

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

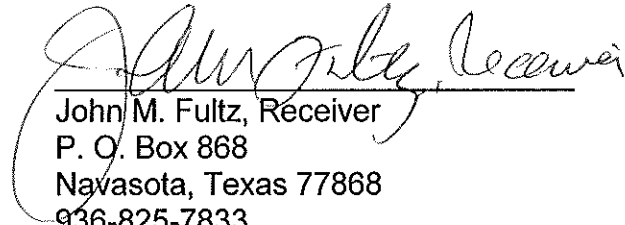
1. John M. Fultz was appointed Receiver of the Water System by Receivership Order signed by this Court on July 8, 2010 (the "Order").
2. The Water System is alleged to be owned by Kathie Bryant, individually, d/b/a Buena Vista Water System.
3. The Order authorized the Receiver to take possession and 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 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 July 2011. Copies of which are attached.

7. During the month of July, 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 March, 2011. No funds have been disbursed to the Operator for management and operations in the Water System for the months of April, May, and June, 2011, due to insufficient funds.
10. The Receiver took the following actions during the month of July, 2011:
 - a. On July 15, 2011, the Receiver reviewed email correspondence from Terence Webb, TCEQ Receivership Coordinator, regarding potential water supply problems due to the drought in Texas. The Receiver advised that Stage 1 of the Drought Contingency Plan was in place and that the System had complied with LCRA’s request to implement Stage 1 for conservation purposes.
 - b. On July 15, 2011, the Receiver followed up with Dan Bullock, Engineer, regarding a proposal for estimates for engineering work in the Water System.
 - c. On July 15, 2011, the Receiver conferred with Susan Roth, Engineer, who advised that a study of improvements to the Water System and costs associated with the improvements has been made in preparation of the possible regionalization of water in Burnet County, Texas. The Engineer is to provide the results of the study regarding the Buena Vista Water System to the Receiver.
 - d. On July 12, 2011, the Receiver efiled the Receiver’s Monthly Reports for the months of April and May, 2011, with the Travis County District Clerk. Copies were forwarded to Keith Kebodeaux, attorney for Kathie Bryant, Roger Borgelt, attorney for the Intervenors, Tom Bohl, Assistant Attorney General and to Terence Webb, TCEQ Receivership Coordinator.
 - e. On or about July 28, 2011, the Receiver, on behalf of the Buena Vista Water System, obtained a loan from John M. Fultz, individually, in the amount of \$36,371.31 to pay the delinquent amounts due the Operator for the months of January, February, and March, 2011. Assets of the Water System were pledged to secure payment of the loan.

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 July 30, 2011.

Respectfully Submitted,

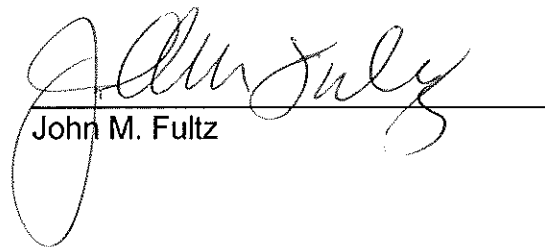


John M. Fultz, Receiver
P. O. Box 868
Navasota, Texas 77868
936-825-7833
936-825-2354 fax

Certificate of Service

I, John M. Fultz, Receiver, certify that a copy of the foregoing Receiver's Monthly Report for the month of July, 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

8/1/2011

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System Totals Report

BUENA VISTA WATER SYSTEM

Water Pumped This Month 916,500 Gallons

Water Sold This Month 891,720 Gallons

Water Loss 24,780 Gallons

Water Loss (%) 2.70 %

	Amount (\$)	# Of Accounts
Total Water	6,558.81	124
Total Late Charge	76.12	7
Total Adjustments	-91.28	1
Total Contract Op	2,232.00	124
Total Receiver Fees	1,519.00	124
Total Regulatory Assess	65.68	124
Total Debt Repayment	3,329.83	124
Total Current Charges	13,690.16	124
Amount Past Due 1-30 Days	227.01	2
Amount Past Due 31-60 Days	123.49	1
Amount Past Due Over 60 Days	653.83	2
Amount Of Overpayments/Prepayments	-12,180.39	108
Total Receivables	2,514.10	27

Total Receipts On Account	12,729.03	109
Net Change in Deposits	-50.00	1
Amount of All Deposits	300.00	6

Turned Off Accounts (Amount Owed)	0.63	6
Collection Accounts (Amount Owed)	212.57	7
Number Of Unread (Turned On) Meters		

Average Usage For Active Meters	7,077	126
Average Water Charge For Active Meters	52.05	124

Usage Groups	Gallons	# Of Accounts	Usage	Gallons	% Of Usage	% Of Sales
Over 50,000		1	56,680		6.36	3.83
40,001-50,000		5	211,460		23.71	14.28
30,001-40,000		0	0		0.00	0.00
20,001-30,000		5	114,560		12.85	7.21
10,001-20,000		14	191,930		21.52	16.98
8,001-10,000		1	8,700		0.98	0.91
6,001-8,000		15	107,350		12.04	12.20
4,001-6,000		20	96,600		10.83	13.43
2,001-4,000		28	80,330		9.01	15.45
1-2,000		29	24,110		2.70	13.07
Zero Usage		8	0		0.00	2.64
Total Meters		126	891,720		100.00	100.00

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System Totals Report

BUENA VISTA WATER SYSTEM

Monthly Reconciliation

Ending Receivables (Last Month)		1,552.97
Sales this Month	+	13,781.44
Adjustments this Month		-91.28
Less Payments this Month	-	<u>12,729.03</u>
	=	2,514.10
Total Receivables		2,514.10
Ending Deposits (Last Month)		350.00
Changes this Month		<u>-50.00</u>
	=	300.00
Total Memberships		300.00

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Buena Vista Water System Receivership
Profit & Loss
July 2011

	<u>Jul 11</u>
Ordinary Income/Expense	
Income	
Reconnects & Misc Adjustments	0.00
Revenue	
Contract Operations	2,077.28
Debt Repayment	3,036.56
Late Charge	49.84
Receiver Fees	1,413.70
Water Revenue	6,093.88
Total Revenue	<u>12,671.26</u>
Total Income	12,671.26
Cost of Goods Sold	
Legal Expenses	208.09
Management of Operations	9,384.32
Plant Utilities	
Electricity	869.76
Total Plant Utilities	<u>869.76</u>
Purchased Water	<u>269.75</u>
Total COGS	<u>10,731.92</u>
Gross Profit	1,939.34
Expense	
Bank Service Charges	38.60
Telephone Expense	39.03
Travel Expense	414.99
Total Expense	<u>492.62</u>
Net Ordinary Income	1,446.72
Other Income/Expense	
Other Income	
Interest Income	0.11
Total Other Income	<u>0.11</u>
Net Other Income	<u>0.11</u>
Net Income	<u><u>1,446.83</u></u>

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

	<u>Jul 31, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
Compass Bank	15,631.61
Total Checking/Savings	<u>15,631.61</u>
Total Current Assets	<u>15,631.61</u>
TOTAL ASSETS	<u><u>15,631.61</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	32,853.73
Total Accounts Payable	<u>32,853.73</u>
Other Current Liabilities	
John Fultz, Individually	36,671.31
Receivers Escrow	6,737.50
Regulatory Assessment	<u>386.58</u>
Total Other Current Liabilities	<u>43,795.39</u>
Total Current Liabilities	76,649.12
Long Term Liabilities	
Customer Water Deposit	<u>300.00</u>
Total Long Term Liabilities	<u>300.00</u>
Total Liabilities	76,949.12
Equity	
Retained Earnings	-42,872.41
Net Income	-18,445.10
Total Equity	<u>-61,317.51</u>
TOTAL LIABILITIES & EQUITY	<u><u>15,631.61</u></u>

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Buena Vista Water System Receivership
A/P Aging Summary
As of August 8, 2011

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Fultz & Fultz, LLC	0.00	208.09	0.00	108.09	0.00	316.18
Gulf Utility Service, Inc.	0.00	9,799.31	6,979.89	0.00	0.00	16,779.20
Hancock, Debbie -Receiver Assistant	250.00	0.00	250.00	250.00	0.00	750.00
John M. Fultz, Receiver	911.40	0.00	918.75	904.05	6,416.55	9,150.75
TOTAL	<u>1,161.40</u>	<u>10,007.40</u>	<u>8,148.64</u>	<u>1,262.14</u>	<u>6,416.55</u>	<u>26,996.13</u>