SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

Financial Statements and Supplemental Information as of and for the Year Ended September 30, 2019 and Independent Auditors' Report

MAXWELL & LOCKE RITTER

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

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ANNUAL FILING AFFIDAVIT

THE STATE OF TEXAS

COUNTY OF HAYS

I, Marvin B. Morgan
(Name of Duly Authorized District Representative)

of the SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

hereby swear, or affirm, that the District named above has reviewed and approved at a meeting of the Board of Directors of the District on the 11th day of Feb., 2020, its annual audit report for the year ended September 30, 2019 and that copies of the annual audit report have been filed in the District office, located at 12912 Hill Country Blvd., Suite F-232, Austin, Texas 78738.

The annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of all annual filing requirements within Section 49.194 of the Texas Water Code and to the Texas Comptroller of Public Accounts in satisfaction of the annual filing requirements of Section 140.008 of the Texas Local Government Code.

Date: Feb. 11, 2020 By: Marvin B. Morgan
(Signature of District Representative)

Marvin B. Morgan, Board President
(Typed Name and Title of above District Representative)

Sworn to and subscribed to before me this 11th day of Feb., 2020

(Signature of Notary)

(SEAL) JENIFFER CONCIENNE
My Notary ID # 6694400
Expires September 21, 2022

Jeniffer Concienne
(Printed Name of Notary)

My Commission Expires On: 9.21.2022
Notary Public in and for the State of Texas.

MAXWELL LOCKE & RITTER LLP

Austin:

Round Rock:

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
South Buda Water Control and Improvement District No. 1:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of South Buda Water Control and Improvement District No. 1 (the "District"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

ML&R WEALTH MANAGEMENT LLC

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2019, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information required by the Texas Commission on Environmental Quality (the "TCEQ") listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplemental information required by the TCEQ listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information required by the TCEQ listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Maxwell Locke & Ritter LLP

Austin, Texas
February 11, 2020

Management's Discussion and Analysis
For the Year Ended September 30, 2019

In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 34, the management of South Buda Water Control and Improvement District No. 1 (the "District") offers the following narrative on the financial performance of the District for the year ended September 30, 2019. Please read it in connection with the District's financial statements that follow.

For purposes of GASB Statement No. 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the "Total Governmental Funds" column. An adjustment column includes those entries needed, if any, to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the *Statement of Net Position* and the *Statement of Activities*.

Financial Highlights

- The liabilities of the District exceeded its assets and deferred outflows of resources at the close of the most recent year by $1,541,026, primarily due to the use of the proceeds of the $2,055,000 Unlimited Tax Road Bonds issued during the year ended September 30, 2014. The District reimbursed one of its developers $1,744,629 from these bond proceeds for road construction and improvements that were subsequently conveyed by the District to the Hays County Commissioners Court, thus there were no capital assets reflected in District's Statement of Net Position to offset the liabilities incurred for the bond issuance. However, the District's current assets exceeded its current liabilities at September 30, 2019 by $5,286,869.

- Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, generally property taxes, since the capital assets themselves cannot be used to liquidate these liabilities.

Overview of the Basic Financial Statements

The District's reporting is comprised of two parts:

- *Management's Discussion and Analysis* (this section)
- *Basic Financial Statements*
  - *Statement of Net Position and Governmental Funds Balance Sheet*
  - *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*
  - *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund*
  - *Notes to Basic Financial Statements*

Other supplementary information is also included.

The *Statement of Net Position and Governmental Funds Balance Sheet* includes a column (titled "Total Governmental Funds") that represents a balance sheet prepared using the modified accrual basis of accounting. The adjustments column converts those balances to a balance sheet that more closely reflects a private-sector business. Over time, increases or decreases in the District's net position will indicate financial health.

The *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances* includes a column (titled "Total Governmental Funds") that derives the change in fund balance resulting from current year revenues, expenditures, and other financing sources or uses. These amounts are prepared using the modified accrual basis of accounting. The adjustments column converts those activities to full accrual, a basis that more closely represents the income statement of a private-sector business.

The *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund* presents a comparison statement between the District's adopted budget to its actual results.

The *Notes to Basic Financial Statements* provide additional information that is essential to a full understanding of the information presented in the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*.

Schedules required by the Texas Commission on Environmental Quality are presented immediately following the *Notes to Basic Financial Statements*.

Comparative Financial Statements

Statement of Net Position

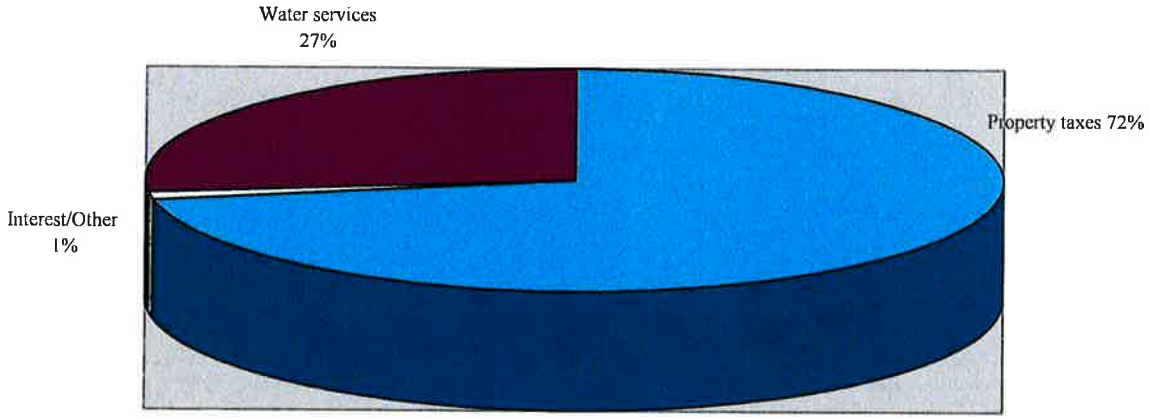
	Governmental Activities		
	2019	2018	% Change
Current Assets	$ 6,591,829	$ 4,300,926	53%
Capital and Non-Current Assets	20,853,521	21,026,494	(1%)
Total Assets	$ 27,445,350	$ 25,327,420	8%
Deferred Outflows of Resources	$ 162,886	$ 173,745	(6%)
Current Liabilities	$ 1,304,960	$ 1,061,921	23%
Long-term Liabilities	27,844,302	26,261,463	6%
Total Liabilities	$ 29,149,262	$ 27,323,384	7%
Net Investment in Capital Assets	$ (6,891,493)	$ (5,044,570)	(37%)
Restricted	1,726,113	1,243,703	39%
Unrestricted	3,624,354	1,978,648	83%
Total Net Position	$ (1,541,026)	$ (1,822,219)	15%

Statement of Activities

	Governmental Activities		
	2019	2018	% Change
Water and tap/inspection fees	$ 922,863	$ 918,874	<1%
Impact fees	-	219,282	(100%)
Property taxes	2,516,956	2,281,722	10%
Interest and miscellaneous	45,367	8,946	407%
Total revenues	3,485,186	3,428,824	2%
Water	749,517	1,054,535	(29%)
Professional fees	136,436	190,127	(28%)
Repairs and maintenance	488,647	372,085	31%
Contracted services	143,736	153,535	(6%)
Debt service	1,003,193	1,214,305	(17%)
Recurring operating	150,369	140,941	7%
Depreciation and amortization	532,095	470,155	13%
Total expenses	3,203,993	3,595,683	(11%)
Change in net position	281,193	(166,859)	269%
Beginning net position	(1,822,219)	(1,655,360)	(10%)
Ending net position	$ (1,541,026)	$ (1,822,219)	15%

Operating revenues were approximately $3,485,000 for the year ended September 30, 2019. Of this amount, water and tap/inspection fees provided approximately $923,000 and property taxes provided approximately $2,517,000 in revenues. Total expenses were approximately $3,204,000 for the year ended September 30, 2019. Of this amount, professional fees totaled approximately $136,000, water purchases totaled approximately $750,000, and debt service totaled approximately $1,003,000. Net position increased approximately $281,000 for the year ended September 30, 2019.

Source of Revenue



Analysis of Governmental Funds

	2019	2018	2017
Cash	$ 6,176,964	4,183,711	3,589,995
Investments	232,432	14,131	13,916
Receivables	194,791	258,040	202,575
Total assets	6,604,187	4,455,882	3,806,486
Accounts payable	505,534	487,439	225,878
Meter deposits	55,975	55,475	56,100
Total liabilities	561,509	542,914	281,978
Total deferred inflows of resources	53,596	18,419	19,434
Restricted fund balance for:			
Debt service	1,847,253	1,395,997	1,058,132
Capital projects	56,264	56,097	14
Assigned for:			
Lift Station Phase 2	3,071,741	1,028,989	814,935
Builder advances	251,298	251,298	251,298
Subsequent year's budget deficit	-	-	1,503
Unassigned fund balance	762,526	1,162,168	1,379,192
Total fund balances	5,989,082	3,894,549	3,505,074
Total liabilities, deferred inflows of resources and fund balances	$ 6,604,187	4,455,882	3,806,486

The *General Fund* pays for daily operating expenditures. When comparing actual to budget, actual revenues and other financing sources were more than budget by approximately $2,259,000 primarily due to developer advances received. Actual expenditures were greater than budget by approximately $670,000, primarily due to higher than anticipated repairs and maintenance and unbudgeted capital outlay. More detailed information about the District's budget is presented in the *Basic Financial Statements*.

The *Debt Service Fund* remitted bond principal of $510,000 and bond interest of $983,775. More detailed information about the District's debt is presented in the *Notes to Basic Financial Statements*.

The *Capital Projects Fund* primarily purchases the District's infrastructure and had no capital outlay expenditures for the year ended September 30, 2019.

Capital and Intangible Assets and Long-Term Debt Activity

Capital assets consisted of the following at September 30, 2019:

Land and easements	$ 624,121
Construction in progress	957,838
Infrastructure	17,784,050
Subtotal	19,366,009
Accumulated depreciation	(1,744,287)
Total	$ 17,621,722

More detailed information about the District's capital assets is presented in the *Notes to Basic Financial Statements*.

Intangible assets consisted of the following at September 30, 2019:

Rights to receive service	$	3,490,425
Accumulated amortization		(330,245)
Total	$	3,160,180

More detailed information about the District's intangible assets is presented in the *Notes to Basic Financial Statements.*

Long-term debt consisted of the following at September 30, 2019:

Current portion	$	595,000
Long-term portion		25,420,204
Total	$	26,015,204

At September 30, 2019, the District owed approximately $251,000 to the builder for advances used to fund operating activities, approximately $2.2 million to developers for advances used to fund construction, and approximately $26.0 million to bond holders. At September 30, 2019, unlimited tax bonds and unlimited tax road bonds of $52,405,000 and $3,945,000, respectively, were authorized by the voters of the District, but unissued. More detailed information about the District's long-term debt is presented in the *Notes to Basic Financial Statements.*

Currently Known Facts, Decisions, or Conditions

For fiscal year 2020 (tax year 2019), the tax rate has been set at $0.90 per $100 of assessed valuation with $0.195 for maintenance and operating expenditures and $0.705 for debt service. The adopted budget for fiscal year 2020 projects revenues of approximately $1,506,000 and expenditures of approximately $1,304,000 for the General Fund.

Requests for Information

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District at 12912 Hill Country Blvd., Suite F-232, Austin, Texas 78738.

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET SEPTEMBER 30, 2019

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS	ADJUSTMENTS (NOTE 2)	STATEMENT OF NET POSITION
ASSETS:						
Cash	$ 967,075	1,830,586	56,264	2,853,925	-	2,853,925
Restricted cash	3,323,039	-	-	3,323,039	-	3,323,039
Temporary investments	232,432	-	-	232,432	-	232,432
Receivables:						
Service accounts	123,279	-	-	123,279	-	123,279
Property tax	13,927	39,669	-	53,596	-	53,596
Interfund	-	12,358	-	12,358	(12,358)	-
Other	1,249	4,309	-	5,558	-	5,558
Bond insurance costs	-	-	-	-	71,619	71,619
Intangible assets (net of accumulated amortization)-						
Rights to receive service	-	-	-	-	3,160,180	3,160,180
Capital assets (net of accumulated depreciation):						
Land and easements	-	-	-	-	624,121	624,121
Construction in progress	-	-	-	-	957,838	957,838
Infrastructure	-	-	-	-	16,039,763	16,039,763
Total assets	$ 4,661,001	1,886,922	56,264	6,604,187	20,841,163	27,445,350
DEFERRED OUTFLOWS OF RESOURCES-						
Deferred charges on bond refunding	-	-	-	-	162,886	162,886
LIABILITIES:						
Accounts payable	$ 493,176	-	-	493,176	-	493,176
Meter deposits	55,975	-	-	55,975	-	55,975
Interfund payables	12,358	-	-	12,358	(12,358)	-
Accrued bond interest payable	-	-	-	-	160,809	160,809
Long-term liabilities:						
Due within one year - bonds	-	-	-	-	595,000	595,000
Due after one year - bonds	-	-	-	-	25,196,364	25,196,364
Accretion payable	-	-	-	-	223,840	223,840
Builder advances	-	-	-	-	251,298	251,298
Developer advances	-	-	-	-	2,172,800	2,172,800
Total liabilities	561,509	-	-	561,509	28,587,753	29,149,262
DEFERRED INFLOWS OF RESOURCES-						
Deferred revenue - property taxes	13,927	39,669	-	53,596	(53,596)	-
FUND BALANCES/ NET POSITION:						
Fund balances:						
Restricted for:						
Debt service	-	1,847,253	-	1,847,253	(1,847,253)	-
Capital projects	-	-	56,264	56,264	(56,264)	-
Assigned for:						
Lift Station Phase 2	3,071,741	-	-	3,071,741	(3,071,741)	-
Builder advances	251,298	-	-	251,298	(251,298)	-
Unassigned	762,526	-	-	762,526	(762,526)	-
Total fund balances	4,085,565	1,847,253	56,264	5,989,082	(5,989,082)	-
Total liabilities, deferred inflows of resources, and fund balances	$ 4,661,001	1,886,922	56,264	6,604,187		
Net position:						
Net investment in capital assets					(6,891,493)	(6,891,493)
Restricted for debt service					1,726,113	1,726,113
Unrestricted					3,624,354	3,624,354
Total net position					$ (1,541,026)	(1,541,026)

The notes to the financial statements are an integral part of this statement.

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2019

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS	ADJUSTMENTS (NOTE 2)	STATEMENT OF ACTIVITIES
EXPENDITURES/EXPENSES:						
Service operations:						
Water purchases	$ 749,517	-	-	749,517	-	749,517
Engineering fees	48,247	-	-	48,247	-	48,247
Legal fees	71,189	-	-	71,189	-	71,189
Repairs and maintenance	488,647	-	-	488,647	-	488,647
Management fees	20,017	-	-	20,017	-	20,017
Garbage services	107,068	-	-	107,068	-	107,068
Tax assessor	16,651	-	-	16,651	-	16,651
Directors' fees	15,449	-	-	15,449	-	15,449
Audit fees	17,000	-	-	17,000	-	17,000
Insurance	10,902	-	-	10,902	-	10,902
Recurring operating	124,018	-	-	124,018	-	124,018
Capital outlay	362,036	-	-	362,036	(362,036)	-
Debt service:						
Bond principal	-	510,000	-	510,000	(510,000)	-
Interest	-	983,775	-	983,775	15,658	999,433
Fiscal agent fees and other	400	3,360	-	3,760	-	3,760
Amortization	-	-	-	-	87,265	87,265
Depreciation	-	-	-	-	444,830	444,830
Total expenditures/expenses	2,031,141	1,497,135	-	3,528,276	(324,283)	3,203,993
REVENUES:						
Program revenues-						
Water service	922,863	-	-	922,863	-	922,863
Total program revenues	922,863	-	-	922,863	-	922,863
Net program expense						(2,281,130)
General revenues:						
Property taxes, including penalties and interest	538,239	1,943,540	-	2,481,779	35,177	2,516,956
Interest on temporary investments	40,349	4,851	167	45,367	-	45,367
Total general revenues	578,588	1,948,391	167	2,527,146	35,177	2,562,323
Total revenues	1,501,451	1,948,391	167	3,450,009	35,177	3,485,186
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	(529,690)	451,256	167	(78,267)	359,460	281,193
OTHER FINANCING SOURCES-						
Developer advances	2,172,800	-	-	2,172,800	(2,172,800)	-
Total other financing sources	2,172,800	-	-	2,172,800	(2,172,800)	-
Change in fund balances / net position	1,643,110	451,256	167	2,094,533	(1,813,340)	281,193
FUND BALANCES/NET POSITION:						
Beginning of year	2,442,455	1,395,997	56,097	3,894,549	(5,716,768)	(1,822,219)
End of year	$ 4,085,565	1,847,253	56,264	5,989,082	(7,530,108)	(1,541,026)

The notes to the financial statements are an integral part of this statement.

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2019

	ORIGINAL & FINAL BUDGET	ACTUAL	VARIANCE
REVENUES:			
Water service	$ 900,000	922,863	22,863
Property taxes, including penalties and interest	507,097	538,239	31,142
Interest on temporary investments	7,800	40,349	32,549
Total revenues	1,414,897	1,501,451	86,554
EXPENDITURES:			
Service operations:			
Water purchases	790,000	749,517	40,483
Engineering fees	60,000	48,247	11,753
Legal fees	81,000	71,189	9,811
Repairs and maintenance	121,640	488,647	(367,007)
Management fees	20,000	20,017	(17)
Garbage services	116,000	107,068	8,932
Tax assessor	15,000	16,651	(1,651)
Directors' fees	15,600	15,449	151
Audit fees	14,000	17,000	(3,000)
Insurance	11,000	10,902	98
Recurring operating	113,280	124,018	(10,738)
Capital outlay	-	362,036	(362,036)
Debt service:			
Fiscal agent fees and other	3,200	400	2,800
Total expenditures	1,360,720	2,031,141	(670,421)
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	54,177	(529,690)	(583,867)
OTHER FINANCING SOURCES-			
Developer advances	-	2,172,800	2,172,800
CHANGE IN FUND BALANCE	54,177	1,643,110	1,588,933
FUND BALANCE:			
Beginning of year	2,442,455	2,442,455	-
End of year	$ 2,496,632	4,085,565	1,588,933

The notes to the financial statements are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

South Buda Water Control and Improvement District No. 1 (the "District") was created by the Hays County Commissioners Court on January 25, 2005, in accordance with Article XVI, Section 29 of the Constitution of the State of Texas (the "State") and with Chapter 54 of the Texas Water Code. The Board of Directors (the "Board") held its first meeting July 18, 2005.

The reporting entity of the District encompasses those activities and functions over which the District's elected officials exercise significant oversight or control. The District is governed by a five member Board which has been elected by District residents or appointed by the Board. The District is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board ("GASB") since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units included in the District's reporting entity.

Government-wide and Fund Financial Statements

For purposes of GASB Statement No. 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the "Total Governmental Funds" column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the statement of net position and the statement of activities. The government-wide financial statements report information on all of the activities of the District. The effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the expenses are offset by program revenues. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the District. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separated columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Major revenue sources considered susceptible to accrual include interest income. No accrual for property taxes collected within sixty days of year end has been made as such amounts are deemed immaterial; delinquent property taxes at year end are reported as deferred inflows of resources.

The District reports the following major governmental funds:

The General Fund includes financial resources used for general operations. It is a budgeted fund, and any unassigned fund balance is considered resources available for current operations.

The Debt Service Fund includes debt service taxes and other revenues collected to retire bond principal and to pay interest due.

The Capital Projects Fund is used to account for financial resources restricted for authorized construction and other capital asset acquisitions.

Budgets and Budgetary Accounting

Formal budgetary integration is employed as a management control device for the General Fund. The budget is proposed by the District Manager for the fiscal year commencing the following October 1, and is adopted on the modified accrual basis, which is consistent with generally accepted accounting principles.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Restricted cash - Restricted cash consisted of builder and developer advances that will be repaid through future bond issuances and funds assigned to the construction of Lift Station Phase 2.

Investments - Temporary investments throughout the year consisted of investments in an external local government investment pool. The external local government investment pool is recognized at amortized cost as permitted by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The District is entitled to invest any and all of its funds in certificates of deposit, direct debt securities of the United States of America or the State of Texas, certain Federal agency securities and other types of municipal bonds, fully collateralized repurchase agreements, commercial paper and local government investment pools. The District's investment policies and types of investments are governed by Section 2256 of the Government Code ("Public Funds Investment Act"). The District's management believes that it complied with the requirements of the Public Funds Investment Act and the District's investment policies. The District accrues interest on temporary investments based on the terms and effective interest rates of the specific investments.

Accounts Receivable - The District provides for uncollectible accounts receivable using the allowance method of accounting for bad debts. Under this method of accounting, a provision for uncollectible accounts is charged to earnings. The allowance account is increased or decreased based on past collection history and management's evaluation of accounts receivable. All amounts considered uncollectible are charged against the allowance account, and recoveries of previously charged off accounts are added to the allowance. The District believes all accounts were collectible at September 30, 2019.

Ad Valorem Property Taxes - Property taxes, penalties and interest are reported as revenue in the fiscal year in which they become available to finance expenditures of the District. Allowances for uncollectibles within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Encumbrances - Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at September 30th, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget. There were no outstanding encumbrances at September 30, 2019 provided for in the subsequent year's budget.

Capital Assets - Capital assets, which include land and easements, construction in progress, and infrastructure, are reported in the government-wide column in the statement of net position. Public domain ("infrastructure") capital assets including water and drainage systems are capitalized. Capital assets are defined by the District as assets with an initial individual cost of at least $5,000. All capital assets and capital asset improvements are recorded at historical cost if purchased or estimated acquisition value at the date of donation if donated. Interest incurred during construction of capital facilities is not capitalized.

Capital assets (other than land and easements and construction in progress) are depreciated using the straight line method over the following estimated useful lives: infrastructure - forty years.

Intangible Asset - Rights to receive service are reported in the government-wide column in the statement of net position at historical cost and are amortized using the straight line method over an estimated useful life of forty years.

Long-Term Debt - Unlimited tax bonds, which have been issued to fund capital projects, are to be repaid from tax revenues of the District.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as bond insurance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond insurance costs are reported as assets and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources and uses. Issuance costs, including bond insurance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Fund Equity - The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. See Note 10 for additional information on those fund balance classifications.

Deferred Outflows and Inflows of Resources - The District complies with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which provides guidance for reporting the financial statement elements of deferred outflows of resources, which represent the consumption of the District's net position that is applicable to a future reporting period, and deferred inflows of resources, which represent the District's acquisition of net position applicable to a future reporting period.

The District complies with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. See Note 7 for additional information on deferred outflows of resources.

Fair Value Measurements - The District complies with GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.
- Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
- Level 3 inputs are unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

- Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities.
- Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost).
- Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Use of Estimates - The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Pronouncements

In June 2017, the GASB issued GASB Statement No. 87, *Leases*, effective for fiscal years beginning after December 15, 2019. The objective of GASB Statement No. 87 is to improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. GASB Statement No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB Statement No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. Management is evaluating the effects that the full implementation of GASB Statement No. 87 will have on its financial statements for the year ended September 30, 2021.

In June 2018, the GASB issued GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for fiscal years beginning after December 15, 2019. The objective of GASB Statement No. 89 is to enhance the relevance and comparability of information about capital assets and to simplify accounting for interest costs incurred before the end of a construction period. Under GASB Statement No. 89, interest costs will no longer be capitalized as part of the asset but will be shown as an expenditure in the fund financial statements and as an expense in the government-wide financial statements. Management is evaluating the effects that the full implementation of GASB Statement No. 89 will have on its financial statements for the year ended September 30, 2021.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Amounts reported for governmental activities in the statement of net position are different because:

Governmental funds total fund balance	$ 5,989,082
Prepaid bond insurance costs are recorded as expenditures in the funds, but are amortized over the life of the related bonds in the statement of net position.	71,619
Capital and intangible assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Capital assets, net of accumulated depreciation	17,621,722
Intangible assets, net of accumulated amortization	3,160,180
Deferred tax revenue is not available to pay for current-period expenditures and, therefore, is deferred in the funds.	53,596
The following liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable, net of discounts and premiums	(25,791,364)
Less: Deferred charges on bond refunding	162,886
Bond interest payable	(160,809)
Accretion payable	(223,840)
Developer advances	(2,172,800)
Builder advances	(251,298)
Total net position	$ (1,541,026)

Amounts reported for governmental activities in the statement of activities are different because:

Change in fund balances	$ 2,094,533
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense:	
Capital outlay	362,036
Amortization expense	(87,265)
Depreciation expense	(444,830)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Change in deferred tax revenue	35,177
Bond proceeds and developer advances provide current financial resources to governmental funds, but issuing debt and receiving advances increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:	
Repayment of bond principal	510,000
Developer advances	(2,172,800)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in bond interest payable	3,154
Amortization of original issue discount	(9,304)
Amortization of bond premium	8,846
Amortization of deferred charges on bond refunding	(10,859)
Change in accretion payable	(4,581)
Amortization of bond insurance costs	(2,914)
Change in net position	$ 281,193

3. CASH AND TEMPORARY INVESTMENTS

The District's deposits are required to be secured in the manner provided by law for the security of the funds. At September 30, 2019, such deposits were entirely covered by Federal Deposit Insurance Corporation ("FDIC") insurance or secured by collateral pledged by the depository.

The Public Funds Investment Act authorizes the District to invest in funds under a written investment policy. The District's deposits and investments are invested pursuant to the investment policy, which is approved annually by the Board. The primary objectives of the District's investment strategy, in order of priority, are safety, liquidity, and yield.

The District is entitled to invest in obligations of the United States, the State of Texas and their agencies or any state, county, city and any other political subdivisions of any state rated by a nationally recognized investment rating firm with a rating not less than A or its equivalent, certificates of deposit of state or national banks or savings and loan associations within the State, prime domestic bankers' acceptances, commercial paper with a stated maturity of 270 days or less from the date of its issuance, fully collateralized repurchase agreements, no-load money market mutual funds regulated by the United States Securities and Exchange Commission and eligible public funds investment pools.

At September 30, 2019, the District had investments in an external local governmental investment pool, Texas Local Governmental Investment Pool ("TexPool"), of $232,432 which has a Standard & Poor's rating of AAAm and a weighted average maturity of one day.

Although TexPool is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. This investment is stated at amortized cost in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

TexPool is overseen by the Texas State Comptroller of Public Accounts, who is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool. TexPool also has an advisory board to advise on TexPool's investment policy. This board is made up equally of participants and nonparticipants who do not have a business relationship with TexPool. Federated Investors manages daily operations of TexPool under a contract with the Comptroller and serves as the investment manager for the pool. TexPool's investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

In accordance with GASB Statement No. 79, the external local government investment pool does not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. This pool does not impose any liquidity fees or redemption gates.

Credit Risk - At September 30, 2019, investments were included in an external local governmental investment pool with a rating which is in compliance with the District's investment policy.

Interest Rate Risk - The District considers the holdings in the external local governmental investment pool to have a one day weighted average maturity due to the fact that the share position can usually be redeemed each day at the discretion of the shareholders, unless there has been a significant change in value.

4. INTERFUND RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds." The composition of interfund balances as of September 30, 2019 is as follows:

Receivable Fund	Payable Fund	Amount
Debt Service	General	$ 12,358

5. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2019 was as follows:

	Balance September 30, 2018	Additions	Retirements and Transfers	Balance September 30, 2019
Capital assets not being depreciated:				
Land and easements	$ 624,121	-	-	624,121
Construction in progress	595,802	362,036	-	957,838
Total capital assets not being depreciated	1,219,923	362,036	-	1,581,959
Capital assets being depreciated-				
Infrastructure	17,784,050	-	-	17,784,050
Less accumulated depreciation for-				
Infrastructure	(1,299,457)	(444,830)	-	(1,744,287)
Total capital assets being depreciated, net	16,484,593	(444,830)	-	16,039,763
Capital assets, net	$ 17,704,516	(82,794)	-	17,621,722

6. INTANGIBLE ASSET

Intangible asset activity for the year ended September 30, 2019 was as follows:

	Balance September 30, 2018	Additions	Retirements and Transfers	Balance September 30, 2019
Intangible asset-				
Rights to receive service	$ 3,490,425	-	-	3,490,425
Less accumulated amortization	(242,980)	(87,265)	-	(330,245)
Intangible asset, net	$ 3,247,445	(87,265)	-	3,160,180

Pursuant to the terms and conditions of the Consent and Development Agreement in November 2005, the City of Buda was conveyed certain wastewater facilities that were acquired by the District upon reimbursement of the District's developers through the issuance of the Series 2011, 2014, 2015, 2016, 2017, and 2018 bonds during the current and prior years. Due to this, the amount related to these wastewater facilities is reflected as an intangible asset for the rights to receive wastewater service from the City of Buda. This intangible asset is amortized over the estimated useful life from the date of conveyance.

7. DEFERRED CHARGES ON BOND REFUNDINGS

The following is a summary of changes in deferred charges on bond refundings for the year ended September 30, 2019:

	Balance September 30, 2018	Additions	Retirements	Balance September 30, 2019
Deferred charges on bond refundings	$ 173,745	-	(10,859)	162,886

8. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended September 30, 2019:

	Balance September 30, 2018	Additions	Retirements	Balance September 30, 2019
Bonds payable	$ 26,334,998	-	(510,000)	25,824,998
Issuance discount on bonds	(175,987)	-	9,304	(166,683)
Premium on bonds	141,895	-	(8,846)	133,049
Accretion on capital appreciation bonds	219,259	4,581	-	223,840
Total	$ 26,520,165	4,581	(509,542)	26,015,204

Long-term debt at September 30, 2019, was comprised of the following:

	Balance September 30, 2019	Due in One Year
$2,935,000, Series 2010, Unlimited Tax Bonds, due in annual installments August 1, 2012 thru 2020. Interest varies from 3.00% to 5.25% and is payable on February 1 and August 1 each year.	$ 95,000	$ 95,000
$3,145,000, Series 2011, Unlimited Tax Bonds, due in annual installments August 1, 2014 thru 2041. Interest varies from 3.00% to 5.00% and is payable on February 1 and August 1 each year.	2,770,000	70,000
$2,055,000, Series 2013, Unlimited Tax Road Bonds, due in annual installments August 1, 2016 thru 2043. Interest varies from 2.25% to 5.10% and is payable on February 1 and August 1 each year.	1,910,000	40,000
$2,130,000, Series 2014, Unlimited Tax Bonds, due in annual installments August 1, 2016 thru 2044. Interest varies from 3.50% to 5.00% and is payable on February 1 and August 1 each year.	1,985,000	40,000
$3,000,000, Series 2015, Unlimited Tax Bonds, due in annual installments August 1, 2017 thru 2045. Interest varies from 3.00% to 5.00% and is payable on February 1 and August 1 each year.	2,845,000	55,000
$4,000,000, Series 2016, Unlimited Tax Bonds, due in annual installments August 1, 2017 thru 2045. Interest varies from 2.00% to 3.70% and is payable on February 1 and August 1 each year.	3,770,000	80,000
$2,274,998, Series 2016, Unlimited Tax Refunding Bonds, due in annual installments August 1, 2017 thru 2034. Interest varies from 1.83% to 4.00% and is payable on February 1 and August 1 each year.	2,179,998	25,000
$6,340,000, Series 2017, Unlimited Tax Bonds, due in annual installments August 1, 2019 thru 2046. Interest varies from 2.25% to 4.00% and is payable on February 1 and August 1 each year.	6,225,000	120,000
$4,045,000, Series 2018, Unlimited Tax Bonds, due in annual installments August 1, 2020 thru 2047. Interest varies from 3.00% to 4.00% and is payable on February 1 and August 1 each year.	4,045,000	70,000
	$ 25,824,998	$ 595,000

The bonds require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and cover the cost of assessing and collecting taxes. These provisions have been met, and the cash allocated for these purposes is sufficient to meet debt service requirements through the fiscal year ended September 30, 2019.

As of September 30, 2019, the debt service requirements to maturity on the long-term debt outstanding is as follows:

Fiscal Year	Principal	Interest	Total Requirement
2020	$ 595,000	964,855	1,559,855
2021	512,225	1,055,726	1,567,951
2022	537,773	1,046,709	1,584,482
2023	680,000	906,689	1,586,689
2024	720,000	886,671	1,606,671
2025-2029	4,150,000	4,055,696	8,205,696
2030-2034	5,300,000	3,226,370	8,526,370
2035-2039	5,380,000	2,227,519	7,607,519
2040-2044	6,030,000	1,070,287	7,100,287
2045-2047	1,920,000	117,857	2,037,857
Total	$ 25,824,998	15,558,379	41,383,377

The outstanding Series 2016 Unlimited Tax Refunding Bonds include both Serial and Capital Appreciation Bonds. The interest shown above, with respect to the Capital Appreciation Bonds, includes the interest to be paid on bonds maturing in the respective years and does not include accrued interest on bonds not maturing in those years.

At September 30, 2019, unlimited tax bonds and unlimited tax road bonds of $52,405,000 and $3,945,000, respectively, were authorized by the District but unissued.

9. PROPERTY TAXES

The Texas Water Code authorizes the District to levy a tax each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located within its boundaries. Assessed values are established annually by the Hays Central Appraisal District. District property tax revenues are recognized when levied to the extent that they are collected and become available to finance expenditures of the District in the current fiscal period. The uncollected balance is reported as deferred revenue. Taxes receivable are due January 1 and are delinquent if received after January 31 and are subject to penalty and interest charges. The maximum allowable maintenance tax of $1.00 was established by the voters on September 10, 2005.

In September 2018, the District levied a combined tax rate of $0.90 per $100 of assessed valuation to finance operating expenditures and debt service requirements. The maintenance tax rate and the debt service tax rate were $0.195 and $0.705, respectively. The total 2018 tax levy was $2,486,429 based on a taxable valuation of $268,172,186.

10. FUND BALANCES

The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Those fund balance classifications are described below.

Nonspendable - Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to approval by formal action by the Board.

Assigned - For the General Fund, amounts that are appropriated by the Board or Board designee that are to be used for specific purposes. For all other governmental funds, any remaining positive amounts not previously classified as nonspendable, restricted or committed.

Unassigned - Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

The detail of the fund balances is included in the Governmental Funds Balance Sheet on page 10. Fund balance of the District may be committed for a specific purpose by formal action of the Board, the District's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through a resolution approved by the Board. The Board has the authority to assign fund balance for a specific purpose.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

11. COMMITMENTS AND CONTINGENT LIABILITIES

The District has entered into several Cost Share Agreements between the District and the developers for the sharing of construction and engineering expenses related to various projects. The Cost Share Agreements represent the respective pro-rata share of capacity each party shall have in the projects. At September 30, 2019, the District had builder and developer advance liabilities of $251,298 and $2,172,800, respectively, related to advances received to fund future project costs.

12. RISK MANAGEMENT

The District's risk management program includes coverage through third party insurance providers for automobile liability, director and officer liability, public officials' position liability and commercial umbrella and general liability. No claims were filed during the previous three years.

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

INDEX OF SUPPLEMENTAL SCHEDULES REQUIRED BY TEXAS COMMISSION ON ENVIRONMENTAL QUALITY YEAR ENDED SEPTEMBER 30, 2019

SCHEDULE INCLUDED			
YES	NO		
X		TSI-0	Notes Required by the Water District Accounting Manual
X		TSI-1	Schedule of Services and Rates
X		TSI-2	Schedule of General Fund Expenditures
X		TSI-3	Schedule of Temporary Investments
X		TSI-4	Analysis of Taxes Levied and Receivable
X		TSI-5	Long-Term Debt Service Requirements by Years
X		TSI-6	Analysis of Changes in Long-Term Bonded Debt
X		TSI-7	Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund Five Years Ended September 30, 2019
X		TSI-8	Board Members, Key Personnel and Consultants

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-0 NOTES REQUIRED BY THE WATER DISTRICT ACCOUNTING MANUAL YEAR ENDED SEPTEMBER 30, 2019

The notes which follow are not necessarily required for fair presentation of the audited basic financial statements of the District which are contained in the preceding section of this report. They are presented in conformity with requirements of the Texas Commission on Environmental Quality to assure disclosure of specifically required facts.

(A) Creation of District

See Note 1 to basic financial statements.

(B) Contingent Liabilities

See Note 11 to basic financial statements.

(C) Pension Coverage

Not applicable.

(D) Pledge of Revenues

See Note 8 to basic financial statements.

(E) Compliance with Debt Service Requirements

See Note 8 to basic financial statements.

(F) Redemption of Bonds

See Note 8 to basic financial statements.

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-1 SCHEDULE OF SERVICES AND RATES
YEAR ENDED SEPTEMBER 30, 2019

1. Services Provided by the District:

☒	Retail Water	☐	Wholesale Water	☐	Drainage
☐	Retail Wastewater	☐	Wholesale Wastewater	☐	Irrigation
☐	Parks/Recreation	☐	Fire Protection	☐	Security
☒	Solid Waste/Garbage	☐	Flood Control	☐	Roads

☐ Participates in joint venture, regional system and or wastewater service (other than emergency interconnect)

☐ Other (specify): _____

2. Retail Service Providers:

a. Retail Rates for a 5/8" Meter (or equivalent):

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons Over Minimum Use	Usage Levels
WATER	$ 71.75	-	Y	$ 7.47	0 to 2,000
				9.20	2,001 to 10,000
				10.43	10,001 to 20,000
				14.17	20,001 and above
WASTEWATER	$ (1)	(1)	Y	$ (1)	No Limit
SURCHARGE	$ None	-	-	$ -	-

District employs winter averaging for wastewater usage? ☒ Yes ☐ No

Total charges per 10,000 gallons usage: Water: $ 160.29 Wastewater: $ -

(continued)

(1) - Wastewater services are provided by the City of Buda

b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered	-	-	x 1.0	-
5/8"	508	506	x 1.0	506.0
¾"	2	2	x 1.5	3.0
1"	3	3	x 2.5	7.5
1 ½"	-	-	x 5.0	-
2"	1	1	x 8.0	8.0
3"	1	1	x 15.0	15.0
4"	1	1	x 25.0	25.0
6"	-	-	x 50.0	-
8"	-	-	x 80.0	-
10"	-	-	x 115.0	-
Total Water	516	514		564.5
Total Wastewater (1)	-	-	x 1.0	-

3. Total Water Consumption during the Fiscal Year (rounded to the nearest thousand):

Gallons pumped into system:	53,754,000	Water Accountability Ratio: (Gallons billed/Gallons pumped)
Gallons billed to customers:	50,318,000	93.6%

4. Standby Fees (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? ☐ Yes ☒ No

If yes, Date of the most recent Commission Order: N/A

Does the District have Operation and Maintenance standby fees? ☐ Yes ☒ No

If yes, Date of the most recent Commission Order: N/A

(1) - Wastewater services are provided by the City of Buda

(continued)

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-1 SCHEDULE OF SERVICES AND RATES (continued)
YEAR ENDED SEPTEMBER 30, 2019

5. Location of District:

County(ies) in which district is located:	Hays		
Is the District located entirely within one county?	☒ Yes	☐ No	
Is the District located within a city?	☐ Entirely	☐ Partly	☒ Not at all
City(ies) in which District is located:	N/A		
Is the District located within a city's extra territorial jurisdiction (ETJ?)	☒ Entirely	☐ Partly	☐ Not at all
ETJ's in which district is located:	City of Buda		
Are Board members appointed by an office outside the District?	☐ Yes	☒ No	
If yes, by whom?	N/A		

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-2 SCHEDULE OF GENERAL FUND EXPENDITURES
YEAR ENDED SEPTEMBER 30, 2019

Personnel Expenditures (including benefits)	$ -
Professional Fees:	
Auditing	17,000
Legal	71,189
Engineering	48,247
Financial Advisor	-
Purchased Services For Resale-	
Bulk Water and Wastewater Service Purchases	749,517
Contracted Services:	
Bookkeeping	21,000
General Manager	20,017
Appraisal District	16,651
Tax Collector	-
Other Contracted Services	1,600
Utilities	52,131
Repairs and Maintenance	488,647
Administrative Expenditures:	
Directors' Fees	15,449
Office Supplies	3,725
Insurance	10,902
Other Administrative Expenses	45,962
Capital Outlay:	
Capitalized Assets	362,036
Expenditures not Capitalized	-
Tap Connection Expenditures	-
Solid Waste Disposal	107,068
Fire Fighting	-
Parks and Recreation	-
Other Expenditures	-
TOTAL EXPENDITURES	$ 2,031,141

Number of persons employed by the District: 0 Full-Time 5 Part-Time
(Does not include independent contractors or consultants)

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-3 SCHEDULE OF TEMPORARY INVESTMENTS
YEAR ENDED SEPTEMBER 30, 2019

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at September 30, 2019	Accrued Interest Receivable at September 30, 2019
General Fund					
Investment in TexPool	000078961	Variable	N/A	$ 232,432	$ -

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-4 ANALYSIS OF TAXES LEVIED AND RECEIVABLE
YEAR ENDED SEPTEMBER 30, 2019

	Maintenance	Debt Service
TAXES RECEIVABLE, SEPTEMBER 30, 2018	$ 6,750	$ 11,669
2018 Tax Roll	538,726	1,947,703
Adjustments	5,350	19,536
Total to be accounted for	550,826	1,978,908
Tax collections:		
Current year	535,587	1,936,353
Prior years	1,312	2,886
Total collections	536,899	1,939,239
TAXES RECEIVABLE, SEPTEMBER 30, 2019	$ 13,927	$ 39,669
TAXES RECEIVABLE, BY YEARS:		
2018	$ 8,628	$ 31,192
2017	1,245	2,757
2016	1,197	2,607
2015	686	959
2014 and earlier	2,171	2,154
TAXES RECEIVABLE, SEPTEMBER 30, 2019	$ 13,927	$ 39,669

	2018	2017	2016	2015
PROPERTY VALUATIONS-				
Land improvements and personal property	$ 268,172,186	242,278,144	190,916,619	162,783,174
TAX RATES PER $100 VALUATION:				
Maintenance tax rates	$ 0.1950	0.2800	0.2831	0.3751
Debt service tax rates	0.7050	0.6200	0.6169	0.5249
TOTAL TAX RATES PER $100 VALUATION	$ 0.9000	0.9000	0.9000	0.9000
ORIGINAL TAX LEVY	$ 2,486,429	1,917,967	1,534,714	1,153,685
PERCENT OF TAXES COLLECTED TO BE LEVIED	98.40%	99.79%	99.75%	99.86%

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS
SEPTEMBER 30, 2019

	UNLIMITED TAX BONDS SERIES 2010			UNLIMITED TAX BONDS SERIES 2011			UNLIMITED TAX ROAD BONDS SERIES 2013			UNLIMITED TAX BONDS SERIES 2014			UNLIMITED TAX BONDS SERIES 2015		
DUE DURING FISCAL YEARS ENDING 9/30	Principal Due 8/1	Interest Due 2/1, 8/1	Total	Principal Due 8/1	Interest Due 2/1, 8/1	Total	Principal Due 8/1	Interest Due 2/1, 8/1	Total	Principal Due 8/1	Interest Due 2/1, 8/1	Total	Principal Due 8/1	Interest Due 2/1, 8/1	Total
2020	$ 95,000	4,085	99,085	$ 70,000	133,751	203,751	$ 40,000	90,068	130,068	$ 40,000	77,875	117,875	$ 55,000	101,181	156,181
2021	-	-	-	75,000	130,881	205,881	40,000	88,868	128,868	40,000	75,875	115,875	60,000	98,431	158,431
2022	-	-	-	80,000	127,694	207,694	45,000	87,587	132,587	45,000	73,875	118,875	60,000	95,431	155,431
2023	-	-	-	80,000	124,254	204,254	45,000	86,058	131,058	45,000	72,300	117,300	65,000	93,631	158,631
2024	-	-	-	85,000	120,734	205,734	50,000	84,436	134,436	50,000	70,725	120,725	70,000	91,681	161,681
2025	-	-	-	90,000	116,909	206,909	55,000	82,538	137,538	50,000	68,975	118,975	70,000	89,581	159,581
2026	-	-	-	95,000	112,769	207,769	55,000	80,337	135,337	55,000	67,225	122,225	75,000	87,481	162,481
2027	-	-	-	100,000	108,375	208,375	60,000	78,055	138,055	60,000	65,300	125,300	80,000	85,231	165,231
2028	-	-	-	105,000	103,625	208,625	60,000	75,445	135,445	60,000	63,200	123,200	85,000	82,731	167,731
2029	-	-	-	110,000	98,638	208,638	65,000	72,715	137,715	65,000	61,100	126,100	85,000	80,075	165,075
2030	-	-	-	115,000	93,413	208,413	70,000	69,693	139,693	65,000	58,663	123,663	90,000	77,419	167,419
2031	-	-	-	120,000	87,950	207,950	75,000	66,332	141,332	70,000	56,225	126,225	95,000	74,381	169,381
2032	-	-	-	130,000	82,250	212,250	75,000	62,695	137,695	75,000	53,600	128,600	95,000	71,175	166,175
2033	-	-	-	135,000	75,750	210,750	80,000	59,020	139,020	80,000	50,600	130,600	100,000	67,969	167,969
2034	-	-	-	145,000	69,000	214,000	85,000	55,100	140,100	85,000	47,400	132,400	110,000	64,469	174,469
2035	-	-	-	150,000	61,750	211,750	90,000	50,935	140,935	85,000	44,000	129,000	115,000	60,619	175,619
2036	-	-	-	160,000	54,250	214,250	95,000	46,525	141,525	90,000	40,600	130,600	120,000	56,594	176,594
2037	-	-	-	165,000	46,250	211,250	100,000	41,870	141,870	95,000	37,000	132,000	130,000	52,394	182,394
2038	-	-	-	175,000	38,000	213,000	105,000	36,870	141,870	100,000	33,200	133,200	135,000	47,844	182,844
2039	-	-	-	185,000	29,250	214,250	110,000	31,620	141,620	105,000	29,200	134,200	140,000	42,950	182,950
2040	-	-	-	195,000	20,000	215,000	115,000	26,010	141,010	110,000	25,000	135,000	150,000	37,875	187,875
2041	-	-	-	205,000	10,250	215,250	125,000	20,145	145,145	120,000	20,600	140,600	155,000	32,250	187,250
2042	-	-	-	-	-	-	130,000	13,770	143,770	125,000	15,800	140,800	165,000	26,438	191,438
2043	-	-	-	-	-	-	140,000	7,140	147,140	130,000	10,800	140,800	170,000	20,250	190,250
2044	-	-	-	-	-	-	-	-	-	140,000	5,600	145,600	180,000	13,875	193,875
2045	-	-	-	-	-	-	-	-	-	-	-	-	190,000	7,125	197,125
2046	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	$ 95,000	4,085	99,085	$ 2,770,000	1,845,743	4,615,743	$ 1,910,000	1,413,832	3,323,832	$ 1,985,000	1,224,738	3,209,738	$ 2,845,000	1,659,081	4,504,081

(continued)

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (CONTINUED)
SEPTEMBER 30, 2019

DUE DURING FISCAL YEARS ENDING 9/30	UNLIMITED TAX BONDS SERIES 2016			UNLIMITED TAX BONDS SERIES 2016			UNLIMITED TAX BONDS SERIES 2017			UNLIMITED TAX BONDS SERIES 2018			ANNUAL REQUIREMENTS FOR ALL SERIES		
	Principal Due 8/1	Interest Due 2/1, 8/1	Total	Principal Due 8/1	Interest Due 2/1, 8/1	Total	Principal Due 8/1	Interest Due 2/1, 8/1	Total	Principal Due 8/1	Interest Due 2/1, 8/1	Total	Principal Due	Interest Due	Total
2020	$ 80,000	117,658	197,658	$ 25,000	76,500	101,500	$ 120,000	222,975	342,975	$ 70,000	140,762	210,762	$ 595,000	964,855	1,559,855
2021	85,000	116,058	201,058	12,225	188,775	201,000	130,000	218,175	348,175	70,000	138,663	208,663	512,225	1,055,726	1,567,951
2022	90,000	114,358	204,358	7,773	198,227	206,000	135,000	212,975	347,975	75,000	136,562	211,562	537,773	1,046,709	1,584,482
2023	95,000	112,558	207,558	130,000	76,000	206,000	140,000	207,575	347,575	80,000	134,313	214,313	680,000	906,689	1,586,689
2024	95,000	110,658	205,658	140,000	72,100	212,100	145,000	204,425	349,425	85,000	131,912	216,912	720,000	886,671	1,606,671
2025	100,000	108,758	208,758	140,000	67,900	207,900	155,000	201,163	356,163	90,000	129,363	219,363	750,000	865,187	1,615,187
2026	105,000	106,258	211,258	150,000	62,300	212,300	160,000	196,900	356,900	95,000	126,662	221,662	790,000	839,932	1,629,932
2027	110,000	103,633	213,633	160,000	56,300	216,300	165,000	192,500	357,500	95,000	123,813	218,813	830,000	813,207	1,643,207
2028	115,000	100,883	215,883	170,000	49,900	219,900	175,000	187,550	362,550	100,000	120,962	220,962	870,000	784,296	1,654,296
2029	120,000	97,433	217,433	180,000	43,100	223,100	180,000	182,300	362,300	105,000	117,713	222,713	910,000	753,074	1,663,074
2030	125,000	93,833	218,833	190,000	35,900	225,900	190,000	176,450	366,450	115,000	114,300	229,300	960,000	719,671	1,679,671
2031	130,000	90,083	220,083	205,000	28,300	233,300	200,000	170,275	370,275	120,000	110,562	230,562	1,015,000	684,108	1,699,108
2032	135,000	86,183	221,183	215,000	20,100	235,100	210,000	163,525	373,525	125,000	106,663	231,663	1,060,000	646,191	1,706,191
2033	140,000	82,133	222,133	220,000	13,650	233,650	215,000	156,438	371,438	130,000	102,600	232,600	1,100,000	608,160	1,708,160
2034	145,000	77,933	222,933	235,000	7,050	242,050	225,000	148,913	373,913	135,000	98,375	233,375	1,165,000	568,240	1,733,240
2035	155,000	73,220	228,220	-	-	-	235,000	141,038	376,038	145,000	93,819	238,819	975,000	525,381	1,500,381
2036	160,000	68,183	228,183	-	-	-	250,000	132,813	382,813	150,000	88,925	238,925	1,025,000	487,890	1,512,890
2037	165,000	62,983	227,983	-	-	-	260,000	123,438	383,438	160,000	83,863	243,863	1,075,000	447,798	1,522,798
2038	175,000	57,620	232,620	-	-	-	270,000	113,688	383,688	165,000	78,462	243,462	1,125,000	405,684	1,530,684
2039	180,000	51,495	231,495	-	-	-	285,000	103,563	388,563	175,000	72,688	247,688	1,180,000	360,766	1,540,766
2040	190,000	45,195	235,195	-	-	-	295,000	92,876	387,876	185,000	66,563	251,563	1,240,000	313,519	1,553,519
2041	195,000	38,545	233,545	-	-	-	310,000	81,813	391,813	195,000	59,856	254,856	1,305,000	263,459	1,568,459
2042	205,000	31,720	236,720	-	-	-	325,000	70,188	395,188	200,000	52,788	252,788	1,150,000	210,704	1,360,704
2043	215,000	24,545	239,545	-	-	-	340,000	58,000	398,000	215,000	44,788	259,788	1,210,000	165,523	1,375,523
2044	225,000	17,020	242,020	-	-	-	355,000	44,400	399,400	225,000	36,187	261,187	1,125,000	117,082	1,242,082
2045	235,000	8,695	243,695	-	-	-	370,000	30,200	400,200	235,000	27,750	262,750	1,030,000	73,770	1,103,770
2046	-	-	-	-	-	-	385,000	15,400	400,400	245,000	18,937	263,937	630,000	34,337	664,337
2047	-	-	-	-	-	-	-	-	-	260,000	9,750	269,750	260,000	9,750	269,750
	$ 3,770,000	1,997,641	5,767,641	$ 2,179,998	996,102	3,176,100	$ 6,225,000	3,849,556	10,074,556	$ 4,045,000	2,567,601	6,612,601	$ 25,824,998	15,558,379	41,383,377

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-6 ANALYSIS OF CHANGES IN LONG-TERM DEBT
SEPTEMBER 30, 2019

	Series 2010	Series 2011	Series 2013	Series 2014	Series 2015	Series 2016	Series 2016 Ref	Series 2017	Series 2018	Totals
Interest rate	3.00 to 5.25%	3.00 to 5.00%	2.25 to 5.10%	3.50 to 5.00%	3.00 to 5.00%	2.00 to 3.70%	1.83 to 4.00%	2.25 to 4.00%	3.00 to 4.00%	
Dates interest payable	2/1; 8/1	2/1; 8/1	2/1; 8/1	2/1; 8/1	2/1; 8/1	2/1; 8/1	2/1; 8/1	2/1; 8/1	2/1; 8/1	
Maturity dates	8/1/12 to 8/1/20	8/1/14 to 8/1/41	8/1/16 to 8/1/43	8/1/16 to 8/1/44	8/1/17 to 8/1/45	8/1/17 to 8/1/45	8/1/17 to 8/1/34	8/1/19 to 8/1/46	8/1/20 to 8/1/47	
Bonds outstanding, beginning of year	$ 185,000	2,840,000	1,950,000	2,025,000	2,900,000	3,850,000	2,199,998	6,340,000	4,045,000	26,334,998
Bonds issued during current year	-	-	-	-	-	-	-	-	-	-
Bonds retired during current year	(90,000)	(70,000)	(40,000)	(40,000)	(55,000)	(80,000)	(20,000)	(115,000)	-	(510,000)
Bonds outstanding, end of year	$ 95,000	2,770,000	1,910,000	1,985,000	2,845,000	3,770,000	2,179,998	6,225,000	4,045,000	25,824,998
Interest paid during current year	$ 7,771	136,551	91,148	79,875	103,931	119,258	76,900	227,575	140,763	983,775

Paying agent's name & address for Series 2010: Wells Fargo Bank, N.A., Austin, Texas

Paying agent's name & address for Series 2011, 2013, 2014, 2015, 2016, 2016 Ref, 2017 & 2018: Bank of Texas, N.A., Austin, Texas

	Tax Bonds	Tax Road Bonds
Bond authority:		
Amount authorized	$ 78,000,000	6,000,000
Amount issued	25,595,000	2,055,000
Remaining to be issued	$ 52,405,000	3,945,000

Debt Service Fund cash and temporary investments balances as of September 30, 2019:	$ 1,830,586
Average annual debt service payments (principal & interest) for remaining term of debt	$ 1,477,978

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-7 COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - GENERAL FUND AND DEBT SERVICE FUND FOR FIVE YEARS ENDED SEPTEMBER 30, 2019

	AMOUNTS					PERCENT OF FUND TOTAL REVENUES				
	2019	2018	2017	2016	2015	2019	2018	2017	2016	2015
GENERAL FUND										
REVENUES AND OTHER SOURCES:										
Water service	$ 922,863	918,874	923,364	775,619	553,882	25.1 %	44.1	50.0	23.9	50.7
Impact fees	-	219,282	55,842	58,566	416,772	0.1	10.5	3.8	18.0	-
Tap connection fees	-	-	13,000	53,200	31,200	-	-	3.4	1.3	2.9
Inspection fees	-	-	3,950	19,350	17,600	-	-	1.3	0.8	1.7
Contribution for Lift Station Phase 2	-	-	-	-	750,000	-	-	-	32.4	-
Property taxes, including penalties and interest	538,239	710,378	600,209	639,274	528,136	14.6	34.1	41.2	22.8	44.5
Interest on temporary investments	40,349	6,123	3,870	4,353	3,355	1.1	0.3	0.3	0.1	0.2
Developer advances	2,172,800	-	-	-	-	59.1	-	-	-	-
Transfers between funds	-	229,756	46,548	-	15,325	-	11.0	-	0.7	-
TOTAL REVENUES AND OTHER SOURCES	3,674,251	2,084,413	1,646,783	1,550,362	2,316,270	100.0	100.0	100.0	100.0	100.0
EXPENDITURES:										
Water purchases	749,517	1,054,535	1,132,063	814,233	626,372	20.4	50.6	68.7	52.5	27.0
Engineering fees	48,247	47,818	20,283	66,152	35,699	1.3	2.3	1.2	4.3	1.5
Legal fees	71,189	128,309	97,257	69,333	61,702	1.9	6.2	5.9	4.5	2.7
Repairs and maintenance	488,647	372,085	111,448	122,904	48,004	13.3	17.9	6.8	7.9	2.1
Management fees	20,017	21,213	20,054	20,608	18,761	0.5	1.0	1.2	1.3	0.8
Garbage services	107,068	116,884	109,540	96,727	61,874	2.9	5.6	6.7	6.2	2.7
Inspection fees	-	230	9,028	17,538	16,928	-	-	0.5	1.1	0.7
Tax assessor	16,651	15,208	14,191	10,276	9,502	0.5	0.7	0.9	0.7	0.4
Directors' fees	15,449	20,080	6,511	15,326	14,467	0.4	1.0	0.4	1.0	0.6
Audit fees	17,000	14,000	13,500	13,000	13,500	0.5	0.7	0.8	0.8	0.6
Insurance	10,902	9,723	7,284	7,418	5,511	0.3	0.5	0.4	0.5	0.2
Recurring operating	124,018	111,138	105,305	107,766	89,129	3.4	5.3	6.4	7.0	3.8
Capital outlay	362,036	177,663	50,207	323,475	24,264	9.9	8.4	3.0	20.8	1.1
Bond issuance costs	-	-	4,500	500	500	-	-	0.3	0.1	0.1
Fiscal agent fees	400	-	2,600	-	-	-	-	0.3	-	-
TOTAL EXPENDITURES	2,031,141	2,088,886	1,703,771	1,685,256	1,026,213	55.3	100.2	103.5	108.7	44.3
EXCESS (DEFICIT) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	$ 1,643,110	(4,473)	(56,988)	(134,894)	1,290,057	44.7 %	(0.2)	(3.5)	(8.7)	55.7
DEBT SERVICE FUND										
REVENUES AND OTHER SOURCES:										
Property taxes, including penalties and interest	$ 1,943,540	1,572,359	1,307,971	894,249	627,289	99.8 %	99.8	33.1	99.7	99.9
Interest on temporary advances	4,851	2,773	1,265	1,902	692	0.2	0.2	-	0.2	0.1
Proceeds from bond issuance	-	-	2,274,998	500	-	-	-	57.5	0.1	-
Premium on sale of bonds	-	-	369,458	-	-	-	-	9.4	-	-
TOTAL REVENUES AND OTHER SOURCES	1,948,391	1,575,132	3,953,692	896,651	627,981	100.0	100.0	100.0	100.0	100.0
EXPENDITURES AND OTHER USES:										
Interest and fiscal charges	987,135	872,267	888,438	627,146	457,540	50.7	55.4	22.5	69.9	72.9
Bond principal	510,000	365,000	390,000	200,000	125,000	26.2	23.2	9.9	22.3	19.9
Payment to refunded bond escrow agent	-	-	2,470,463	-	-	-	-	62.5	-	-
TOTAL EXPENDITURES AND OTHER USES	1,497,135	1,237,267	3,748,901	827,146	582,540	76.9	78.6	94.9	92.2	92.8
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	$ 451,256	337,865	204,791	69,505	45,441	23.1 %	21.4	5.1	7.8	7.2
TOTAL ACTIVE RETAIL WATER CONNECTIONS	514	514	511	495	437					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS (1)	-	-	-	-	-					

(1) Wastewater services are provided by the City of Buda

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-8 BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2019

Complete District Mailing Address: 12912 Hill Country Blvd. Suite F-232
Austin, Texas 78738

District Business Telephone Number: (512) 476-6604

Submission date of the most recent District Registration Form: January 1, 2019
(TWC Sections 36.054 and 49.054)

Limit on fees of office that a director may receive during a fiscal year: $ 7,200
(Set by Board Resolution - TWC Sections 49.060)

Names	Elected and Expires or Date Hired	Fees 09/30/19	Expense Reimbursements 09/30/19	Title at Period End
Board Members:				
Marvin B. Morgan	(Elected) 5/16-5/20	$ 3,150	225	President
Sean M. Denton	(Elected) 5/16-5/20	3,900	73	Vice-President
Dante Angelini	(Appointed) 5/16-5/20	3,300	148	Secretary
Joe Priesnitz	(Elected) 5/18 - 5/22	1,350	-	Assistant Secretary
Jefferson W. Barton	(Elected) 5/18 - 5/22	1,500	356	Assistant Secretary

Note: No director is disqualified from serving on this board under the Texas Water Code.

(continued)

SOUTH BUDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

TSI-8 BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS (continued)
SEPTEMBER 30, 2019

Names and Addresses	Term of Office Elected & Expires or Date Hired	Fees & Expense Reimbursements 9/30/19	Title at Period End
Consultants:			
AWR Services, Inc.	2011	$ 209,267	Operator and Bookkeeper
Willatt & Flickinger, PLLC	2005	104,657	Attorney
Gray Engineering, Inc.	2005	167,509	Engineer
Specialized Public Finance, Inc.	2010	-	Financial Advisor
Maxwell Locke & Ritter LLP	2006	14,500	Auditor
Hays Central Appraisal District	2006	16,465	Appraisal District
Hays County Tax Assessor/Collector	2006	186	Tax Collector