

REAVES UTILITY INCOME FUND

Form N-Q

April 01, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED

MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-21432

REAVES UTILITY INCOME FUND

(Exact name of Registrant as specified in charter)

1290 Broadway, Suite 1100, Denver, Colorado 80203

(Address of principal executive offices) (Zip code)

J. Tison Cory

Reaves Utility Income Fund

1290 Broadway, Suite 1100

Denver, Colorado 80203

(Name and address of agent for service)

Registrant's telephone number, including area code: (303) 623-2577

Date of fiscal year end: October 31

Date of reporting period: November 1, 2012 - January 31, 2013

Item 1. Schedule of Investments.

REAVES UTILITY INCOME FUND**STATEMENT OF INVESTMENTS**

January 31, 2013 (Unaudited)

| | SHARES | VALUE |
|--|-----------|-------------|
| COMMON STOCKS 130.11% | | |
| Communications Equipment 0.88% | | |
| QUALCOMM, Inc. | 100,000 | \$6,603,000 |
| Diversified Telecommunication Services 31.59% | | |
| AT&T, Inc. ⁽¹⁾⁽²⁾ | 2,056,900 | 71,559,551 |
| BCE, Inc. ⁽¹⁾⁽²⁾ | 1,065,000 | 47,307,300 |
| CenturyLink, Inc. ⁽¹⁾⁽²⁾ | 1,000,000 | 40,450,000 |
| Deutsche Telekom AG | 550,000 | 6,761,395 |
| Frontier Communications Corp. | 2,514,231 | 11,490,036 |
| Telecom Corp. of New Zealand, Ltd. - ADR | 1 | 10 |
| Verizon Communications, Inc. ⁽¹⁾⁽²⁾ | 935,000 | 40,775,350 |
| Windstream Corp. ⁽¹⁾ | 1,980,000 | 19,285,200 |
| | | 237,628,842 |
| Electric Utilities 37.66% | | |
| CEZ AS | 15,000 | 485,791 |
| Duke Energy Corp. ⁽¹⁾⁽²⁾ | 646,999 | 44,474,711 |
| Edison International ⁽¹⁾ | 260,000 | 12,529,400 |
| Entergy Corp. ⁽¹⁾⁽²⁾ | 560,000 | 36,176,000 |
| FirstEnergy Corp. ⁽¹⁾ | 270,000 | 10,932,300 |
| ITC Holdings Corp. ⁽¹⁾⁽²⁾ | 465,000 | 37,665,000 |
| NextEra Energy, Inc. ⁽¹⁾⁽²⁾ | 314,000 | 22,623,700 |
| Northeast Utilities | 138,400 | 5,637,032 |
| Pinnacle West Capital Corp. ⁽¹⁾ | 740,000 | 39,501,200 |
| PPL Corp. ⁽¹⁾⁽²⁾ | 897,000 | 27,170,130 |
| Red Electrica Corp. S.A. | 100,000 | 5,568,304 |
| RWE AG | 90,263 | 3,395,479 |
| SSE PLC | 200,000 | 4,501,047 |
| The Southern Co. ⁽¹⁾ | 685,000 | 30,297,550 |
| UIL Holdings Corp. | 65,000 | 2,418,650 |
| | | 283,376,294 |
| Gas Utilities 4.63% | | |
| Just Energy Group, Inc. | 180,000 | 1,784,840 |
| National Fuel Gas Co. | 85,000 | 4,624,000 |
| ONEOK, Inc. ⁽¹⁾ | 500,000 | 23,505,000 |
| South Jersey Industries, Inc. | 90,000 | 4,885,200 |
| | | 34,799,040 |
| Media 1.01% | | |
| Comcast Corp., Class A ⁽¹⁾ | 200,000 | 7,616,000 |

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| | SHARES | VALUE |
|---|-----------|-------------|
| Multi-Utilities 26.88% | | |
| Ameren Corp. | 200,000 | \$6,488,000 |
| DTE Energy Co. ⁽¹⁾⁽²⁾ | 755,000 | 47,799,050 |
| Integrus Energy Group, Inc. ⁽¹⁾ | 447,200 | 24,457,368 |
| National Grid PLC - ADR ⁽¹⁾ | 146,000 | 8,018,320 |
| NiSource, Inc. ⁽¹⁾ | 1,675,000 | 45,275,250 |
| OGE Energy Corp. | 120,000 | 7,045,200 |
| PG & E Corp. ⁽¹⁾⁽²⁾ | 565,000 | 24,091,600 |
| SCANA Corp. ⁽¹⁾ | 465,000 | 21,766,650 |
| TECO Energy, Inc. ⁽¹⁾ | 750,000 | 13,327,500 |
| Wisconsin Energy Corp. | 100,000 | 3,943,000 |
| | | 202,211,938 |
| Oil, Gas & Consumable Fuels 7.51% | | |
| Linn Co. LLC | 49,100 | 1,959,090 |
| Occidental Petroleum Corp. | 100,000 | 8,827,000 |
| Penn West Petroleum, Ltd. ⁽¹⁾ | 910,000 | 9,209,200 |
| The Williams Cos., Inc. ⁽¹⁾ | 900,000 | 31,545,000 |
| TransCanada Corp. | 50,000 | 2,368,500 |
| Valero Energy Corp. | 60,000 | 2,623,800 |
| | | 56,532,590 |
| Real Estate Investment Trusts (REITS) 3.78% | | |
| American Tower Corp. ⁽¹⁾ | 100,000 | 7,615,000 |
| Annaly Capital Management, Inc. ⁽¹⁾ | 1,400,000 | 20,818,000 |
| | | 28,433,000 |
| Road & Rail 3.15% | | |
| Union Pacific Corp. ⁽¹⁾⁽²⁾ | 180,000 | 23,662,800 |
| Tobacco 2.87% | | |
| Altria Group, Inc. ⁽¹⁾⁽²⁾ | 640,000 | 21,555,200 |
| Water Utilities 4.83% | | |
| American Water Works Co., Inc. ⁽¹⁾⁽²⁾ | 790,000 | 30,241,200 |
| Aqua America, Inc. | 160,000 | 4,356,800 |
| Cia de Saneamento Basico do Estado de Sao Paulo - ADR | 40,000 | 1,780,400 |
| | | 36,378,400 |
| Wireless Telecommunication Services 5.32% | | |
| Clearwire Corp., Class A* | 100,000 | 319,000 |
| Telefonica Brasil S.A. - ADR ⁽¹⁾ | 618,000 | 15,561,240 |
| Vodafone Group PLC - ADR ⁽¹⁾ | 885,000 | 24,178,200 |
| | | 40,058,440 |
| TOTAL COMMON STOCKS | | |
| (Cost \$836,007,796) | | 978,855,544 |
| PREFERRED STOCKS 0.79% | | |
| Electric Utilities 0.38% | | |
| Entergy Louisiana Holdings LLC, 6.950% | 7,900 | 800,369 |

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| | SHARES | VALUE | |
|---|----------------------|------------------|--------------|
| Entergy Mississippi, Inc., | | | |
| 6.250% | 10,000 | \$250,625 | |
| 4.560% | 3,520 | 320,430 | |
| Entergy New Orleans, Inc., 4.360% | 4,500 | 413,578 | |
| Public Service Co. of New Mexico, Series 1965, 4.580% | 11,667 | 1,091,230 | |
| | | 2,876,232 | |
| Independent Power Producers & Energy Traders 0.02% | | | |
| Constellation Energy Group, Inc., Series A, 8.625% | 5,000 | 129,050 | |
| Multi-Utilities 0.20% | | | |
| Ameren Illinois Co., 4.250% | 10,300 | 940,841 | |
| Southern Cal Edison Co., 4.320% | 24,300 | 580,284 | |
| | | 1,521,125 | |
| Oil, Gas & Consumable Fuels 0.19% | | | |
| Anglo Dutch Oil Well ⁽³⁾⁽⁴⁾ | 1,000 | 1,420,000 | |
| TOTAL PREFERRED STOCKS | | | |
| (Cost \$5,065,310) | | 5,946,407 | |
| LIMITED PARTNERSHIPS 5.28% | | | |
| Enbridge Energy Partners LP | 250,000 | 7,495,000 | |
| Enterprise Products Partners LP | 475,000 | 26,918,250 | |
| MarkWest Energy Partners LP | 60,000 | 3,313,200 | |
| Williams Partners LP | 40,000 | 2,029,600 | |
| TOTAL LIMITED PARTNERSHIPS | | | |
| (Cost \$28,249,122) | | 39,756,050 | |
| BOND RATING | | | |
| | MOODY/S&P | PRINCIPAL | |
| | (UNAUDITED) | AMOUNT | VALUE |
| CORPORATE BONDS 0.45% | | | |
| Diversified Telecommunication Services 0.45% | | | |
| Frontier Communications Corp. | | | |
| 7.125%, 01/15/2023 | Ba2/BB- | \$1,000,000 | 1,066,250 |
| 8.25%, 04/15/2017 | Ba2/BB- | 2,000,000 | 2,325,000 |
| | | | 3,391,250 |
| TOTAL CORPORATE BONDS | | | |
| (Cost \$3,104,645) | | | 3,391,250 |
| | SHARES | VALUE | |
| MUTUAL FUNDS 0.56% | | | |
| Loomis Sayles Institutional High Income Fund | 548,386 | 4,211,604 | |
| TOTAL MUTUAL FUNDS | | | |
| (Cost \$4,000,000) | | 4,211,604 | |

| | SHARES | VALUE |
|--|-----------|-----------------|
| MONEY MARKET FUNDS 0.36% | | |
| Goldman Sachs Financial Square Treasury Instruments Fund, 0.001% (7-Day Yield) | 2,687,560 | \$2,687,560 |
| TOTAL MONEY MARKET FUNDS | | |
| (Cost \$2,687,560) | | 2,687,560 |
| TOTAL INVESTMENTS - 137.55% | | |
| (Cost \$879,114,433) | | \$1,034,848,415 |
| LEVERAGE FACILITY - (38.55%) | | |
| | | (290,000,000) |
| OTHER ASSETS IN EXCESS OF LIABILITIES - 1.00% | | |
| | | 7,504,570 |
| NET ASSETS - 100.00% | | |
| | | \$752,352,985 |

* *Non Income Producing Security.*

(1) *Pledged security; a portion or all of the security is pledged as collateral for borrowings as of January 31, 2013. (See Note 3)*

(2) *Loaned security; a portion or all of the security is on loan at January 31, 2013. (See Note 3)*

(3) *Restricted security. (See Note 4)*

(4) *Security fair valued by management, pursuant to procedures approved by the Board of Trustees. (See Note 1) The Fund has engaged in a private purchase of preferred shares in an oil and gas well, operated by Anglo Dutch Corporation, a private company. The preferred shares have an expected life of 24 months, which would result in an effective maturity date of 11/30/2013.*

Common Abbreviations:

ADR - American Depositary Receipt.

AG - Aktiengesellschaft is a German term that refers to a corporation that is limited by shares, i.e. owned by shareholders.

AS - Aktieselskab is the Danish term for a stock-based corporation.

LLC - Limited Liability Company.

LP - Limited Partnership.

PLC - Public Limited Company.

S.A. - Generally designates corporations in various countries, mostly those employing the civil law. This translates literally in all languages mentioned as anonymous company.

See Notes to Quarterly Statement of Investments.

Notes to Quarterly Statement of Investments

January 31, 2013 (Unaudited)

1. SIGNIFICANT ACCOUNTING AND OPERATING POLICIES

Reaves Utility Income Fund (the Fund) is registered under the Investment Company Act of 1940, as amended (the 1940 Act) as a non-diversified, closed-end management investment company. The Fund was organized under the laws of the state of Delaware by an Agreement and Declaration of Trust dated September 15, 2003. The Fund's investment objective is to provide a high level of after-tax income and total return consisting primarily of tax-advantaged dividend income and capital appreciation. The Declaration of Trust provides that the Trustees may authorize separate classes of shares of beneficial interest. The Fund's common shares are listed on the New York Stock Exchange (Exchange) and trade under the ticker symbol UTG.

The Fund may have elements of risk, including the risk of loss of equity. There is no assurance that the investment process will consistently lead to successful results. An investment concentrated in sectors and industries may involve greater risk and volatility than a more diversified investment.

The following is a summary of significant accounting policies followed by the Fund in the preparation of its Statement of Investments. The preparation of the Statement of Investments is in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP), which requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Investment Valuation: The net asset value per common share (NAV) of the Fund is determined no less frequently than daily, on each day that the Exchange is open for trading, as of the close of regular trading on the Exchange (normally 4:00 p.m. New York time).

For equity securities and funds that are traded on an exchange, the market price is usually the closing sale or official closing price on that exchange. In the case of equity securities not traded on an exchange, or if such closing prices are not otherwise available, the mean of the closing bid and asked price will be used. The market price for debt obligations is generally the price supplied by an independent third-party pricing service approved by the Board of Trustees (the Board), which may use a matrix, formula or other objective method that takes into consideration market indices, yield curves and other specific adjustments. Short-term debt obligations that will mature in 60 days or less are valued at amortized cost, unless it is determined that using this method would not reflect an investment's fair value. If vendors are unable to supply a price, or if the price supplied is deemed to be unreliable, the market price may be determined using quotations received from one or more brokers-dealers that make a market in the security. Investments in non-exchange traded funds are fair valued at their respective net asset values. Securities for which market quotations or valuations are not available are valued at fair value in good faith by or at the direction of the Board. Various factors may be reviewed in order to make a good faith determination of a security's fair value. These factors may include, but are not limited to, the type and cost of the security; the fundamental analytical data relating to the investment; an evaluation of the forces which influence the market in which the security is sold, including the liquidity and depth of the market; information as to any transactions or offers with respect to the security; price, yield and the extent of public or private trading in similar securities of the issuer or comparable companies.

The Fund discloses the classification of its fair value measurements following a three-tier hierarchy based on the inputs used to measure fair value. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability that are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability that are developed based on the best information available.

Various inputs are used in determining the value of the Fund's investments as of the end of the reporting period. When inputs used fall into different levels of the fair value hierarchy, the level in the hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The designated input levels are not necessarily an indication of the risk or liquidity associated with these investments. These inputs are categorized in the following hierarchy under applicable financial accounting standards:

Level 1 Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that the Fund has ability to access at the measurement date;

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Level 2 Quoted prices which are not active, quoted prices for similar assets or liabilities in active markets or inputs other than quoted prices that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and

Level 3 Significant unobservable prices or inputs (including the Fund's own assumptions in determining the fair value of investments) where there is little or no market activity for the asset or liability at the measurement date.

The following is a summary of the Fund's investments in the fair value hierarchy as of January 31, 2013:

| Investments in Securities at Value* | Valuation Inputs | | | Total |
|--|-------------------------|---------------------|---------------------|-------------------------|
| | Level 1 | Level 2 | Level 3 | |
| Common Stocks | \$ 978,855,544 | \$ | \$ | \$ 978,855,544 |
| Preferred Stocks | | | | |
| Electric Utilities | | 2,876,232 | | 2,876,232 |
| Independent Power Producers & Energy Traders | 129,050 | | | 129,050 |
| Multi-Utilities | 580,284 | 940,841 | | 1,521,125 |
| Oil, Gas & Consumable Fuels | | | 1,420,000 | 1,420,000 |
| Limited Partnerships | 39,756,050 | | | 39,756,050 |
| Corporate Bonds | | 3,391,250 | | 3,391,250 |
| Mutual Funds | 4,211,604 | | | 4,211,604 |
| Short Term Investments | 2,687,560 | | | 2,687,560 |
| Total | \$ 1,026,220,092 | \$ 7,208,323 | \$ 1,420,000 | \$ 1,034,848,415 |

*See Statement of Investments for industry classification.

During the three months ended January 31, 2013, there were no significant transfers between Level 1 and 2 securities. The fund evaluates transfers into or out of Level 1, Level 2 and 3 as of the end of the reporting period.

The following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value:

| Investments in Securities at Value* | Balance as of 10/31/2012 | Accrued Discount/Premium | Realized gain/(loss) | Change in unrealized Net | | Transfer in and/or (out) of Level 3 | Balance as of 1/31/2013 | Net change in unrealized appreciation / (depreciation) attributable to Level 3 investments still held at January 31, 2013 |
|-------------------------------------|--------------------------|--------------------------|----------------------|------------------------------|--------------------|-------------------------------------|-------------------------|---|
| | | | | appreciation/ (depreciation) | purchases/ (sales) | | | |
| Preferred Stocks | \$ 1,846,000 | (376,924) | | (49,076) | | \$ 1,420,000 | \$ (49,076) | |
| TOTAL | \$ 1,846,000 | (376,924) | | (49,076) | | \$ 1,420,000 | \$ (49,076) | |

*See Statement of Investments for industry classification.

Foreign Securities: The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible reevaluation of currencies, the inability to repatriate foreign currency, less complete financial information about companies and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. issuers.

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Foreign Currency Translation: The books and records of the Fund are maintained in U.S. dollars. Investment valuations and other assets and liabilities initially expressed in foreign currencies are converted each business day into U.S. dollars based upon current exchange rates. Prevailing foreign exchange rates may generally be obtained at the close of the New

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York Stock Exchange (normally, 4:00 p.m. New York time). The portion of realized and unrealized gains or losses on investments due to fluctuations in foreign currency exchange rates is not separately disclosed and is included in realized and unrealized gains or losses on investments, when applicable.

Investment Transactions: Investment security transactions are accounted for as of trade date. Dividend income is recorded on the ex-dividend date, or as soon as information is available to the Fund. Interest income, which includes amortization of premium and accretion of discount, is accrued as earned. Realized gains and losses from investment transactions and unrealized appreciation and depreciation of securities are determined using the first-in first-out basis for both financial reporting and income tax purposes.

Unrealized Appreciation and Depreciation on Investments: The differences between book-basis and tax-basis are primarily due to the deferral of wash sale losses. As of January 31, 2013, the cost of securities on a tax basis and gross unrealized appreciation/(depreciation) on investments for federal income tax purposes were as follows:

| | |
|---|----------------|
| Gross unrealized appreciation (excess of value over tax cost) | \$ 199,151,517 |
| Gross unrealized depreciation (excess of tax cost over value) | (35,009,982) |
| Net unrealized appreciation | \$ 164,141,535 |

| | |
|---|----------------|
| Cost of investments for income tax purposes | \$ 870,706,880 |
|---|----------------|

3. BORROWINGS

As a result of the redemption of the preferred shares, the Fund entered into a financing package that includes a Committed Facility Agreement (the Agreement) with BNP Paribas Prime Brokerage, Inc. (BNP) that allowed the Fund to borrow up to \$240,000,000 (Initial Maximum Commitment) and a Lending Agreement, as defined below. The Fund paid an arrangement fee of 0.25% (the Arrangement Fee) on the Initial Maximum Commitment. Borrowings under the Agreement are secured by assets of the Fund that are held by the Fund's custodian in a separate account (the pledged collateral). Under the terms of the Agreement, BNP was permitted, with 180 days advance notice (the Notice Period), to reduce or call the entire Initial Maximum Commitment. Interest on the borrowing is charged at the one month LIBOR (London Inter-bank Offered Rate) plus 1.10% on the amount borrowed and 1.00% on any undrawn balance. The Agreement contained an initial renewal date of May 2, 2012, 540 days after the closing date of the Agreement. On May 2, 2012, the Fund renewed the Agreement and paid a renewal fee of 0.25% on the Initial Maximum Commitment.

The Agreement was amended on September 14, 2012 (the Amendment) to (i) increase the Initial Maximum Commitment to \$290,000,000 (the Current Maximum Commitment), (ii) expand the Notice Period to 270 days and (iii) waived the Arrangement Fee on the increased borrowing made available under the Current Maximum Commitment.

For the three months ended January 31, 2013, the average amount borrowed under the Agreement and the average interest rate for the amount borrowed were \$290,000,000 and 1.31%, respectively. As of January 31, 2013, the amount of such outstanding borrowings is \$290,000,000. The interest rate applicable to the borrowings on January 31, 2013 was 1.30%. As of January 31, 2013, the amount of pledged collateral was \$633,997,270.

The Lending Agreement is a separate side-agreement between the Fund and BNP pursuant to which BNP may borrow a portion of the pledged collateral (the Lent Securities) in an amount not to exceed the outstanding borrowings owed by the Fund to BNP under the Agreement. The Lending Agreement is intended to permit the Fund to significantly reduce the cost of its borrowings under the Agreement. BNP has the ability to reregister the Lent Securities in its own name or in another name other than the Fund to pledge, re-pledge, sell, lend or otherwise transfer or use the collateral with all attendant rights of ownership. The Fund may designate any security within the pledged collateral as ineligible to be a Lent Security, provided there are eligible securities within the pledged collateral in an amount equal to the outstanding borrowing owed by the Fund. During the period in which the Lent Securities are outstanding, BNP must remit payment to the Fund equal to the amount of all dividends, interest or other distributions earned or made by the Lent Securities. The Fund receives income from BNP based on the value of the Lent Securities.

Under the terms of the Lending Agreement, the Lent Securities are marked to market daily, and if the value of the Lent Securities exceeds the value of the then-outstanding borrowings owed by the Fund to BNP under the Agreement (the Current Borrowings), BNP must, on that day, either (1) return Lent Securities to the Fund's custodian in an amount sufficient to cause the value of the outstanding Lent Securities to equal the Current Borrowings; or (2) post cash collateral with the Fund's custodian equal to the difference between the value of the Lent Securities and the value of the Current Borrowings. If BNP fails to perform either of these actions as required, the Fund will recall securities, as discussed below, in an amount sufficient to cause the value of the outstanding Lent Securities to equal the Current Borrowings. The Fund can recall any of the Lent Securities and BNP shall, to the extent commercially possible, return such security or equivalent security to the Fund's custodian no later than three business days after such request. If the Fund recalls a Lent Security pursuant to the Lending Agreement, and BNP fails to return the Lent Securities or equivalent securities in a timely fashion,

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BNP shall remain liable to the Fund's custodian for the ultimate delivery of such Lent Securities, or equivalent securities, and for any buy-in costs that the executing broker for the sales transaction may impose with respect to the failure to deliver. The Fund shall also have the right to apply and set-off an amount equal to one hundred percent (100%) of the then-current fair market value of such Lent Securities against the Current Borrowings. As of January 31, 2013, the value of securities on loan was \$278,803,910.

The Board of Trustees has approved the Agreement, as amended, and the Lending Agreement. No violations of the Agreement or the Lending Agreement occurred during the three months ended January 31, 2013.

4. RESTRICTED SECURITIES

As of January 31, 2013, investments in securities included issues that are considered restricted. Restricted securities are often purchased in private placement transactions, are not registered under the Securities Act of 1933, may have contractual restrictions on resale, and may be valued under methods approved by the Board of Trustees as reflecting fair value.

Restricted securities as of January 31, 2013 were as follows:

| Description | Maturity Date | Acquisition Date | Cost | Market Value as | |
|----------------------|---------------|------------------|-------------|-----------------|--------------------------|
| | | | | Market Value | Percentage of Net Assets |
| Anglo Dutch Oil | | | | | |
| Well Preferred Stock | 11/30/2013 | 11/30/2011 | \$1,242,389 | \$1,420,000 | 0.19% |
| TOTAL | | | \$1,242,389 | \$1,420,000 | 0.19% |

Item 2. Controls and Procedures.

- (a) The Registrant's principal executive officer and principal financial officer have evaluated the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act) (17 CFR 270.30a-3(c))) within 90 days of the filing date of this report and have concluded that the Registrant's disclosure controls and procedures were effective as of that date.

- (b) There were no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the Registrant's last fiscal quarter covered by this report that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 3. Exhibits.

Separate certifications for the Registrant's principal executive officer and principal financial officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and Rule 30a-2(a) under the 1940 Act, are attached as Exhibit 99.Cert.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

REAVES UTILITY INCOME FUND

By: /s/ Jeremy O. May
Jeremy O. May
President (principal executive officer)

Date: April 1, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ Jeremy O. May
Jeremy O. May
President (principal executive officer)

Date: April 1, 2013

By: /s/ Lauren E. Johnson
Lauren E. Johnson
Treasurer (principal financial officer)

Date: April 1, 2013