671,014	(1,953,344)	10.46%
<b>TRANSFER TO THE CITY'S GENERAL FUND</b>								
AMOUNT AVAILABLE FOR R&R FUNDS:								
RESTRICTED	288,381	383,112	557,156	21,442	1,250,091	1,271,205	(21,114)	1.66%
UNRESTRICTED	2,069,982	1,758,751	1,884,529	-	5,713,262	4,449,441	1,263,821	28.40%
Total amount available for R&R Funds	1,184,787	3,771,462	7,672,383	66,381	12,695,013	8,758,101	3,936,912	44.95%
<b>TOTAL USES OF FUNDS</b>	\$ 15,092,900	\$ 15,946,646	\$ 22,519,950	\$ 794,156	\$ 54,353,652	\$ 53,904,523	\$ 449,129	0.83%

\*Excludes non-cash portion of GASB 45 expense

San Antonio Water System  
**CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS**  
 Two months ended February 2017

	Water			Chilled Water			Wastewater			Total System			Budget	
	Supply System	Delivery System	System	System	System	System	System	System	System	System	System	Current Allotments	Favorable (Unfavorable)	Variance
<b>SOURCES OF FUNDS</b>														
<b>OPERATING REVENUES</b>														
Water Resources - Misc.	273,653	-	-	-	-	-	-	-	273,653	-	-	285,017	8,636	3,26%
Water Supply Fee	18,781,361	-	-	-	-	-	-	-	18,781,361	-	-	22,046,483	(3,265,122)	-14.81%
EA/AT/CEO Pass Through Fees	3,310,644	244,920	-	-	-	-	-	-	3,630,879	-	4,062,171	(431,292)	-10.82%	
Recycled water system	794,955	-	-	75,115	-	-	-	-	794,955	-	832,520	(37,565)	-4.51%	
Stormwater	875,167	-	-	-	-	-	-	-	875,167	-	765,307	109,860	14.36%	
Metered Water - Conservation	1,418,963	-	-	-	-	-	-	-	1,418,963	-	1,555,009	(136,046)	-8.75%	
Metered Water - Water Delivery	(112,330)	30,032,795	-	-	-	-	-	-	30,032,795	-	31,563,091	(1,530,296)	-4.85%	
Affordability Discount Program	-	(128,577)	-	(271,214)	-	-	-	-	(512,121)	-	(591,182)	79,061	13.37%	
Wastewater System	-	-	-	40,056,322	-	-	-	-	40,056,322	-	40,081,238	(24,916)	-0.06%	
Wastewater Surcharge	-	-	-	1,050,871	-	-	-	-	1,050,871	-	983,468	67,403	6.85%	
Chilled water	-	-	-	-	1,599,035	-	-	-	1,599,035	-	1,705,989	(106,954)	-6.27%	
Operating Transfer	938,333	(938,333)	-	-	-	-	-	-	-	-	-	-	-	0.00%
Less: Uncollectible Accounts	(242,541)	(266,453)	-	(291,084)	-	-	-	-	(800,068)	-	(724,481)	-	-	10.44%
Total operating revenues	26,038,405	28,944,342	-	40,620,010	-	-	-	-	97,201,792	-	102,544,629	(5,342,838)	-5.21%	
<b>NON-OPERATING REVENUES</b>														
Interest earned and miscellaneous	265,097	243,808	-	241,415	-	-	-	-	773,138	-	690,104	83,034	12.03%	
Interest earned on Project Fund	9,755	51,784	-	182,778	-	-	-	-	244,317	-	51,563	192,755	373.83%	
Total non-operating revenues	274,852	295,592	-	424,193	-	-	-	-	1,017,455	-	741,667	275,789	37.19%	
<b>CAPITAL CONTRIBUTIONS</b>														
Capital Recovery and Service Extension Fees	4,107,816	3,151,885	-	3,551,484	-	-	-	-	10,811,185	-	8,847,316	1,963,869	22.20%	
Grant revenue	-	358,915	-	358,915	-	-	-	-	358,915	-	-	358,915	0.00%	
Total capital contributions	4,107,816	3,510,800	-	3,551,484	-	-	-	-	11,170,100	-	8,847,316	2,322,784	26.25%	
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 30,421,073</b>	<b>\$ 32,750,734</b>	<b>\$ 44,595,687</b>	<b>\$ 1,621,853</b>	<b>\$ 1,621,853</b>	<b>\$ 1,621,853</b>	<b>\$ 1,621,853</b>	<b>\$ 1,621,853</b>	<b>\$ 109,389,347</b>	<b>\$ 112,133,612</b>	<b>\$ 112,133,612</b>	<b>\$ (2,744,265)</b>	<b>-2.45%</b>	
<b>USES OF FUNDS</b>														
<b>OPERATION AND MAINTENANCE*</b>														
Salaries and fringe benefits	5,005,057	8,356,703	\$ 9,826,596	\$ 240,736	\$ 23,429,092	\$ 24,165,914	\$ 24,165,914	\$ 24,165,914	\$ 23,429,092	\$ 24,165,914	\$ 736,822	\$ 736,822	3.05%	
Contractual services	13,956,450	3,866,652	5,257,457	507,530	23,588,087	26,702,542	26,702,542	26,702,542	23,588,087	26,702,542	3,114,455	3,114,455	11.66%	
Materials and supplies	216,418	872,087	1,509,407	19,587	2,617,509	4,241,707	4,241,707	4,241,707	1,509,407	4,241,707	1,624,198	1,624,198	38.29%	
Other charges	377,677	533,447	748,808	43,613	1,703,545	1,751,570	1,751,570	1,751,570	533,447	1,751,570	48,025	48,025	2.74%	
Capitalized cost	(805,866)	(2,063,988)	(2,259,276)	(26,748)	(5,155,878)	(6,143,678)	(6,143,678)	(6,143,678)	(805,866)	(6,143,678)	(987,800)	(987,800)	16.08%	
Intercompany transfers	-	675	213	-	-	-	-	-	888	-	(888)	-	0.00%	
Total operation and maintenance	18,749,736	11,565,586	15,083,203	784,718	46,183,243	50,718,055	50,718,055	50,718,055	11,565,586	50,718,055	4,534,812	4,534,812	8.94%	
<b>OPERATING RESERVE REQUIREMENT</b>	1,588,645	433,729	(219,873)	61,345	1,863,846	249,794	1,863,846	1,863,846	(219,873)	249,794	(1,614,052)	(1,614,052)	-646.15%	
<b>DEBT REQUIREMENTS</b>														
Revenue Bonds:														
Interest costs	3,754,611	6,193,358	7,597,649	156,370	17,701,988	20,005,432	20,005,432	20,005,432	6,193,358	20,005,432	2,303,444	2,303,444	11.51%	
Retirement of bonds	3,973,942	4,480,702	5,389,344	112,678	13,956,666	15,294,861	15,294,861	15,294,861	4,480,702	15,294,861	1,338,195	1,338,195	8.75%	
Subordinate lien debt:														
Interest cost	303,393	47,647	112,106	70,990	534,136	598,355	598,355	598,355	112,106	598,355	64,219	64,219	10.73%	
Retirement of bonds	336,071	52,779	124,182	78,635	591,667	609,444	609,444	609,444	336,071	609,444	17,777	17,777	2.92%	
Net variable interest - swap	6,153	966	2,274	1,440	10,833	(10,833)	(10,833)	(10,833)	966	(10,833)	(10,833)	(10,833)	100.00%	
Commercial paper notes	22,314	142,926	27,681	-	192,921	383,743	383,743	383,743	22,314	383,743	190,822	190,822	49.73%	
Other Debt Expense	104,434	179,624	151,610	14,525	450,193	450,193	450,193	450,193	104,434	450,193	0	0	0.00%	
Total debt requirements	8,500,918	11,098,002	13,404,846	434,638	33,438,404	37,342,029	37,342,029	37,342,029	11,098,002	37,342,029	3,903,625	3,903,625	10.45%	
<b>TRANSFER TO THE CITY'S GENERAL FUND</b>	580,701	787,277	1,101,348	43,801	2,513,127	2,652,549	2,652,549	2,652,549	580,701	2,652,549	139,422	139,422	5.26%	
<b>AMOUNT AVAILABLE FOR R&amp;R FUNDS:</b>														
RESTRICTED	4,117,571	3,562,584	3,734,262	-	11,414,417	8,898,879	8,898,879	8,898,879	4,117,571	11,414,417	2,515,538	2,515,538	28.27%	
UNRESTRICTED	(3,116,498)	5,303,556	11,491,901	297,351	13,976,310	12,272,306	12,272,306	12,272,306	(3,116,498)	13,976,310	1,704,004	1,704,004	13.88%	
Total amount available for R&R Funds	1,001,073	8,866,140	15,226,163	297,351	25,390,727	21,171,185	21,171,185	21,171,185	1,001,073	25,390,727	4,219,542	4,219,542	19.93%	
<b>TOTAL USES OF FUNDS</b>	<b>\$ 30,421,073</b>	<b>\$ 32,750,734</b>	<b>\$ 44,595,687</b>	<b>\$ 1,621,853</b>	<b>\$ 1,621,853</b>	<b>\$ 1,621,853</b>	<b>\$ 1,621,853</b>	<b>\$ 1,621,853</b>	<b>\$ 109,389,347</b>	<b>\$ 112,133,612</b>	<b>\$ 112,133,612</b>	<b>\$ (2,744,265)</b>	<b>-2.45%</b>	

\*Excludes non-cash portion of GASB 45 expense.

San Antonio Water System  
**CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS - WATER SUPPLY**  
 Month ended February 2017

	Water Resources		Recycle Water System		Conservation		Stormwater System		Total System		Budget		Variance
		\$		\$		\$		\$		\$	Current Allocations	Favorable (Unfavorable)	
<b>SOURCES OF FUNDS</b>													
<b>OPERATING REVENUES</b>													
Water Resources - Misc.	122,019	\$	-	\$	-	-	-	-	122,019	\$	132,508	(10,489)	-7.92%
Water Supply Fee	9,331,724		-		-	-	-	-	9,331,724		10,013,607	(681,883)	-6.81%
EAA Fee	1,615,086		-		-	-	-	-	1,615,086		1,722,183	(107,097)	-6.22%
Recycled water system	-		407,340		-	-	-	-	407,340		392,497	14,843	3.78%
Stormwater	-		-		-	-	440,061	-	440,061		382,654	57,407	15.00%
Metered Water - Conservation	(61,892)		-		687,650	-	-	-	687,650		724,453	(36,803)	-5.08%
Affordability Discount Program	468,166		-		-	-	-	-	(61,892)		(65,690)	3,798	5.78%
Operating Transfer	(110,095)		(3,496)		(6,357)	-	-	-	(119,948)		(93,301)	(26,647)	0.00%
Less: Uncollectible Accounts	11,366,008		403,844		681,293	-	-	-	(93,301)		13,678,078	(786,872)	-5.75%
Total operating revenues									12,881,206		13,678,078	(786,872)	-5.75%
<b>NON-OPERATING REVENUES</b>													
Interest earned and miscellaneous	127,429		4,283		-	-	-	-	131,712		112,487	19,225	17.09%
Interest earned on Project Fund & R&R Funds	4,677		-		-	-	-	-	4,677		8,405	(3,728)	-44.35%
Total non-operating revenues	132,106		4,283		-	-	-	-	136,389		120,892	15,497	12.82%
<b>CAPITAL CONTRIBUTIONS</b>													
Capital Recovery Fees	2,065,305		-		-	-	-	-	2,065,305		1,555,751	509,554	32.75%
Total capital contributions	2,065,305		-		-	-	-	-	2,065,305		1,555,751	509,554	32.75%
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 13,563,419</b>		<b>\$ 408,127</b>		<b>\$ 681,293</b>		<b>\$ 440,061</b>		<b>\$ 15,092,900</b>		<b>\$ 15,354,721</b>	<b>\$ (261,822)</b>	<b>-1.71%</b>
<b>USES OF FUNDS</b>													
<b>OPERATION AND MAINTENANCE*</b>													
Salaries and fringe benefits	1,827,918		67,673		298,534		219,282		2,413,407		2,539,181	\$ 125,774	4.95%
Contractual services	7,055,483		83,171		(196,971)		76,633		7,018,316		7,484,463	466,147	6.23%
Materials and supplies	106,738		10,048		5,875		6,247		128,908		333,595	204,687	61.36%
Other charges	144,207		12,428		23,231		15,265		195,131		176,000	19,131	0.00%
Capitalized cost	(370,304)		(17,806)		(82)		(503)		(388,695)		(505,950)	(117,255)	23.18%
Total operation and maintenance	8,764,042		155,514		130,587		316,924		9,367,067		10,048,181	681,114	6.78%
<b>OPERATING RESERVE REQUIREMENT</b>													
<b>DEBT REQUIREMENTS</b>													
Revenue Bonds:													
Interest costs	1,590,175		285,312		-		-		1,875,487		2,038,089	162,602	7.98%
Retirement of bonds	1,308,573		678,398		-		-		1,986,971		2,106,590	119,619	5.68%
Subordinate lien debt:													
Interest costs	142,545		14,972		-		-		157,517		177,152	19,635	11.08%
Retirement of bonds	152,064		15,972		-		-		168,036		165,867	(2,169)	-1.31%
Net variable interest - swap	1,839		193		-		-		2,032		-	(2,032)	100.00%
Commercial Paper Notes	10,405		-		-		-		10,405		31,114	20,709	66.56%
Other Debt Expense	50,474		1,743		-		-		52,217		52,217	-	0.00%
Total debt requirements	3,256,075		966,590		-		-		4,252,665		4,571,029	318,364	6.98%
<b>TRANSFER TO THE CITY'S GENERAL FUND</b>													
<b>AMOUNT AVAILABLE FOR R&amp;R FUNDS:</b>													
RESTRICTED	266,715		3,271		18,395		-		288,381		308,263	19,882	6.45%
UNRESTRICTED	2,069,982		-		-		-		2,069,982		1,564,156	505,826	32.34%
Total amount available for R&R Funds	(793,395)		(747,248)		532,311		123,137		(885,195)		(1,177,827)	292,632	-24.85%
<b>TOTAL USES OF FUNDS</b>	<b>\$ 13,563,419</b>		<b>\$ 408,127</b>		<b>\$ 681,293</b>		<b>\$ 440,061</b>		<b>\$ 15,092,900</b>		<b>\$ 15,354,721</b>	<b>\$ (261,821)</b>	<b>-1.71%</b>

\*Excludes non-cash portion of GASB 45 expense.

San Antonio Water System  
**CONSOLIDATING SCHEDULE OF SOURCES AND USES OF FUNDS - WATER SUPPLY**  
 Two months ended February 2017

**SOURCES OF FUNDS**

	Water Resources	Recycle Water		Conservation	Stormwater		Total System	Budget		Variance
		System	System		System	System		Current Allocations	Favorable (Unfavorable)	
<b>OPERATING REVENUES</b>	\$ 273,653	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 273,653	\$ 265,017	\$ 8,636	3.26%
Water Resources - Misc.	18,781,361	-	-	-	-	-	18,781,361	22,046,483	(3,265,122)	-14.81%
Water Supply Fee	3,310,844	-	-	-	-	-	3,310,844	3,689,680	(378,836)	-10.27%
EAA Fee	-	794,955	-	-	-	-	794,955	832,520	(37,565)	-4.51%
Recycled water system	-	-	-	-	875,167	-	875,167	765,307	109,860	14.36%
Stormwater	-	-	-	1,418,963	-	-	1,418,963	1,555,009	(136,046)	-8.75%
Metered Water - Conservation	(112,330)	-	-	-	-	-	(112,330)	(131,380)	19,050	14.50%
Metered Discount Program	938,333	-	-	-	-	-	938,333	938,334	(1)	0.00%
Operating Transfer	(223,689)	(6,690)	-	(12,163)	-	-	(242,541)	(204,156)	(38,385)	-18.80%
Less: Uncollectible Accounts	-	-	-	-	-	-	-	-	-	-
Total operating revenues	22,968,173	788,265	1,406,800	875,167	-	-	26,038,405	29,756,613	(3,718,408)	-12.50%
<b>NON-OPERATING REVENUES</b>										
Interest earned and miscellaneous	256,680	8,417	-	-	-	-	265,097	224,974	40,123	17.83%
Interest earned on Project Fund & R&R Funds	9,755	-	-	-	-	-	9,755	16,809	(7,054)	100.00%
Other financing sources (draw on equity)	-	-	-	-	-	-	-	-	-	#DIV/0!
Total non-operating revenues	266,435	8,417	-	-	-	-	274,852	241,783	33,069	13.68%
<b>CAPITAL CONTRIBUTIONS</b>										
Capital Recovery Fees	4,107,816	-	-	-	-	-	4,107,816	3,111,503	996,313	32.02%
Total capital contributions	4,107,816	-	-	-	-	-	4,107,816	3,111,503	996,313	32.02%
<b>TOTAL SOURCES OF FUNDS</b>	\$ 27,342,424	\$ 796,682	\$ 1,406,800	\$ 875,167	\$ -	\$ -	\$ 30,421,073	\$ 33,110,099	\$ (2,689,026)	-8.12%

**USES OF FUNDS**

<b>OPERATION AND MAINTENANCE*</b>	\$ 3,785,223	\$ 139,707	\$ 622,482	\$ 457,645	\$ 5,005,057	\$ 5,301,156	\$ 296,089	\$ 974,615	\$ 5.59%
Salaries and fringe benefits	13,751,213	76,607	(31,372)	158,002	13,956,450	14,931,065	974,615	6.53%	
Contractual services	172,857	19,603	10,137	13,821	216,418	667,460	451,032	67.58%	
Materials and supplies	280,036	22,766	45,972	28,903	377,677	392,045	14,368	100.00%	
Other charges	(766,795)	(37,433)	(206)	(1,432)	(805,866)	(1,057,626)	(251,760)	23.80%	
Capitalized cost	17,222,534	223,250	647,013	656,939	18,749,736	20,234,090	1,484,354	7.34%	
Total operation and maintenance	1,529,273	29,497	17,134	12,741	1,586,645	81,840	(1,506,805)	-1841.16%	
<b>OPERATING RESERVE REQUIREMENT</b>									
<b>DEBT REQUIREMENTS</b>									
Revenue Bonds:	3,184,118	570,483	-	-	3,754,611	4,076,178	321,567	7.89%	
Interest costs	2,617,146	1,356,796	-	-	3,973,942	4,213,182	239,240	5.68%	
Retirement of bonds	-	-	-	-	-	-	-	-	-
Subordinate lien debt:									
Interest costs	274,556	28,837	-	-	303,393	354,304	50,911	14.37%	
Retirement of bonds	304,127	31,944	-	-	336,071	331,734	(4,337)	-1.31%	
Net variable interest - swap	5,568	585	-	-	6,153	-	(6,153)	100.00%	
Commercial paper notes	22,314	-	-	-	22,314	62,228	39,914	64.14%	
Other Debt Expense	100,947	3,487	-	-	104,434	104,434	-	0.00%	
Total debt requirements	6,508,776	1,992,142	-	-	8,500,918	9,142,060	641,142	7.01%	
<b>TRANSFER TO THE CITY'S GENERAL FUND</b>	536,699	6,018	37,984	-	580,701	674,720	94,019	13.93%	
<b>AMOUNT AVAILABLE FOR R&amp;R FUNDS:</b>									
<b>RESTRICTED</b>	4,117,571	-	-	-	4,117,571	3,128,312	989,259	100.00%	
<b>UNRESTRICTED</b>	(2,572,429)	(1,454,225)	704,669	205,487	(3,116,498)	(150,923)	(2,965,575)	1964.96%	
Total amount available for R&R Funds	1,545,142	(1,454,225)	704,669	205,487	1,001,073	2,377,389	(1,376,316)	-66.38%	
<b>TOTAL USES OF FUNDS</b>	\$ 27,342,424	\$ 796,682	\$ 1,406,800	\$ 875,167	\$ 30,421,073	\$ 33,110,099	\$ (2,689,026)	-8.12%	

\*Excludes non-cash portion of GASB 45 expense



**San Antonio Water System**  
**OPERATION AND MAINTENANCE EXPENSE BY ACCOUNT**  
**For the Two Months Ended February 28, 2017**

Classification	Annual Budget	Current Month		Year to Date			%
		Actual	Budget	Actual	Budget	Variance (Over)/Under	
<b>SALARIES AND FRINGE BENEFITS</b>							
511100 Salaries	\$ 101,061,499	\$ 7,112,965	\$ 7,528,403	\$ 14,978,691	\$ 15,863,114	884,423	5.6%
511140 Overtime Pay	4,289,692	417,450	330,488	984,250	749,403	(234,847)	-31.3%
511150 On-Call Pay	528,326	42,476	42,486	98,650	85,885	(12,765)	-14.9%
511160 Employee Insurance	16,336,337	1,290,870	1,355,749	2,578,759	2,716,543	137,783	5.1%
511162 Retirement	20,683,756	1,488,283	1,559,541	3,143,084	3,287,059	143,975	4.4%
511164 Unused Sick Leave Buyback	70,000	-	5,830	-	11,660	11,660	100.0%
511166 Personal Leave Buyback	950,000	-	-	-	-	-	0.0%
511168 Accrued Vacation leave	1,200,000	287,907	100,000	395,658	200,000	(195,658)	-97.8%
511170 Incentive Pay	74,300	-	1,125	-	2,250	2,250	100.0%
511175 Other Post Employment Benefits	7,500,000	625,000	625,000	1,250,000	1,250,000	0	0.0%
<b>Salaries and Fringe Benefits Total</b>	<b>152,693,910</b>	<b>11,264,951</b>	<b>11,548,623</b>	<b>23,429,092</b>	<b>24,165,914</b>	<b>736,822</b>	<b>3.1%</b>
<b>CONTRACTUAL SERVICES</b>							
511210 Operating Expense	2,228,077	151,114	190,206	334,258	406,852	72,594	17.8%
511211 Rental of Facilities	297,079	25,351	24,757	47,905	49,513	1,608	3.3%
511212 Alarm and Security	1,938,649	155,936	161,555	318,028	323,111	5,083	1.6%
511214 Uniforms and Shoe Allowance	397,405	30,820	33,244	49,319	78,213	28,894	36.9%
511216 Catering Svcs & Luncheons	98,557	36,624	7,221	40,695	16,700	(23,995)	-143.7%
511219 Conservation Programs	3,675,230	(299,419)	162,756	(189,236)	215,513	404,748	187.8%
511220 Maintenance Expense	15,216,388	750,165	1,266,930	1,510,143	2,441,049	930,905	38.1%
511221 Street Cut Permit Admin Fee	750,629	102,858	63,015	101,448	92,914	(8,534)	-9.2%
511222 St Pave/Repair Fee	1,619,984	168,217	134,999	238,174	269,997	31,823	11.8%
511223 Preventive Maintenance	101,610	12,959	8,467	22,040	16,940	(5,100)	-30.1%
511224 Corrective Maintenance	1,717,431	121,340	143,119	197,698	286,241	88,543	30.9%
511225 Damage Repair	178,739	9,662	14,895	19,076	29,790	10,714	36.0%
511230 Equipment Rental Charges	280,764	17,076	21,680	64,519	48,011	(16,508)	-34.4%
511240 Travel	245,213	10,098	15,019	17,598	32,249	14,650	45.4%
511245 Training	715,664	50,527	31,933	56,097	45,119	(10,978)	-24.3%
511247 Conferences	125,799	9,784	7,011	14,524	18,721	4,198	22.4%
511250 Memberships and Subscriptions	446,932	17,170	24,243	97,747	135,342	37,594	27.8%
511260 Utilities	32,632,940	2,327,440	2,152,882	3,777,959	4,485,011	707,052	15.8%
511261 Water Options	45,165,120	4,112,208	3,734,883	8,099,675	7,469,767	(629,908)	-8.4%
511265 Ground Water District Pay	24,705,455	2,042,779	2,053,317	4,060,637	4,106,634	45,997	1.1%
511270 Mail and Parcel Post	2,293,775	137,695	191,031	320,591	382,228	61,638	16.1%
511280 Telemetering Charges	3,360	280	280	560	560	(0)	0.0%
511309 Educational Assist-Books	-	74	-	1,403	-	(1,403)	0.0%
511310 Educational Assistance	166,553	-	5,677	(1,329)	15,429	16,758	108.6%
511312 Contractual Prof Svcs	28,786,127	1,821,257	2,120,991	3,089,891	3,830,643	740,752	19.3%
511313 Inspect & Assessment Fees	2,250,481	157,415	186,304	315,431	374,687	59,256	15.8%
511315 Temporary Employees	598,192	57,758	49,849	93,157	99,699	6,542	6.6%
511320 Legal Services	1,925,000	69,416	143,749	69,038	287,498	218,461	76.0%
511370 Communications	1,654,047	137,577	137,848	230,748	284,410	53,662	18.9%
511381 Software and Hardware Maintenanc	5,351,418	276,766	407,819	590,290	859,702	269,412	31.3%
<b>Contractual services Total</b>	<b>175,566,619</b>	<b>12,510,946</b>	<b>13,495,680</b>	<b>23,588,085</b>	<b>26,702,542</b>	<b>3,114,457</b>	<b>11.7%</b>

**San Antonio Water System**  
**OPERATION AND MAINTENANCE EXPENSE BY ACCOUNT**  
**For the Two Months Ended February 28, 2017**

Classification	Annual Budget	Current Month		Year to Date			%
		Actual	Budget	Actual	Budget	Variance (Over)/Under	
<b>MATERIALS AND SUPPLIES</b>							
511410 Small Tools	812,014	43,190	66,340	96,304	137,037	40,733	29.7%
511417 Copy and Printing Expense	36,531	333	3,059	558	5,583	5,025	90.0%
511420 Operating Materials	2,512,098	156,612	265,873	307,985	513,557	205,573	40.0%
511421 Heating Fuel	28,528	-	2,586	1,924	4,922	2,997	60.9%
511422 Chemicals	8,344,014	465,683	696,411	776,762	1,399,858	623,097	44.5%
511425 Education of School Children	30,000	4,216	2,500	20,279	5,000	(15,279)	-305.6%
511426 Public Awareness-WQEE	1,000	-	83	-	166	166	100.0%
511427 Enforcement	20,000	-	-	-	-	-	0.0%
511428 Program Materials	1,000	-	80	-	160	160	100.0%
511430 Maintenance Materials	8,282,835	527,345	731,079	962,480	1,471,863	509,383	34.6%
511440 Safety Materials & Supplies	865,649	44,552	71,306	93,075	146,453	53,378	36.5%
511441 Inventory Variances	35,000	6,615	7,000	3,740	14,700	10,960	74.6%
511450 Tires and Tubes	702,507	68,732	58,542	92,912	117,087	24,175	20.7%
511451 Motor Fuel & Lubricants	2,745,683	147,465	203,757	261,491	425,320	163,829	38.5%
<b>Materials and supplies Total</b>	<b>24,416,859</b>	<b>1,464,742</b>	<b>2,108,615</b>	<b>2,617,510</b>	<b>4,241,707</b>	<b>1,624,197</b>	<b>38.3%</b>
<b>OTHER CHARGES</b>							
511510 Judgements and Claims	725,000	(20,213)	60,415	(101,988)	120,830	222,818	184.4%
511511 AL & GL Claims - Cont. Liab.	330,000	-	27,500	-	55,000	55,000	100.0%
511520 Bank Charges	20,000	-	-	-	5,000	5,000	100.0%
511525 Cash Short/(Over)	-	2,558	-	(5,606)	-	5,606	0.0%
511530 Employee Relations	233,039	3,072	5,946	357	27,990	27,633	98.7%
511540 Retiree Insurance	6,899,086	568,590	574,924	1,260,905	1,149,847	(111,058)	-9.7%
511570 Casualty Insurance	1,229,505	205,454	118,469	345,755	179,573	(166,182)	-92.5%
511580 Unemployment Compensation	80,000	22,026	-	22,026	25,000	2,975	11.9%
511590 Workers Comp Medical	800,000	78,261	66,670	146,808	133,340	(13,468)	-10.1%
511610 Workers Comp Benefits	280,000	13,898	23,330	30,718	46,660	15,942	34.2%
511620 WC-Misc Claims Expense	50,000	1,620	4,165	4,571	8,330	3,759	45.1%
<b>Other charges Total</b>	<b>10,646,630</b>	<b>875,265</b>	<b>881,418</b>	<b>1,703,546</b>	<b>1,751,570</b>	<b>48,025</b>	<b>2.7%</b>
<b>O&amp;M Expense Before Capitalized Cost</b>	<b>363,324,018</b>	<b>26,115,904</b>	<b>28,034,336</b>	<b>51,338,232</b>	<b>56,861,733</b>	<b>5,523,501</b>	<b>9.7%</b>
Capitalized Cost	(38,464,396)	(2,425,026)	(2,955,029)	(5,155,876)	(6,143,678)	(987,802)	16.1%
Intercenter Transfers	-	-	-	888	-	(888)	0.0%
<b>Total O&amp;M Expense</b>	<b>\$ 324,859,622</b>	<b>\$ 23,690,878</b>	<b>\$ 25,079,307</b>	<b>\$ 46,183,244</b>	<b>\$ 50,718,055</b>	<b>\$ 4,534,811</b>	<b>8.9%</b>

## SAWS INVESTMENT PORTFOLIO

February 28, 2017

Investment Type	Market Value	Book Value	Average Yield	Average Days to Maturity
Money Market Funds	82,243,678	82,243,678	0.460	1
Government Agency Securities:				
Federal Agricultural Mtg Corp	9,996,800	9,997,044	0.560	19
Federal Farm Credit Bank	39,960,160	39,969,423	1.078	548
Federal Home Loan Bank	294,835,336	294,935,997	0.730	206
Federal Home Loan Mtg. Corp.	172,021,706	172,058,287	0.609	130
Federal National Mtg. Assn.	74,863,991	74,887,380	0.737	191
Total Government Agencies	591,677,993	591,848,130	0.716	202
U. S. Treasury Securities	228,271,307	228,295,117	0.690	172
Total Investments	\$ 902,192,977	\$ 902,386,924	0.687	176

San Antonio Water System  
KEY FINANCIAL RATIOS  
For the Period Ended February 28, 2017

	Feb-17	Feb-16
Total Long-term Debt (a)	\$ 2,996,623,141	\$ 2,888,364,782
Total Water & Sewer Customer Connections (b)	929,913	915,883
<b>Long-term Debt Per Connection (a)/(b)</b>	<b>\$3,222</b>	<b>\$3,154</b>
Total Net Position	\$ 2,642,853,442	\$ 2,430,818,903
Total Liabilities & Net Position	\$ 6,013,631,525	\$ 5,670,547,336
<b>Net Position Ratio</b>	<b>43.9%</b>	<b>42.9%</b>
YTD Operating Revenues (c)	\$ 97,201,792	\$ 93,582,201
YTD Operating Expenses before Depreciation (d)	\$ 45,777,778	\$ 40,092,838
<b>Cash Operating Margin ((c)-(d))/(c)</b>	<b>52.9%</b>	<b>57.2%</b>
Rolling 12 Months		
Operating Revenues	\$ 626,300,566	\$ 563,698,762
Non-operating Revenues	\$ 8,540,968	\$ 6,203,268
Less: Revenues from CPS contract	\$ (3,245,004)	\$ (3,245,004)
Interest earned on Project Fund Investments	\$ (669,585)	\$ (527,132)
Build America Bond Subsidy	\$ (3,785,873)	\$ (3,689,115)
Gross Revenues	\$ 627,141,072	\$ 562,440,779
O&M Expense before Depreciation	\$ 314,147,099	\$ 291,216,140
Pledged Revenue	\$ 312,993,973	\$ 271,224,639
Debt Service - net of Build America Bond Subsidy:		
Current Year Senior Lien	\$ 57,852,283	\$ 79,345,504
Current Year Total Bonded Debt	\$ 185,912,976	\$ 189,778,460
<b>Senior Lien Debt Coverage Ratio</b>	<b>5.41 x</b>	<b>3.42 x</b>
<b>Total Bonded Debt Coverage Ratio</b>	<b>1.68 x</b>	<b>1.43 x</b>
Unrestricted Cash, including Operating Reserve	\$ 364,712,345	\$ 277,117,249
<b>Days Cash on Hand - Rolling 12 Months of O&amp;M</b>	<b>424</b>	<b>347</b>
Unrestricted Working Capital, including Operating Reserve	\$ 390,567,197	\$ 311,000,750
<b>Days Working Capital on Hand - Rolling 12 Months of O&amp;M</b>	<b>454</b>	<b>390</b>

# San Antonio Water System

## CONSTRUCTION IN PROGRESS SUMMARY - TOTAL

February 28, 2017

	<i>CIP</i>	<i>Revised CIP</i>	<i>Commit/Plan</i>	<i>Open Job</i>	<i>Closed Job</i>	<i>Commit/Charges</i>
	<i>Plan</i>	<i>Plan</i>	<i>Commitments</i>	<i>Charges</i>	<i>Charges</i>	<i>Variance</i>
<b>CIP Year: 2017</b>						
Collection	6,093,984	6,093,984	285	6,093,699	285	-
Corporate	15,652,685	13,525,849	2,070,051	11,455,798	156	2,069,894
Governmental	46,233,272	46,233,272	13,346,831	32,886,442	5,683,674	7,663,156
Main Replacements	157,537,753	159,188,412	44,143,414	115,044,998	3,447,067	40,696,346
Production	21,971,393	22,346,240	1,058,990	21,287,250	-	1,058,990
Recycle	257,000	257,000	23,560	23,440	-	23,560
Treatment	6,445,560	6,546,891	267	6,546,624	267	-
Water Resources	113,274,800	113,274,800	-	113,274,800	-	-
Plant Contributions	-	-	-	-	9,615,098	(9,615,098)
Less Contributions - Plant	-	-	-	-	(9,615,098)	9,615,098
Subtotal	367,466,446	367,466,446	60,643,397	306,823,050	9,131,451	51,511,946
<b>CIP Year: 2016</b>						
Collection	4,432,201	2,696,307	2,614,735	81,572	1,833,457	780,593
Corporate	23,223,816	26,615,490	1,557,640	25,057,850	2,487,919	(930,279)
Governmental	52,117,030	51,957,926	40,443,864	11,514,062	25,792,308	12,024,753
Heating and Cooling	4,903,375	5,028,423	4,868,635	159,788	969,265	3,899,370
Main Replacements	103,468,163	136,219,834	118,490,456	17,729,377	14,575,841	83,445,510
Production	25,215,160	29,032,519	28,485,731	546,788	2,246,506	26,239,225
Treatment	4,687,680	7,204,054	1,131,410	6,072,643	416,520	714,891
Water Resources	29,140,512	29,537,512	4,968,687	24,568,826	983,730	3,982,687
Plant Contributions	-	-	-	-	15,675	(75,735,976)
Less Contributions - Plant	-	-	-	-	-	75,735,976
Subtotal	247,187,939	288,292,065	202,561,158	85,730,907	49,321,222	130,141,074
<b>CIP Year: 2015</b>						
Collection	1,424,640	2,348,228	2,348,228	-	391,385	564,944
Corporate	2,932,604	4,101,618	1,909,573	2,192,045	1,384,915	262,744
Governmental	54,942,932	56,638,122	56,638,082	40	28,348,927	11,740,224
Heating and Cooling	2,585,000	2,129,756	2,129,206	550	60,459	61,623
Main Replacements	106,176,875	89,534,187	89,502,350	31,837	16,005,575	36,622,726
Production	24,007,372	23,106,042	17,216,437	5,889,605	4,943,958	12,272,480
Recycle	1,500,000	206,872	206,872	-	27,900	178,972
Treatment	26,740,000	27,180,590	25,541,098	1,639,492	3,854,833	20,152,672
Water Resources	15,919,200	16,057,046	10,112,387	5,944,660	3,545,477	6,563,288
Plant Contributions	-	-	-	-	-	(78,942,508)
Less Contributions - Plant	-	-	-	-	-	(78,942,508)
Subtotal	236,228,623	221,302,461	205,604,232	15,698,229	58,563,427	88,419,674
<b>CIP Year: 2014</b>						
Collection	2,291,286	2,488,393	2,488,393	-	407,339	648,635
Corporate	14,932,117	14,086,678	14,086,678	-	14,086,692	(14)
Distribution	11,577,886	7,299,150	7,299,150	-	2,837,326	4,129,347
Governmental	49,111,947	36,949,329	36,949,329	-	9,410,463	11,058,922
Heating and Cooling	2,837,500	3,319,964	3,319,964	-	232,176	594,294
Main Replacements	116,336,055	92,061,471	91,763,580	297,890	22,751,623	30,662,990
Production	40,397,274	46,301,167	46,301,167	-	40,436,828	5,771,882
Recycle	3,661,505	22,372	22,372	-	17,203	3,784
Treatment	14,826,674	17,866,750	17,866,750	-	7,768,131	7,810,887
Water Resources	157,029,479	118,545,322	118,545,322	-	29,217,766	11,324,898
Plant Contributions	-	-	-	-	-	(49,755,661)
Less Contributions - Plant	-	-	-	-	-	(49,755,661)
Subtotal	413,001,723	338,940,596	338,642,705	297,890	127,165,547	72,005,625

Wednesday, March 8, 2017

4:47:27PM

All 2012 to current year construction in progress budgets, commitments and charges for the former SAWS - DSP are now combined with SAWS Water Delivery and Summary reports.

# San Antonio Water System

## CONSTRUCTION IN PROGRESS SUMMARY - TOTAL

February 28, 2017

	CIP Plan	Revised CIP Plan	Commit/Plan Commitments	Commit/Plan Variance	Open Job Charges	Closed Job Charges	Commit/Charges Variance
<b>CIP Year: 2013</b>							
Collection	18,318,945	15,201,372	15,201,372	-	550,727	7,771,754	6,878,891
Corporate	17,740,525	20,934,866	19,658,270	1,276,596	14,058,040	3,197,414	2,402,816
Distribution	6,959,628	7,777,105	7,777,105	-	1,766,703	4,600,504	1,409,899
Governmental	40,488,064	47,762,749	47,762,749	-	18,424,314	22,731,528	6,606,907
Heating and Cooling	6,170,296	8,796,242	8,796,242	-	31,966	8,764,276	-
Main Replacements	109,676,441	101,040,278	101,040,278	-	20,167,994	77,259,385	3,612,900
Production	29,017,588	44,033,849	44,033,849	-	29,879,396	11,907,053	2,247,400
Recycle	2,749,583	489,351	489,351	-	299,503	81,037	108,811
Treatment	16,901,070	18,851,103	18,851,103	-	645,604	16,099,379	2,106,120
Water Resources	116,151,842	144,847,692	144,847,692	-	133,067,768	19,843,992	(8,064,067)
Plant Contributions	-	-	-	-	1,368	36,776,404	(36,777,772)
Less Contributions - Plant	-	-	-	-	-	(36,776,404)	36,776,404
Subtotal	364,173,981	409,734,607	408,458,012	1,276,596	218,893,383	172,256,322	17,308,307
<b>Carryover Program</b>							
South Bexar County	1,680,096	-	-	-	-	-	-
Building	7,795,937	55,490,425	55,490,425	-	-	55,490,427	(1)
Collection	353,382,718	281,452,310	281,452,310	-	8,186,558	269,751,952	3,513,800
Corporate	97,907,260	57,910,850	58,037,936	(127,086)	13,760,395	42,319,076	1,958,464
Distribution	149,924,339	151,738,464	151,738,464	-	3,295,529	147,220,799	1,222,135
Governmental	502,211,102	417,528,932	417,528,932	-	2,234,828	399,307,764	15,986,339
Heating and Cooling	22,527,505	15,029,120	15,029,120	-	33,661	14,964,776	30,683
Land	2,200,000	-	-	-	-	-	-
Main Replacements	414,134,947	390,960,178	390,960,179	-	10,106,906	377,324,268	3,529,005
Miscellaneous	5,743,107	2,317,152	2,317,152	-	-	2,317,153	-
Production	160,778,404	195,672,564	195,672,564	-	6,479,669	188,150,086	1,042,808
Recycle	138,216,951	152,909,157	152,909,157	-	536,062	151,935,411	437,684
Treatment	279,136,341	258,502,595	258,502,595	-	19,706,364	238,086,360	709,872
Water Resources	1,010,916,607	759,161,936	759,161,936	-	67,988,833	670,828,030	20,345,073
Plant Contributions	-	-	-	-	-	661,116,878	(661,116,878)
Less Contributions - Plant	-	-	-	-	-	(661,116,878)	661,116,878
Subtotal	3,146,555,315	2,738,673,683	2,738,800,769	(127,086)	132,328,806	2,557,696,102	48,775,861
Total	4,774,614,028	4,364,409,858	3,954,710,273	409,699,585	595,403,836	2,951,143,949	408,162,488

**SAN ANTONIO WATER SYSTEM  
STATISTICAL DATA**

	February		(Below) Above Prior Year
	2017	2016	
<b>Rainfall-Inches</b>			
<b>Current Month</b>			
Actual	3.6	1.6	Over 100 %
Normal	1.8	1.8	0 %
Percent Above(Below) Normal	Over 100 %	(13) %	
<b>Year to Date</b>			
Actual	6.3	2.9	Over 100 %
Normal	3.6	3.6	0 %
Percent Above(Below) Normal	78 %	(17) %	
Number of days with rain	4	3	
<b>SAWS Pumping Data (Million Gallons)</b>			
SAWS Total Water Pumpage - Month	5,135	6,730	(24) %
Water Pumpage for injection to Twin Oaks ASR	154	1,192	(87) %
Water Pumpage for Consumption (includes water produced from ASR)	4,981	5,538	(10) %
SAWS Billed Water Usage (Domestic and Irrigation)*	4,550	4,515	1 %
<b>SAWS Wastewater Data (Million Gallons)</b>			
SAWS Total Wastewater - Month	4,000	3,642	10 %
<b>Customers</b>			
<b>SAWS</b>			
Number of connections (billed accounts) - WATER	490,116	483,321	1 %
Number of connections (billed accounts) - WASTEWATER	439,797	432,562	2 %
<b>Infrastructure In Service, Cumulative</b>			
Water - Miles of Main	6,968	6,868	1 %
Wastewater - Miles of Main	5,388	5,336	1 %
Manholes	105,656	105,068	1 %
Fire Hydrants	40,064	39,047	3 %
<b>Edwards Reservoir Level</b>			
High	687.3	665.8	21.5 Feet
Low	683.3	661.7	21.6 Feet
End of Month	686.9	663.9	23.0 Feet

\* Represents customers' metered usage. Billed water usage lags water pumped each month by an average of 2 -3 weeks.