

CAUSE NO. D-1-GV-09-002065

STATE OF TEXAS, Plaintiff,	§	IN THE DISTRICT COURT OF
	§	
VS.	§	
	§	
KATHIE BRYANT, dba BUENA VISTA WATER SYSTEM, Defendant.	§	TRAVIS COUNTY, TEXAS
	§	
	§	250 th JUDICIAL DISTRICT

RECEIVER'S MONTHLY REPORT
BUENA VISTA WATER SYSTEM
BURNET COUNTY, TEXAS
For the Month Ending August 31, 2010

COMES NOW, JOHN M. FULTZ, duly appointed Receiver for Buena Vista Water System (the "Water System"), and files this Receiver's Monthly Report for the month ending August 31, 2010, and would show this Court the following:

1. John M. Fultz was appointed Receiver of the Water System by Receivership Order signed by this Court on July 8, 2010 (the "Order").
2. The Water System is alleged to be owned by Kathie Bryant, individually, d/b/a Buena Vista Water System.
3. The Order authorized the Receiver to take possession and control of the Water System located in Burnet County, Texas.
4. The Receiver contracted with Gulf Utility Service, Inc., ("GUS"), a company with whom the Receiver has worked for over four years, who has licensed operators skilled in the operations of water plants and water systems, to be the Water System's Operator and to take over the day-to-day operations of the Water System.
5. The Receiver will operate the Water System through the Operator.
6. The Operator will operate the Water System perform monthly maintenance of the Water System, perform monthly testing, file the appropriate monthly water reports, read the meters, bill the customers, collect and deposit the funds received in payment, prepare checks for payment of the monthly bills and deliver the same to the Receiver for review and payment, and prepare monthly financial reports for the Receiver. No operational issues were reported.


7. The Receiver provided Notice to Creditors of the appointment of the Receiver on or about August 16, 2010. The Receiver advised the creditors of the lack of sufficient funds and explained that payments would be made if, as, and when funds become available.
8. During the month of August, the Receiver maintained communication via email and telephone with Michael Wortham, President of the Buena Vista Property Owners Association.
9. The Receiver reviewed the Operator's System Totals Report for August, 2010. A copy of which is attached. The gallons pumped is shown as less than the amount billed for the reason that this was the first billing which included customer water usage for the month of July and due to a meter not being calibrated correctly which will be replaced.
10. The Operator set up customer billing accounts and sent bills to customers.
11. Terry Taylor with the Operator made several personal visits to the water plant and facilities to oversee employees and operations.
12. The Water System received income from customers in the amount of \$5,537.39 from Late Charges and Water Revenue for the month of August, 2010, as shown on the attached Buena Vista Profit & Loss Report. This differs by \$350.00 from the RVS Report due to an adjustment made to a previously misapplied amount as a deposit.
13. The Receiver's Fees billed to the Water System for the Month of August were a total of \$1,555.75 for 127 connections at \$12.25 per connection according to the Order.
14. Receiver's fees incurred for the month of August will be disbursed as specified by the Order when funds are available.
15. The Receiver is reviewing and evaluating the condition of the System and assessing the financial requirements to provide the continuous and adequate supply of water to the customers of the System.
16. The outstanding debt owed by the System as of July 8, 2010, is being reviewed and the Receiver will follow the provisions of the Order and Sec. §64.051 of the Texas Civil Practice & Remedies Code in determining the payment of any debts owed prior to the receivership.
17. The Receiver will consult with the Operator regarding any changes in the rates which may be deemed necessary to meet the financial operating needs of the

Water System and to make any improvements required to meet the minimum standards of TCEQ.

18. On or about August 28, 2010, the Receiver met with the Property Owners Association to discuss the receivership and to participate in discussions concerning the proposed regionalization of water in Burnet County and Llano County.
19. The Receiver will operate the System through the Operator.

This concludes the Receiver's Monthly Report for the month ending August 31, 2010.

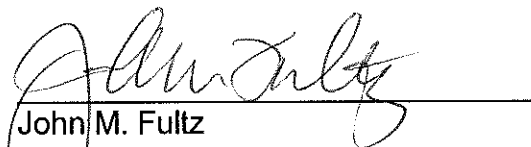
Respectfully Submitted,


John M. Fultz, Receiver
P. O. Box 868
Navasota, Texas 77868
936-825-7833
936-825-2354 fax

Certificate of Service

I, John M. Fultz, Receiver, certify that a copy of the foregoing Receiver's Monthly Report for the month of August, 2010, for the Buena Vista Water System, was forwarded via email on the 2nd day of November, 2010 to the following:

Mr. Ray Olah, Assistant Attorney General
Mr. Terence Webb, Receivership Coordinator
Mr. Keith Kebodeaux, Attorney for Kathy Bryant
Mr. Roger Borgelt, Attorney for the Buena Vista Property Owners Association


John M. Fultz

DAILY RECEIPTS ALLOCATION

ACCT #	NAME	Water	Late C	Reconn	Adjust	Sales	Overpa	Total	Deposits	Balance	Check
12	KAREN P KEMNITZ	45.29				0.45		\$45.74	\$0.00	0.00	58725339
21	ROBBIE CHEATHAM	58.73				0.56		\$59.29	\$0.00	1.98	1547
35	JOE BRYANT	49.57				0.49		\$50.06	\$0.00	-4.51	19226985
42	JOHN STASNEY	44.63				0.45		\$45.08	\$0.00	0.00	995657
48	Sara Hickey	44.76				0.45		\$45.21	\$0.00	-4.07	19229770
58	LEE T. GEISER	42.55				0.43		\$42.98	\$0.00	-3.87	4085
60	ROY BURNSTAD	60.24	4.50			0.60		\$65.34	\$0.00	57.93	996438
62	DAVID DONNELL	29.41				0.30		\$29.71	\$0.00	-2.68	1444
71	GARY MARKLEY	41.46				0.35		\$41.81	\$0.00	0.61	4745
79	KIM MARSHALL	39.77				0.40		\$40.17	\$0.00	0.00	2899
97	BOBBY HALFMAN	34.84				0.35		\$35.19	\$0.00	0.00	9796
121	GARY MARKLEY	50.33	8.55			0.50		\$59.38	\$0.00	0.00	4745

12 Accounts listed

Payments on Account	12	\$559.96	Cash Receipts	\$0.00	Checks	\$0.00
Total Paid Deposits	0	\$0.00			Money Order	
Total Paid Deposit *	0	\$0.00				
Total Receipts	12	\$559.96				
Water		\$541.58	Late Charge	\$13.05		
						\$0.00
						\$559.96

Transaction Receipt

BBVA Compass

99-65-1333

GD 08/27/2010 18:15 # 45
 SD 08/27/2010 768 0006 X2183751
 IM 7273 Deposit \$559.18
 Available Balance N/A

Sales Tax \$5.33
Total Remaining Receivables 3842.85
Qualified By: All Customers
Gulf Utility Service, Inc.

Adj Ove
 \$541.58 \$5.33

To ensure proper and timely posting of your transaction, please use a personalized deposit and/or withdrawal slip with each transaction. To order personal checks, please call 1-800-355-8123. The bank symbol, transaction number, date and amount are shown on this document. All transactions are subject to proof and verification and accepted in accordance with the terms of the deposit agreement. BBVA Compass is a trade name of Compass Bank, Member FDIC.

9/1/2010

6:23:13PM

Reprinted for:

8/31/2010

System Totals Report

BUENA VISTA WATER SYSTEM

Water Pumped This Month	591,100 Gallons
Water Sold This Month	615,740 Gallons
Water Loss	-24,640 Gallons
Water Loss (%)	-4.17 %

	Amount (\$)	# Of Accounts
Total Water	5,913.08	126
Total Late Charge	172.54	20
Total Adjustments	71.02	6
Total Sales Tax	59.45	127
Total Current Charges	6,216.09	127
<hr/>		
Amount Past Due 1-30 Days	247.44	17
Amount Past Due 31-60 Days	1,006.65	14
Amount Past Due Over 60 Days	86.96	2
Amount Of Overpayments/Prepayments	-5,325.83	101
Total Receivables	2,231.31	39

Total Receipts On Account	5,943.13	104
Net Change in Deposits	-1,050.00	2
Amount of All Deposits	50.00	1

Turned Off Accounts (Amount Owed)	0.00	4
Collection Accounts (Amount Owed)	0.00	4
Number Of Unread (Turned On) Meters		1
Average Usage For Active Meters	4,926	125
Average Water Charge For Active Meters	47.30	126

Usage Groups	Gallons	# Of Accounts	Usage Gallons	% Of Usage	% Of Sales
Over 50,000		0	0	0.00	0.00
40,001-50,000		1	45,010	7.31	2.65
30,001-40,000		1	34,970	5.68	2.18
20,001-30,000		2	47,560	7.72	3.33
10,001-20,000		10	136,900	22.23	12.47
8,001-10,000		4	36,910	5.99	3.95
6,001-8,000		6	39,850	6.47	5.20
4,001-6,000		32	154,970	25.17	25.07
2,001-4,000		34	99,410	16.14	23.86
1-2,000		25	20,160	3.27	15.15
Zero Usage		10	0	0.00	5.58
Total Meters		125	615,740	100.00	99.44

9/1/2010

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8/31/2010

System Totals Report

BUENA VISTA WATER SYSTEM

Monthly Reconciliation

Ending Receivables (Last Month)		1,958.35
Sales this Month	+	6,145.07
Adjustments this Month		71.02
Less Payments this Month	-	5,943.13
	=	<u>2,231.31</u>
Total Receivables		2,231.31
Ending Deposits (Last Month)		750.00
Changes this Month		-1,050.00
	=	<u>-300.00</u>
Total Memberships		50.00

Wednesday, September 1, 2010

6:25:54PM

Reprinted For

BUENAV

8/31/2010

ALLOCATION OF RECEIPTS THIS MONTH

Day	Water	Late C	Reconn	Adjust	Sales	Overpa	Deposits	Total	App. Deposit	NET
10				350.00				350.00	350.00	
12	12.57				0.13			12.70		12.70
16	252.27	7.04			2.51			261.82		261.82
17	711.96	8.27			7.11			727.34		727.34
19	820.55	14.45			8.22			843.22		843.22
20	619.52	10.34			6.19			636.05		636.05
23	1,168.56	31.45			12.72			1,212.73		1,212.73
24	859.16	36.48			8.59			904.23		904.23
25	108.16	6.17			1.09			115.42		115.42
26	218.80				2.18			220.98		220.98
27	541.58	13.05			5.33			559.96		559.96
31	89.39	8.40			0.89			98.68		98.68 ✓
	5,402.52	135.65		350.00	54.96			5,943.13	350.00	5,593.13

Qualified By: All Customers
Gulf Utility Service, Inc.

9:00 AM
11/02/10
Accrual Basis

Buena Vista Water System Receivership
Profit & Loss
August 2010

	<u>Aug 10</u>
Ordinary Income/Expense	
Income	
Revenue	
Late Charge	135.65
Water Revenue	5,401.74
Total Revenue	<u>5,537.39</u>
Total Income	5,537.39
Cost of Goods Sold	
Management of Operations	469.63
Purchased Water	317.87
Total COGS	<u>787.50</u>
Gross Profit	4,749.89
Expense	
Professional Fees	
Receiver Assistant Fees	250.00
Receiver Fees	1,555.75
Total Professional Fees	<u>1,805.75</u>
Total Expense	<u>1,805.75</u>
Net Ordinary Income	2,944.14
Other Income/Expense	
Other Income	
Interest Income	0.06
Total Other Income	<u>0.06</u>
Net Other Income	<u>0.06</u>
Net Income	<u><u>2,944.20</u></u>

8:53 AM
11/02/10
Accrual Basis

Buena Vista Water System Receivership
Balance Sheet
As of August 31, 2010

	<u>Aug 31, 10</u>
ASSETS	
Current Assets	
Checking/Savings	
Compass Bank	2,653.24
Total Checking/Savings	<u>2,653.24</u>
Total Current Assets	<u>2,653.24</u>
TOTAL ASSETS	<u><u>2,653.24</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	7,761.35
Total Accounts Payable	<u>7,761.35</u>
Other Current Liabilities	
Receivers Escrow	1,244.60
Regulatory Assessment	54.96
Total Other Current Liabilities	<u>1,299.56</u>
Total Current Liabilities	<u>9,060.91</u>
Total Liabilities	9,060.91
Equity	
Net Income	-6,407.67
Total Equity	<u>-6,407.67</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,653.24</u></u>