

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 March 31, 2011

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 March 31, 2011, and would show this Court the following:

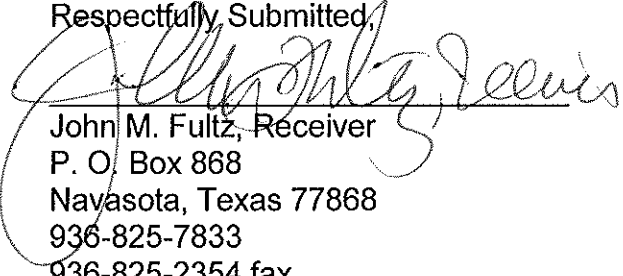
1. John M. Fultz was appointed Receiver of the Water System by Receivership Order signed by this Court on July 8, 2010 (the "Order").
2. The Water System is alleged to be owned by Kathie Bryant, individually, d/b/a Buena Vista Water System.
3. The Order authorized the Receiver to take possession and control of the Water System located in Burnet County, Texas.
4. The Receiver employed Gulf Utility Service, Inc. (the "Operator"), on July 12, 2010. The Operating Agreement between the Receiver and Gulf Utility Service, Inc., is available and on file in the Receiver's office. The Operator's license and resume of Terry Taylor, President, is available and on file in the Receiver's office.
5. The Receiver operates the Water System through the Operator. The Operator has maintained the Water System, performed monthly maintenance of the Water System, filed the appropriate monthly water reports, read the meters, billed the customers, collected and deposited the funds received in payment, and prepared checks for payment of the monthly bills and returned the same to the Receiver.
6. The Receiver reviewed the Operator's Buena Vista Water System's Systems Totals Report, Profit & Loss Report, Balance Sheet and A/P Aging Detail for March 2010. Copies of which are attached.

7. During the month of March, the Receiver continued to maintain communication via email and telephone with Michael Wortham, President of the Buena Vista Property Owners Association (Buena Vista POA”).
8. The Receiver confirmed through the Operator that the plant at the Water System was running well and that repairs continue to be made on an as needed basis to provide the continuous and adequate supply of water to the customers of the Water System.
9. The Receiver has disbursed funds to the Operator to reimburse for travel expenses incurred and for operations and management for the months of July and August, 2010. No funds have been disbursed to the Operator for management and operations in the Water System for the months of September, October, November, and December, 2010, and none for January and February, 2011, due to insufficient funds. The Operator has thus far shouldered the financial burden of improvements to the Water System to bring the Water System into compliance and to provide adequate and continuous water supply to the customers.
10. The Receiver took the following actions during the reporting month:
 - a. On March 5, 2011, the Receiver attended the annual Buena Vista POA meeting held at 8301 W. RR 1431 in Buchanan Dam. The Receiver discussed the status of the Water System and future plans for the receivership.
 - b. On March 10, 2011, the Receiver received the report from the Operator that a loss of pressure occurred in the Water System and the customers were without water for several hours.
 - c. On March 11, 2011, the Receiver was informed that the operators located a leak that needed repair. The system was shut down during the repair. The water was restored after approximately 6 hours once the leak was repaired. The Operator delivered a Boil Water Notification to all Customers. Corrective action was taken and testing results were provided to TCEQ, a copy of which Notice is attached hereto. Notification was also provided by utilizing an automated phone system and locally posted notices. A true and correct copy of the Boil Water Notification is attached
 - d. On March 12, 2011, the Receiver forwarded to Mike Wortham, President of the Buena Vista POA, the spreadsheet for the Receiver's request for the proposed temporary rate increase, and a copy of the proposed new rates.
 - e. On March 14, 2011, the Receiver forwarded to TCEQ the Receiver's request for the proposed temporary rate increase, a copy of the proposed Customer Notice of Temporary Rate Increase and a copy of the proposed new rates.

- f. On March 14, 2011, the Receiver was notified by Sandra Valdez of the Lower Colorado River Authority ("LCRA") that the raw water meter at the plant did not register any usage for the prior month. The Receiver forwarded the information to the Operator and was advised that the meter was replaced on March 11, 2011. Pumpage through the finished water meter will be provided to LCRA.
 - g. On March 15, 2011, the Receiver forwarded to Elsie Pascua of TCEQ the Receiver's the proposed Customer Notice of Temporary Rate Increase explaining the new rates. The Notice was forwarded to the Operator to be mailed to all customers of the Water System.
 - h. On March 16, 2011, the Receiver issued a Boil Water Rescind Notice to rescind the March 11, 2010, Boil Water Notification to the Customers. A true and correct copy of the Rescind Notice is attached hereto.
 - i. On March 21, 2011, the Receiver forwarded correspondence to Jennifer Fritihoff, Accounts Manager with the Texas Department of State Health Services, with a copy of the check in payment in full of all delinquent balances owed by Kathie Bryant at the appointment of the Receiver.
 - j. On March 22, 2011, the Receiver forwarded the Affidavit of Delivery of Notice to Customers of a Public Water System regarding the Temporary Rate Increase, a copy of which Affidavit and Notice is attached hereto.
 - k. On or about March 31, 2011, the Receiver reviewed the Analysis Reports for trihalomethanes, all minerals, semivolatiles organic, and pesticides. The results were forwarded to the Operator.
11. The Operator performed the tasks shown on the attached work orders for the reporting month.
12. The Receiver will continue to operate the System through the Operator.

This concludes the Receiver's Monthly Report for the month ending March 31, 2011.

Respectfully Submitted,

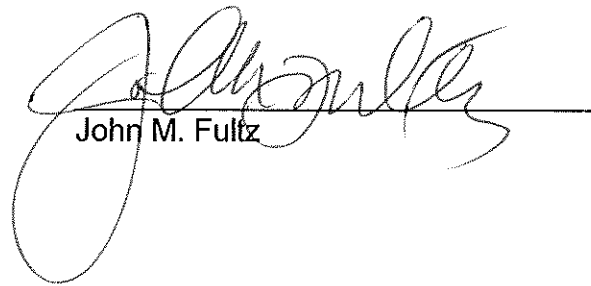


John M. Fultz, Receiver
P. O. Box 868
Navasota, Texas 77868
936-825-7833
936-825-2354 fax

Certificate of Service

I, John M. Fultz, Receiver, certify that a copy of the foregoing Receiver's Monthly Report for the month of March, 2011, for the Buena Vista Water System, was forwarded via email on the 18th day of April, 2011, to the following:

Mr. George Thomas "Tom" Bohl, 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

4/1/2011

9:24:35AM

Reprinted for:

3/31/2011

System Totals Report

BUENA VISTA WATER SYSTEM

Water Pumped This Month **598,900 Gallons**

Water Sold This Month **415,900 Gallons**

Water Loss **183,000 Gallons**

Water Loss (%) **30.56 %**

MASTERMETER CHANGE OUT. HARD FREEZE.

	Amount (\$)	# Of Accounts
Total Water	5,333.99	125
Total Adjustments	-50.37	1
Total Transfer fee	20.00	1
Total Regulatory Assess	53.35	125
Total Current Charges	5,356.97	126
Amount Past Due 1-30 Days	165.03	4
Amount Past Due 31-60 Days	53.76	1
Amount Past Due Over 60 Days	418.64	2
Amount Of Overpayments/Prepayments	-5,076.69	115
Total Receivables	917.71	27

Total Receipts On Account	5,260.33	112
Net Change in Deposits	50.00	1
Amount of All Deposits	200.00	4

Turned Off Accounts (Amount Owed)	173.25	5
Collection Accounts (Amount Owed)	212.57	6
Number Of Unread (Turned On) Meters		
Average Usage For Active Meters	3,249	128
Average Water Charge For Active Meters	41.67	125

Usage Groups	Gallons	# Of Accounts	Usage	Gallons	% Of Usage	% Of Sales
Over 50,000		0		0	0.00	0.00
40,001-50,000		0		0	0.00	0.00
30,001-40,000		0		0	0.00	0.00
20,001-30,000		1		20,310	4.88	1.95
10,001-20,000		7		98,540	23.69	9.70
8,001-10,000		1		8,640	2.08	1.06
6,001-8,000		9		61,510	14.79	8.74
4,001-6,000		16		77,310	18.59	13.89
2,001-4,000		39		117,490	28.25	30.25
1-2,000		41		32,100	7.72	27.60
Zero Usage		14		0	0.00	6.81
Total Meters		128		415,900	100.00	100.00

4/1/2011

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3/31/2011

System Totals Report

BUENA VISTA WATER SYSTEM

Monthly Reconciliation

Ending Receivables (Last Month)		821.07
Sales this Month	+	5,407.34
Adjustments this Month		-50.37
Less Payments this Month	-	<u>5,260.33</u>
	=	917.71
Total Receivables		917.71
Ending Deposits (Last Month)		150.00
Changes this Month		<u>50.00</u>
	=	200.00
Total Memberships		200.00

Buena Vista Water System Receivership Profit & Loss Detail March 2011

Type	Date	Num	Name	Memo	Cir	Split	Amount	Balance
Ordinary Income/Expense								
Income								
Reconnects & Misc Adjustments								
General Journal	3/31/2011	8				Water Revenue	31.14	31.14
Total Reconnects & Misc Adjustments							31.14	31.14
Revenue								
Water Revenue								
Deposit	3/1/2011			Deposit		Compass Bank	177.91	177.91
Deposit	3/4/2011			Deposit		Compass Bank	170.75	348.66
Deposit	3/8/2011			Deposit		Compass Bank	1,954.68	1,954.68
Deposit	3/9/2011			Deposit		Compass Bank	86.61	2,041.29
Deposit	3/10/2011			Deposit		Compass Bank	540.96	2,582.25
Deposit	3/11/2011		Water Customer	Deposit		Compass Bank	358.90	2,941.15
Deposit	3/11/2011		Water Customer	Deposit		Compass Bank	806.32	3,747.47
Deposit	3/15/2011			Deposit		Compass Bank	267.10	4,014.57
Deposit	3/16/2011			Deposit		Compass Bank	70.00	4,084.57
Deposit	3/18/2011			Deposit		Compass Bank	349.55	4,434.12
Deposit	3/21/2011			Deposit		Compass Bank	328.25	4,762.37
Deposit	3/25/2011			Deposit		Compass Bank	209.55	4,971.92
Deposit	3/25/2011			Deposit		Compass Bank	802.94	5,774.86
Deposit	3/28/2011			Deposit		Compass Bank	90.28	5,865.14
Deposit	3/30/2011			Deposit		Compass Bank	164.59	6,029.73
Deposit	3/31/2011	8		Deposit		Compass Bank	83.54	6,113.27
General Journal	3/31/2011	8				-SPLIT-	-5,310.33	802.94
General Journal	3/31/2011	8				Water Revenue	5,177.43	5,980.37
Total Water Revenue							5,980.37	5,980.37
Total Revenue							5,980.37	5,980.37
Total Income								
Cost of Goods Sold								
Lab Fees								
Bill	3/11/2011	02/2011	City of Round Rock	03/07 24 test		Accounts Pay...	75.00	75.00
Total Lab Fees							75.00	75.00
Management of Operations								
Bill	3/1/2011	9227	Gulf Utility Service, I...	Feb Billing		Accounts Pay...	18,336.85	18,336.85
Total Management of Operations							18,336.85	18,336.85
Plant Utilities								
Electricity								
Check	3/7/2011	ach	Pedernales Electric ...			Compass Bank	371.59	371.59
Bill	3/27/2011	2167-...	Pedernales Electric ...	2167-4051-00	X	Accounts Pay...	0.00	371.59
Total Electricity							371.59	371.59
Total Plant Utilities							371.59	371.59

Buena Vista Water System Receivership
Profit & Loss Detail
 March 2011

Type	Date	Num	Name	Memo	Cir	Split	Amount	Balance
Purchased Water								
Check	3/2/2011	ACH	Lower Colorado Riv...	00500832		Compass Bank	559.85	559.85
Check	3/30/2011	ACH	Lower Colorado Riv...	00500832 / 0...		Compass Bank	711.10	1,270.95
Total Purchased Water							1,270.95	1,270.95
Total COGS							20,054.39	20,054.39
Gross Profit							-14,042.88	-14,042.88
Expense								
Bank Service Charges								
Check	3/31/2011			Service Charge		Compass Bank	38.98	38.98
Total Bank Service Charges							38.98	38.98
Professional Fees								
Receiver Assistant Fees								
Bill	3/1/2011	02/2011	Hancock, Debbie -R...	Feb 2011		Accounts Pay...	250.00	250.00
Bill	3/31/2011	03/2011	Hancock, Debbie -R...	03/2011		Accounts Pay...	250.00	500.00
Total Receiver Assistant Fees							500.00	500.00
Receiver Fees								
Bill	3/1/2011	02/2011	John M. Fultz, Rece...	Feb 2011		Accounts Pay...	1,531.25	1,531.25
Bill	3/31/2011	03/2011	John M. Fultz, Rece...	March 2011 1...		Accounts Pay...	1,543.50	3,074.75
Total Receiver Fees							3,074.75	3,074.75
Total Professional Fees							3,574.75	3,574.75
Telephone Expense								
Check	3/3/2011	ACH	Verizon	March 2011		Compass Bank	39.08	39.08
Check	3/8/2011	ach	Verizon			Compass Bank	39.08	78.16
Total Telephone Expense							78.16	78.16
Travel Expense								
Bill	3/11/2011	03/09...	John M. Fultz	Fultz- 030520...		Accounts Pay...	187.61	187.61
Total Travel Expense							187.61	187.61
Total Expense							3,879.50	3,879.50
Net Ordinary Income							-17,922.38	-17,922.38
Other Income/Expense								
Other Income								
Deposit	3/31/2011			Interest		Compass Bank	0.37	0.37
Total Interest Income							0.37	0.37
Total Other Income							0.37	0.37
Net Other Income							0.37	0.37

3 PM
2/11
rual Basis

Buena Vista Water System Receivership
Profit & Loss Detail
March 2011

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
Net Income							-17,922.01	-17,922.01

PM
//11
ual Basis

Buena Vista Water System Receivership
Balance Sheet
As of March 31, 2011

	<u>Mar 31, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
Compass Bank	10,723.39
Total Checking/Savings	<u>10,723.39</u>
Total Current Assets	<u>10,723.39</u>
TOTAL ASSETS	<u><u>10,723.39</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	74,706.95
Total Accounts Payable	<u>74,706.95</u>
Other Current Liabilities	
Receivers Escrow	5,522.30
Regulatory Assessment	165.43
Total Other Current Liabilities	<u>5,687.73</u>
Total Current Liabilities	80,394.68
Long Term Liabilities	
Customer Water Deposit	150.00
Total Long Term Liabilities	<u>150.00</u>
Total Liabilities	80,544.68
Equity	
Retained Earnings	-42,872.41
Net Income	<u>-26,948.88</u>
Total Equity	<u>-69,821.29</u>
TOTAL LIABILITIES & EQUITY	<u><u>10,723.39</u></u>

Buena Vista Water System Receivership
A/P Aging Detail
 As of March 31, 2011

Type	Date	Num	Name	Due Date	Aging	Open Balance
Current						
Bill Pmt -Check	3/31/2011	1055	DSHS Central Lab ...			-333.00
Bill	3/31/2011	03/2011	John M. Fultz, Rece...	4/10/2011		926.10
Bill	3/31/2011	03/2011	Hancock, Debbie -R...	4/10/2011		250.00
Total Current						843.10
1 - 30						
Bill	3/1/2011	9227	Gulf Utility Service, I...	3/11/2011	20	18,336.85
Bill	3/1/2011	02/2011	John M. Fultz, Rece...	3/11/2011	20	918.75
Bill	3/1/2011	02/2011	Hancock, Debbie -R...	3/11/2011	20	250.00
Total 1 - 30						19,505.60
31 - 60						
Bill	1/21/2011	9088	Gulf Utility Service, I...	1/31/2011	59	6,001.24
Bill	2/1/2011	9157	Gulf Utility Service, I...	2/11/2011	48	8,194.20
Bill	2/1/2011	01/2011	Hancock, Debbie -R...	2/11/2011	48	250.00
Bill	2/1/2011	01/2011	John M. Fultz, Rece...	2/11/2011	48	911.40
Total 31 - 60						15,356.84
61 - 90						
Bill	1/1/2011	12/2010	Hancock, Debbie -R...	1/11/2011	79	250.00
Bill	1/1/2011	12/2010	John M. Fultz, Rece...	1/11/2011	79	911.40
Total 61 - 90						1,161.40
> 90						
Bill	9/30/2010	09/2010	John M. Fultz, Rece...	10/10/2010	172	926.10
Bill	10/1/2010	8899	Gulf Utility Service, I...	10/11/2010	171	16,375.81
Bill	11/1/2010	8958	Gulf Utility Service, I...	11/11/2010	140	13,905.30
Bill	11/1/2010	10/2010	Hancock, Debbie -R...	11/11/2010	140	250.00
Bill	11/1/2010	10/2010	John M. Fultz, Rece...	11/11/2010	140	911.40
Bill	12/1/2010	9022	Gulf Utility Service, I...	12/11/2010	110	4,310.00
Bill	12/9/2010	11/2010	John M. Fultz, Rece...	12/19/2010	102	911.40
Bill	12/9/2010	11/2050	Hancock, Debbie -R...	12/19/2010	102	250.00
Total > 90						37,840.01
TOTAL						74,706.95

Tuesday, March 8, 2011
1:35:24PM

Work order #990

Completed

Hazy Hills Water System

Start Time: 13:33PM End Time: 13:33PM Mileage: Brent Reading: _____
 Requested By: Victoria Date Issued: 3/8/11 To be Completed by: _____ 0:00AM
 Assigned By: Brent Taylor Date Completed: 3/8/2011 By: _____
 Assigned To: _____

Workorder Type **Reconnect**

Workorder Notes: Reconnect- Customer is overnighting payment,
03-08 Brent called in said water is turned back on.

Account #: 5151549	GRAY, MATTHEW JORDAN	Phone: (903)257-6094
Meter #: 818984796	4106 MANANA MOUNTAIN CI	
Route #: 50	Seq #: 50	
Last Reading 7180	Last Usage: 1000	meter pulled 03-07-11
Prev Reading 7170	Last Check 12/2/09	03/08/11- called in tracking # EG517999465US. called
Date Last Read 2/10/11		EnHance Acct #5151549
1/8/11 5,000	4/8/10 12,000	7/10/10 7,000
2/10/11 1,000	5/10/10 14,000	8/8/10 10,000
3/8/10 10,000	6/8/10 10,000	9/10/10 9,000
		10/8/10 6,000
		11/10/10 7,000
		12/11/10 6,000

Job Notes: Start Read:

3/1/2011
9:13:57AM

Disconnect List

sem to hertz

Hazy Hills Water System

Act/Num	Name	Address	Meter	Sequence	Route	Rate	Balance
5017810 <i>Past Due \$214.85</i>	EVANS KATE <i>Last Paid 1/10/11</i>	22105 HAZY HOLLOW DR <i>\$102.31</i>	82117108 <i>Phone:(512)264-0414</i>	50	50	1	214.85
5017819 <i>Past Due \$103.67</i>	YOUNG, ELLA & SHAWN <i>Last Paid 2/22/11</i>	22306 HAZY HOLLOW DR #10 <i>\$100.00</i>	49572293 <i>Phone:(512)264-8458</i>	50	50	1	103.67 **
5017837 <i>Past Due \$162.61</i>	MEZA PATIMA <i>Last Paid 2/10/11</i>	4028 HIGH RIM RD <i>\$150.00</i>	49784875 <i>Phone:(512)264-2495</i>	50	50	1	162.61
5017858 <i>Past Due \$112.19</i>	CAMPBELL, JIM <i>Last Paid 2/22/11</i>	22200 HWY 71 WEST <i>\$98.82</i>	81984798 <i>Phone:(512)992-1789</i>	51	50	1	112.19 **
5068628 <i>Past Due \$195.05</i>	FALCONIERI, LOUIS <i>Last Paid 1/13/11</i>	22210 HWY 71 WEST <i>\$413.12</i>	78621062 <i>Phone:(512)282-8207</i>	50	50	1	195.05
5137160 <i>Past Due \$144.29</i>	GEYE, WENDY <i>Last Paid 2/15/11</i>	22214 HWY 71 WEST <i>\$119.79</i>	49417612 <i>Phone:(254)248-2402</i>	51	50	1	114.29 **
5151549 <i>Past Due \$200.87</i>	GRAY, MATTHEW JORDAN <i>Last Paid 1/28/11</i>	4106 MANANA MOUNTAIN CIR <i>\$116.39</i>	818984796 <i>Phone:(512)801-7563</i>	50	50	1	200.87
5199932 <i>Past Due \$124.50</i>	GOODMAN, AMI <i>Last Paid 2/16/11</i>	22618 SPANISH DAGGER TRL <i>\$120.89</i>	87851423 <i>Phone:(512)589-2524</i>	50	50	1	124.50 **
8 Accounts Total Due:							1,228.03

Called in 3/3/11 for 50

318 disconnected

disc Brent.

All Customers
Half Utility Service, Inc.