

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 June 30, 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 June 30, 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 resume and operator's license are 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 June 2011. Copies of which are attached.

7. During the month of June, 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 operations, travel, and management through the month of December, 2010. No funds have been disbursed to the Operator for management and operations in the Water System for the months of January, February, March, April, May, and June, 2011, due to insufficient funds.
10. The Receiver took the following actions during the month of June, 2011:
 - a. On June 2, 2011, the Receiver reviewed the Operator’s responses to questions concerning Stage 3 and Stage 4 Drought Contingency Plan being submitted on behalf of the Water System to TCEQ.
 - b. On June 7, 2011, the Receiver reviewed correspondence from TCEQ dated May 31, 2011, regarding the Year 2010 Consumer Confidence Reports for Buena Vista Water System.
 - c. On June 3, 2011, the Receiver reviewed the 2010 Annual Drinking Water Report (Consumer Confidence Report) mailed to all customers of the Buena Vista Water System.
 - d. On or about June 10, 2011, the Receiver reviewed correspondence from TCEQ dated June 3, 2011, regarding the Notice of Violation - Treatment Technique Violation. The correspondence was forwarded to the Operator for response.
 - e. On June 10, 2011, the Receiver was informed by the Operator that the Water System experienced a three (3) hour loss in water pressure which was caused by a delay from a scheduled sludge haul. The Receiver issued a Boil Water Notice, a copy of which is attached hereto.
 - f. On June 14, 2011, the Receiver issued, through the Operator, a Boil Water Rescind Notice, a copy of which is attached hereto.
 - g. On June 15, 2011, the Receiver conferred with Dan Bullock, Engineer, about the possible engineering for the Buena Vista Water System.

- h. On or about June 28, 2011, the Receiver reviewed correspondence dated June 21, 2011, from TCEQ regarding widespread drought conditions in the State and implementation of Drought Contingency Plans.
 - i. On June 27, 2011, the Receiver followed up with Dan Bullock regarding a proposal for scope of work and cost estimate for engineering to bring the water system into compliance with TCEQ rules and regulations.
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 June 30, 2011.

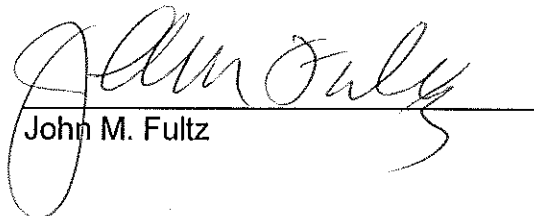
Respectfully Submitted,


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 June, 2011, for the Buena Vista Water System, was forwarded via email on the 9th day of September 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

7/1/2011

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Reprinted for:

6/30/2011

System Totals Report

BUENA VISTA WATER SYSTEM

Water Pumped This Month	614,400	Gallons
Water Sold This Month	565,260	Gallons
Water Loss	49,140	Gallons
Water Loss (%)	8.00	%

	Amount (\$)	# Of Accounts
Total Water	5,337.09	123
Total Late Charge	156.48	16
Total Adjustments		
Total Contract Op	2,214.00	123
Total Receiver Fees	1,506.75	123
Total Regulatory Assess	53.33	123
Total Debt Repayment	3,302.55	123
Total Current Charges	12,570.20	123
<hr/>		
Amount Past Due 1-30 Days	123.49	1
Amount Past Due 31-60 Days	205.83	2
Amount Past Due Over 60 Days	539.28	2
Amount Of Overpayments/Prepayments	-11,885.83	118
Total Receivables	1,552.97	19

Total Receipts On Account	13,254.92	116
Net Change in Deposits	0.00	0
Amount of All Deposits	350.00	7
Turned Off Accounts (Amount Owed)	91.28	5
Collection Accounts (Amount Owed)	212.57	7
Number Of Unread (Turned On) Meters		1
Average Usage For Active Meters	4,596	123
Average Water Charge For Active Meters	43.39	123

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		1	34,240		6.06	3.03
20,001-30,000		4	103,540		18.32	9.47
10,001-20,000		8	109,560		19.38	11.92
8,001-10,000		2	17,520		3.10	2.24
6,001-8,000		9	63,920		11.31	8.96
4,001-6,000		20	99,240		17.56	16.70
2,001-4,000		35	103,320		18.28	24.34
1-2,000		39	33,920		6.00	21.03
Zero Usage		5	0		0.00	2.32
<hr/>						
Total Meters		123	565,260		100.00	100.00

7/1/2011

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6/30/2011

System Totals Report

BUENA VISTA WATER SYSTEM

Monthly Reconciliation

Ending Receivables (Last Month)		2,237.69
Sales this Month	+	12,570.20
Adjustments this Month		0.00
Less Payments this Month	-	<u>13,254.92</u>
	=	1,552.97
Total Receivables		1,552.97
Ending Deposits (Last Month)		350.00
Changes this Month		<u>0.00</u>
	=	350.00
Total Memberships		350.00

AM
/11
ual Basis

Buena Vista Water System Receivership
Profit & Loss
June 2011

	<u>Jun 11</u>
Ordinary Income/Expense	
Income	
Reconnects & Misc Adjustments	24.25
Revenue	
Contract Operations	2,359.32
Debt Repayment	3,390.38
Late Charge	139.65
Receiver Fees	1,605.65
Water Revenue	5,630.08
Total Revenue	<u>13,125.08</u>
Total Income	13,149.33
Cost of Goods Sold	
Lab Fees	314.00
Management of Operations	6,979.89
Plant Utilities	
Electricity	83.91
Plant Utilities - Other	218.97
Total Plant Utilities	<u>302.88</u>
Purchased Water	296.25
Total COGS	<u>7,893.02</u>
Gross Profit	5,256.31
Expense	
Bank Service Charges	40.57
Professional Fees	
Receiver Assistant Fees	250.00
Receiver Fees	1,531.25
Total Professional Fees	<u>1,781.25</u>
Total Expense	<u>1,821.82</u>
Net Ordinary Income	3,434.49
Other Income/Expense	
Other Income	
Interest Income	0.34
Total Other Income	<u>0.34</u>
Net Other Income	0.34
Net Income	<u><u>3,434.83</u></u>

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7/11
ual Basis

Buena Vista Water System Receivership
Balance Sheet
As of June 30, 2011

	<u>Jun 30, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
Compass Bank	10,420.85
Total Checking/Savings	<u>10,420.85</u>
Total Current Assets	<u>10,420.85</u>
TOTAL ASSETS	<u><u>10,420.85</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	65,768.88
Total Accounts Payable	<u>65,768.88</u>
Other Current Liabilities	
Receivers Escrow	6,737.50
Regulatory Assessment	<u>328.81</u>
Total Other Current Liabilities	<u>7,066.31</u>
Total Current Liabilities	72,835.19
Long Term Liabilities	
Customer Water Deposit	<u>350.00</u>
Total Long Term Liabilities	<u>350.00</u>
Total Liabilities	73,185.19
Equity	
Retained Earnings	-42,872.41
Net Income	<u>-19,891.93</u>
Total Equity	<u>-62,764.34</u>
TOTAL LIABILITIES & EQUITY	<u><u>10,420.85</u></u>

**Buena Vista Water System Receivership
A/P Aging Detail
As of June 30, 2011**

Type	Date	Num	Name	Due Date	Aging	Open Balance
Current						
Total Current						
1 - 30						
Bill	6/1/2011	05/2011	John M. Fultz, Recei...	6/11/2011	19	918.75
Bill	6/1/2011	05/2011	Hancock, Debbie -R...	6/11/2011	19	250.00
Bill	6/1/2011	9401	Gulf Utility Service, I...	6/11/2011	19	6,979.89
Total 1 - 30						8,148.64
31 - 60						
Bill	5/1/2011	04/2011	John M. Fultz, Recei...	5/11/2011	50	904.05
Bill	5/1/2011	04/2011	Hancock, Debbie -R...	5/11/2011	50	250.00
Bill	5/1/2011	9337	Gulf Utility Service, I...	5/11/2011	50	6,019.00
Bill	5/9/2011	05/04 ...	Fultz & Fultz, LLC	5/19/2011	42	108.09
Total 31 - 60						7,281.14
61 - 90						
Bill	3/31/2011	03/2011	John M. Fultz, Recei...	4/10/2011	81	926.10
Bill	3/31/2011	03/2011	Hancock, Debbie -R...	4/10/2011	81	250.00
Bill	4/1/2011	9281	Gulf Utility Service, I...	4/11/2011	80	10,140.26
Total 61 - 90						11,316.36
> 90						
Bill	9/30/2010	09/2010	John M. Fultz, Recei...	10/10/2010	263	926.10
Bill	11/1/2010	10/2010	John M. Fultz, Recei...	11/11/2010	231	911.40
Bill	12/9/2010	11/2010	John M. Fultz, Recei...	12/19/2010	193	911.40
Bill	12/9/2010	11/2050	Hancock, Debbie -R...	12/19/2010	193	250.00
Bill	1/1/2011	12/2010	Hancock, Debbie -R...	1/11/2011	170	250.00
Bill	1/1/2011	12/2010	John M. Fultz, Recei...	1/11/2011	170	911.40
Bill	1/21/2011	9088	Gulf Utility Service, I...	1/31/2011	150	6,001.24
Bill	2/1/2011	9157	Gulf Utility Service, I...	2/11/2011	139	8,194.20
Bill	2/1/2011	01/2011	Hancock, Debbie -R...	2/11/2011	139	250.00
Bill	2/1/2011	01/2011	John M. Fultz, Recei...	2/11/2011	139	911.40
Bill	3/1/2011	9227	Gulf Utility Service, I...	3/11/2011	111	18,336.85
Bill	3/1/2011	02/2011	John M. Fultz, Recei...	3/11/2011	111	918.75
Bill	3/1/2011	02/2011	Hancock, Debbie -R...	3/11/2011	111	250.00
Total > 90						39,022.74
TOTAL						65,768.88



**GULF UTILITY
SERVICE, INC.**

June 10, 2011

Attention Buena Vista Water System Customers

Due to the recent loss in pressure a mandatory Boil Water Notice must be issued.

Boil Water Notification

Due to loss in pressure occurring on 06/10/2011, the Texas Commission on Environmental Quality (TCEQ) has required our public water system Buena Vista Water System, PWS ID 0270008, to notify all customers to boil their water prior to consumption.

To ensure destruction of all harmful bacteria and other microbes, water for drinking, cooking, and for making ice should be boiled and cooled prior to consumption. The water should be brought to a vigorous, rolling boil and then boiled for two minutes. In lieu of boiling, you may purchase bottled water or obtain water from some other suitable source.

When it is no longer necessary to boil the water, the water system officials will notify you that the water is safe for consumption. The rescind notice will be issued in the same manner as this Boil Water Notice.

If you have questions regarding this matter, you may contact Gulf Utility Service at 888-649-4433 or 281-355-1312. *If you would like to contact TCEQ, please call 512-239-4691*

We apologize in advance for any inconvenience. A Boil Water Rescind Notice will be issued once adequate pressure, disinfectant levels, and/or bacteriological quality and has provided TCEQ with testing results that indicate that the water no longer requires boiling.

Thank again,

Management

Gulf Utility Service, Inc.

Mailing Address:
P.O. Box 1629
Spring, TX 77383

Phone:
281.355.1312

Fax:
281.288.4844

Email:
gulfutility@gulfutility.net



**GULF UTILITY
SERVICE, INC.**

PO Box 1629, Spring, TX 77383

John M. Fultz c/o Debbie Hancock
P.O. Box 868
Navasota, TX 77868-0868

June 14, 2011

Boil Water Rescind Notice

Attention: Valued Buena Vista Water System Customer

On 06/10/2011 the Texas Commission on Environmental Quality (TCEQ) required **Buena Vista Water System, PWS ID 0270008** to issue a Boil Water Notice (BWN) to inform our customers that due to the presence of contaminants or an interruption in service, water from our system must be boiled prior to consumption.

Our system has taken the necessary corrective actions to restore adequate pressure, disinfectant levels, and/or bacteriological quality and has provided TCEQ with testing results that indicate that the water no longer requires boiling.

If you have questions, please contact Gulf Utility Service at 888-649-4433 or 281-355-1312.

Thank You,

Gulf Utility Service, Inc.

Mailing Address:
P.O. Box 1629
Spring, TX 77383

Phone:
281.355.1312

Fax:
281.288.4844

Email:
gulutility@gulutility.net



GULF UTILITY SERVICE, INC.

WORK ORDER - SERVICE REPORT

PO Box 1629 • Spring, TX 77383-1629

Ph 281-355-1312 • Fx 281-268-4844

Customer		Account No.		Jobsite/Ship To		Key Map No.	
Address 1				Address 3			
Address 2				Address 4			
City 1		State 1		Zip 1		City 2	
						State 2	
						Zip 2	
Call Taken By		Date 1		Time 1		Person Calling	
						Phone 1	
Assigned To		Date 2		Time 2		Contact	
						Phone 2	

DATELOG

6-10-11	Phonotree	114 calls
6-13-11	Boil Notice	127 letters 127 envelopes Postage \$55.88
6-14-11	Rescue Notice	127 letter 127 envelopes Postage 55.88
	Phonotree	114 calls

* MATERIALS AND OTHER EXPENSES	CHARGES	
254 Letters @ 37¢/ea	Flat Rate	\$ 93.98
254 envelopes 10¢ ea	Reg Labor Hrs. @	\$ 25.40
Phonotree 228 50¢ ea	OT Labor Hrs. @	\$ 114.00
total Postage 111.76	Postage	\$ 111.76
	Reg Travel Hrs. @	\$
	OT Travel Hrs. @	\$
	Miles @	\$
	*Materials & Other Expenses	\$
	Subtotal From List at Left...	\$
	Subtotal Labor, Travel & Materials	\$
	Sales Taxes %	\$
Job Complete? <input type="checkbox"/>	Job Pending? <input type="checkbox"/>	Total Charges = \$ 345.14
GUS Signature	Date	Customer Signature
	6-14-11	