

**WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY  
NOTICE OF SPECIAL MEETING  
AND WORKSHOP**

TO: THE BOARD OF DIRECTORS OF WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of West Travis County Public Utility Agency will hold a special meeting and workshop, open to the public, at 1:00 p.m. on Thursday, March 11, 2021, at Bee Cave City Hall, 4000 Galleria Parkway, Bee Cave, Texas **and via remote access** in accordance with the Governor's March 16, 2020 proclamation suspending certain open meetings statutes in response to the current COVID-19 pandemic and statewide disaster declaration, as extended.

**In lieu of attending the meeting in person, members of the public may listen to and participate in the meeting via conference call or video conference. To participate in the meeting, please dial toll-free 888 788 0099 and enter Meeting ID 936 1512 0434 Passcode 379654 when prompted or access online at <https://zoom.us/j/93615120434?pwd=bVZ4TjNZayt0VmU4VDM3YlpFN1dMQT09> Meeting ID: 936 1512 0434 Passcode: 379654.**

**If you sign up to speak, to minimize sound distortion for other listeners, we request that you use the provided phone number for the audio portion of the meeting. Alternately, if using your computer's microphone, please utilize headphones or turn off your speaker while you are speaking.**

**All speakers must send a written request to [jriechers@wtcpua.org](mailto:jriechers@wtcpua.org) 2 hours in advance of the meeting (March 11th by 11:00 A.M.) If you wish to speak during the meeting, please provide your name, phone number, and the agenda item(s) you wish to comment on.**

**Members of the public who wish to submit their written comments on a listed agenda item can submit their comments by emailing [jriechers@wtcpua.org](mailto:jriechers@wtcpua.org). Comments must be received by 11:00 A.M. on March 11, 2021.**

**The following matters will be considered and may be acted upon at the meeting for the following purposes:**

- I. CALL TO ORDER**
- II. ESTABLISH QUORUM**
- III. PUBLIC COMMENT**
- IV. CONSENT AGENDA**

- A. **Approve Contractor Pay Requests including:**
  - 1. **Austin Engineering Company, Inc., Pay Application No. 2, \$25,982.50 Lift Station 9 Rehab.**
- B. **Approve 2020 annual Developer Reimbursement in the amount of \$590,300.21 to NASH Sweetwater, LLC per Wholesale Water Services Agreement between WTCPUA and Lazy Nine MUD 1A.**

**V. NEW BUSINESS**

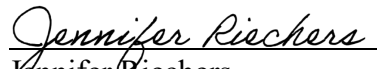
- A. **Discuss, consider and take action on FY 2020 Audit by Maxwell, Locke and Ritter, LLP (J. Smith).**
- B. **Discuss, consider and take action regarding 87<sup>th</sup> Regular Session of the Texas Legislature including:**
  - 1. **House Bill 2805.**  
*(This item may be taken into Executive Session under the Consultation with Attorney exception).*
- C. **Discuss, consider and take action regarding employee bonuses (S. Roberts).**  
*(This item may be taken into Executive Session under the Personnel Matters exception).*

**VI. WORKSHOP ITEMS**

- A. **Discuss, consider and take action on CIP planning, including:**
  - 1. **Water Service Area Planning and System Capacities;**
  - 2. **Wastewater Service Area Planning and System Capacities.**
- B. **Discuss, consider and take action regarding planning for growth in the water system and implementation of tools to manage water capacity.**

**VII. ADJOURNMENT**

Dated: March 5, 2021

  
Jennifer Riechers  
WTCPUA General Manager

\*\*\*\*\*  
The Board of Directors may go into Executive Session, if necessary, pursuant to the applicable section of Subchapter D, Chapter 551, Texas Government Code, of the Texas Open Meetings

Act, on any of the above matters under the following sections: Texas Government Code Ann. 551.071 – Consultation with Attorney; Texas Government Code Ann. 551.072 – Real and Personal Property; Texas Government Code Ann. 551.074 – Personnel Matters. No final action, decision, or vote will be taken on any subject or matter in Executive Session.

The West Travis County Public Utility Agency is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call Jennifer Riechers, General Manager at (512) 263-0100 for information.

## **IV. CONSENT AGENDA**

## ITEM A



## Murfee Engineering Company

February 26<sup>th</sup>, 2021

Mr. Scott Roberts, President and  
Board of Directors  
West Travis County Public Utility Agency  
13215 Bee Cave Parkway, Building B, Suite 110  
Bee Cave, Texas 78738

**Re: WTCPUA Lift Station 9 Rehab  
Contractor's Application for Payment No. 2**

Mr. Roberts and Board:

Enclosed is Application for Payment No. 2 from Austin Engineering Company, Inc. for the period ending February 28, 2020. We have reviewed this application for payment, conducted site observations, concur with the items and quantities, and recommend approval and payment in the amount twenty-five thousand nine hundred eighty-two dollars and fifty cents (\$25,982.50). This application for payment is broken down as follows:

Original Contract Price:	\$555,000.00
Change Order(s):	\$0.00
Current Contract Price:	\$555,000.00
Total Completed and Stored to Date:	\$179,925.00
Retainage (5%):	\$8,996.25
Previous Payments	\$144,946.25
<b>Amount Due this Application:</b>	<b>\$25,982.50</b>
Balance to Finish, Plus Retainage:	\$384,071.75

If you have any questions, please do not hesitate to contact me.

Sincerely,

Andrea Wyatt, P.E.  
Project Manager

cc: Jennifer Riechers – WTCPUA  
George Murfee, P.E. – MEC  
MEC File No. 11051.128

W:\WTCPUA\Facilities\Wastewater\LS 9 Rehab\Construction Admin\Pay App\PA02\PA2-LS9 Rehab-WTCPUA-210225.pdf.docx

# APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

PAGE 1 OF 2 PAGES

TO OWNER: WEST TRAVIS CO. PUA  
13215 BEE CAVE PKWY., BLDG. B, STE. 110  
BEE CAVE, TX 78738

PROJECT: WTCPUA LIFT STATION 9 REHAB APPLICATION NO: **TWO (2)**  
DATE: 2/28/2021

PERIOD TO: **2/28/2021**

FROM CONTRACTOR:  
AUSTIN ENGINEERING CO., INC.  
P.O. Box 342349  
Austin, Texas 78734

PROJECT NO: **11051.139**

AECO JOB NO: 20033  
AECO INVOICE NO: 21025  
CONTRACT DATE: 10/10/2020

Distribution to:

<input type="checkbox"/>	OWNER
<input type="checkbox"/>	General Contractor
<input checked="" type="checkbox"/>	CONTRACTOR
<input type="checkbox"/>	
<input type="checkbox"/>	

CONTRACT FOR: LIFT STATION REHABILITATION

## CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.  
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$	555,000.00
2. Net change by Change Orders	\$	-
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$	555,000.00
4. TOTAL COMPLETED & STORED TO Date (Column D + E on G703)	\$	179,925.00
5. RETAINAGE:		
a. 5 % of Completed Work (Column D + E on G703)	\$	8,996.25
b. 5 % of Stored Material (Column F on G703)	\$	
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	\$	8,996.25
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$	170,928.75
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$	144,946.25
8. CURRENT PAYMENT DUE	\$	<b>25,982.50</b>
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$	384,071.25

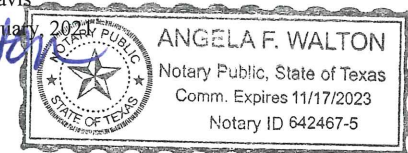
CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$ -	
Total approved this Month		\$ -
TOTALS	\$ -	\$ -
NET CHANGES by Change Order	\$	-

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: AUSTIN ENGINEERING CO., INC.

By: Travis W. Keller, Vice President Date: 2/28/21

State of Texas County of Travis  
Subscribed and sworn to before me this 28th day of February, 2021  
Notary Public: Angela F. Walton  
My Commission expires: 11/17/23



Payment is recommended  
by:

Andrea Wyatt  
MURFEE ENGINEERING CO., INC.

2/26/2021  
DATE

Payment is recommended  
by:

WEST TRAVIS COUNTY P.U.A.

DATE

Contractor: Austin Engineering Co., Inc.  
P. O. Box 342349  
Austin, Texas 78734-2349  
Phone: (512) 327-1464 FAX (512) 327-1765

INVOICE

Estimate Number: TWO (2) Invoice No 21025  
Estimate Date: 2/28/21

Owner: WEST TRAVIS COUNTY P.U.A.  
13215 BEE CAVE PKWY, BLDG. B, STE. 110  
AUSTIN, TEXAS 78738

Original Contract Amount: \$ 555,000.00  
Change Orders \$ -  
Contract Amount \$ 555,000.00

ENGINEER'S PROJECT NO.: 11051.139

Project: LIFT STATION NO. 9 REHABILITATION

CLIENT NO.: 65

AECO PROJECT NO. 20033

DESCRIPTION				CONTRACT				PREVIOUS		CURRENT		TOTAL		% Compl.
				QTY	UNIT	Unit Price	Amount	QTY	Amount	QTY	Amount	QTY	Amount Due	
SCOPE OF WORK														
W-1	Blast & Recoat Wet Well	1	LS	\$	50,000.00	\$	50,000.00	0.00	\$	-	0.00	\$	-	0%
W-2	New SS Piping, replace Ductile Iron	1	LS	\$	50,000.00	\$	50,000.00	0.00	\$	-	0.00	\$	-	0%
W-3	Install two (2) check Valves	1	LS	\$	10,000.00	\$	10,000.00	0.00	\$	-	0.00	\$	-	0%
W-4	Bypass Pumping w/24 Hour Watch	1	LS	\$	60,000.00	\$	60,000.00	0.00	\$	-	0.00	\$	-	0%
E-1	ELECTRICAL													
1	Mobilization	1	LS	\$	15,500.00	\$	15,500.00	1.00	\$	15,500.00	0.00	\$	-	100%
2	Submittals	1	LS	\$	13,000.00	\$	13,000.00	1.00	\$	13,000.00	0.00	\$	-	100%
Misc. Lift Station Site Electrical Work														
3	UG Electrical Conduit	1	LS	\$	59,525.00	\$	59,525.00	1.00	\$	59,525.00	0.00	\$	-	100%
4	Electrical Rack/Canopy/Slab	1	LS	\$	69,000.00	\$	69,000.00	0.00	\$	-	0.10	\$	6,900.00	10%
5	Above Ground / Exposed Conduit	1	LS	\$	28,000.00	\$	28,000.00	0.30	\$	8,400.00	0.20	\$	5,600.00	50%
6	Wire Installation & Termination	1	LS	\$	10,000.00	\$	10,000.00	0.00	\$	-	0.00	\$	-	0%
7	Grounding	1	LS	\$	11,000.00	\$	11,000.00	1.00	\$	11,000.00	0.00	\$	-	100%
8	Light Fixtures (Fixtures Only)	1	LS	\$	4,000.00	\$	4,000.00	0.00	\$	-	0.00	\$	-	0%
9	Light Fixtures (Material & Labor)	1	LS	\$	2,000.00	\$	2,000.00	0.00	\$	-	0.00	\$	-	0%
10	Demo Light Fixture	1	LS	\$	7,000.00	\$	7,000.00	1.00	\$	7,000.00	0.00	\$	-	100%
11	Demo AE Meter	1	LS	\$	2,500.00	\$	2,500.00	0.00	\$	-	0.00	\$	-	0%
12	Demo Antenna	1	LS	\$	2,000.00	\$	2,000.00	0.00	\$	-	0.00	\$	-	0%
13	Demo Pump Control Rack	1	LS	\$	2,500.00	\$	2,500.00	0.00	\$	-	0.00	\$	-	0%
14	Demo CT Can	1	LS	\$	2,000.00	\$	2,000.00	0.00	\$	-	0.00	\$	-	0%
15	Demo RTU Panel	1	LS	\$	1,500.00	\$	1,500.00	0.00	\$	-	0.00	\$	-	0%
16	Demo Auto-Dialer	1	LS	\$	2,000.00	\$	2,000.00	0.00	\$	-	0.00	\$	-	0%
17	Reinstall Antenna	1	LS	\$	2,000.00	\$	2,000.00	0.00	\$	-	0.00	\$	-	0%
18	Reinstall Autodialer	1	LS	\$	2,000.00	\$	2,000.00	0.00	\$	-	0.00	\$	-	0%
19	Genset Receptacle (New)	1	LS	\$	1,000.00	\$	1,000.00	0.00	\$	-	0.00	\$	-	0%
20	Pump Control Panel (New)	1	LS	\$	7,000.00	\$	7,000.00	0.00	\$	-	0.00	\$	-	0%
21	RTU Panel (New)	1	LS	\$	3,500.00	\$	3,500.00	0.00	\$	-	0.00	\$	-	0%
22	Pump Power Panel (New)	1	LS	\$	6,000.00	\$	6,000.00	0.00	\$	-	0.00	\$	-	0%
23	AE Meter (New)	1	LS	\$	7,000.00	\$	7,000.00	1.00	\$	7,000.00	0.00	\$	-	100%



Contractor: Austin Engineering Co., Inc.  
P. O. Box 342349  
Austin, Texas 78734-2349  
Phone: (512) 327-1464 FAX (512) 327-1765

# INVOICE

Estimate Number: **TWO (2)**

Invoice No

**21025**

Estimate Date: **2/28/21**

Owner: **WEST TRAVIS COUNTY P.U.A.**  
**13215 BEE CAVE PKWY, BLDG. B, STE. 110**  
**AUSTIN, TEXAS 78738**

Original Contract Amount:	\$ 555,000.00
Change Orders	\$ -
Contract Amount	\$ 555,000.00

ENGINEER'S PROJECT NO.: 11051.139

Project: **LIFT STATION NO. 9 REHABILITATION**

CLIENT NO.: 65

AECO PROJECT NO.

**20033**

DESCRIPTION	QTY	UNIT	CONTRACT		PREVIOUS		CURRENT		TOTAL		% Compl.
			Unit Price	Amount	QTY	Amount	QTY	Amount	QTY	Amount Due	
24 CT Cabinet ( New)	1	LS	\$ 7,000.00	\$ 7,000.00	1.00	\$ 7,000.00	0.00	\$ -	1.00	\$ 7,000.00	100%
25 High Voltage Panelboard "1HV" (New)	1	LS	\$ 5,000.00	\$ 5,000.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
26 Mini-Power Zone (New)	1	LS	\$ 5,000.00	\$ 5,000.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
27 Surge Protective Devices (Qty. 4)	1	LS	\$ 10,000.00	\$ 10,000.00	0.50	\$ 5,000.00	0.00	\$ -	0.50	\$ 5,000.00	50%
28 Main Disconnect Switch (New)	1	LS	\$ 10,000.00	\$ 10,000.00	1.00	\$ 10,000.00	0.00	\$ -	1.00	\$ 10,000.00	100%
29 Manual Transfer Switch (New)	1	LS	\$ 9,000.00	\$ 9,000.00	0.00	\$ -	1.00	\$ 9,000.00	1.00	\$ 9,000.00	100%
30 Wet Well Junction Boxes (Qty. 3)	1	LS	\$ 9,000.00	\$ 9,000.00	0.35	\$ 3,150.00	0.65	\$ 5,850.00	1.00	\$ 9,000.00	100%
31 Enclosed Breaker for Genset Receptacle	1	LS	\$ 6,000.00	\$ 6,000.00	1.00	\$ 6,000.00	0.00	\$ -	1.00	\$ 6,000.00	100%
<b><u>Instrumentation &amp; Control Panels</u></b>											
<b><u>Panels</u></b>											
32 Pump Power Panel	1	LS	\$ 10,450.00	\$ 10,450.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
33 Pump Control Panel	1	LS	\$ 11,250.00	\$ 11,250.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
34 A/C Unit	1	LS	\$ 2,925.00	\$ 2,925.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
35 RTU Panel	1	LS	\$ 15,000.00	\$ 15,000.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
<b><u>Other Instrumentation/Equipment</u></b>											
36 Float Switches (2)	1	LS	\$ 200.00	\$ 200.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
37 Level Transmitter	1	LS	\$ 650.00	\$ 650.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
<b><u>Services</u></b>											
38 Submittal Preparation	1	LS	\$ 2,500.00	\$ 2,500.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
39 Field Startup/Commissioning O&Ms	1	LS	\$ 7,500.00	\$ 7,500.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
40 O&M Manuals	1	LS	\$ 4,000.00	\$ 4,000.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
<b><u>Project Closeout</u></b>											
41 Electrician/Instrumentation Startup Commissioning	1	LS	\$ 4,500.00	\$ 4,500.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
42 O&M Manuals	1	LS	\$ 5,000.00	\$ 5,000.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0%
TOTAL BASE CONTRACT			\$ 555,000.00		\$ 152,575.00		\$ 27,350.00		\$ 179,925.00		32%

Contractor: Austin Engineering Co., Inc.  
P. O. Box 342349  
Austin, Texas 78734-2349  
Phone: (512) 327-1464 FAX (512) 327-1765

INVOICE

Estimate Number: TWO (2) Invoice No 21025  
Estimate Date: 2/28/21

Owner: WEST TRAVIS COUNTY P.U.A.  
13215 BEE CAVE PKWY, BLDG. B, STE. 110  
AUSTIN, TEXAS 78738

Original Contract Amount: \$ 555,000.00  
Change Orders \$ -  
Contract Amount \$ 555,000.00

ENGINEER'S PROJECT NO.: 11051.139

Project: LIFT STATION NO. 9 REHABILITATION

CLIENT NO.: 65

AECO PROJECT NO. 20033

DESCRIPTION	QTY	UNIT	CONTRACT		PREVIOUS		CURRENT		TOTAL		% Compl.
			Unit Price	Amount	QTY	Amount	QTY	Amount	QTY	Amount Due	

Total Work Complete to Date \$ 179,925.00  
Less 5% Retainage \$ 8,996.25  
Subtotal \$ 170,928.75  
Less Previous Pay Request \$ 144,946.25  
Amount Due This Estimate \$ 25,982.50

## **ITEM B**

Developer Reimbursement Payment Request  
3/11/2021

Developer: NASH Sweetwater, LLC

For: Hwy 71 Water Line

Amount Due: \$ 590,300.21

WTCPUA Procedures: Reviewed the 2nd Amendment to the Water Utility Facilities Acquisition Construction and Service Agreement with Lazy Nine MUD No. 1A which substantiates total reimbursable costs.  
Reviewed the requirements for reimbursement listed therein.  
Recalculated the reimbursable cost per LUE.  
Confirmed connection counts and fees received by the WTCPUA and agreed to connections reported by developer.  
Confirmed prior developer reimbursement payments.

Agreed Upon Reimbursable Costs	Total LUEs	Cost per LUE	Total Connections through 12/31/2020	Connections Previously Reimbursed	Unreimbursed Connections	Total Amount Due by 03/31/2021	Remaining Liability
\$ 3,713,295.22	2057	\$ 1,805.20	1298	971	327	\$ 590,300.21	\$ 1,370,146.36



March 1, 2021

Ms. Jennifer Riechers  
General Manager  
West Travis County PUA  
13215 Bee Cave Parkway  
Building B, Suite 110  
Bee Cave, Texas 78738

RE: Lazy Nine MUD – LCRA/PUA 24" Water Line Annual Reimbursement Request

Dear Ms. Reichers,

We are writing to request the annual reimbursement for new water connections in Lazy Nine MUD through year end 2020. Attached is a correspondence from Mike Morin with Crossroads Utility Services showing the total number of permanent meters connected in Lazy Nine MUDs 1A and 1B. We have also prepared and attached our spreadsheet to track the annual increase in water LUEs within Lazy Nine, and the reimbursement amount due under the Utility Construction Agreement.

The total amount due for year end 2019 is \$590,300.21. Please make payment to NASH Sweetwater, LLC as assignee from Lazy Nine MUD 1A. Lazy Nine MUD 1A previously assigned the reimbursement right under this Utility Construction Agreement to WS-COS Investments, who subsequently assigned those rights to NASH Sweetwater, LLC with the Sweetwater residential sale in late March 2015.

Please let me know if you have any questions, or need any additional information from me in order to complete this annual reimbursement. I can be reached at my office at 512-782-0883 or via email at [rbrandin@newlandco.com](mailto:rbrandin@newlandco.com).

Sincerely yours,

NASH Sweetwater, LLC

A handwritten signature in black ink that reads 'Rita Brandin'.

Rita Brandin  
Senior Vice President – Operations  
Newland Communities - Sweetwater

**Lazy Nine MUD - WTC PUA Hwy 71 Water Line****Schedule of Annual Reimbursements to NASH Sweetwater, LLC (assignee from WS - COS Investments, LLC)**

as of 12/31/2018

Total Waterline Cost: \$3,713,295.22

Total LUEs: 2,057

Reimbursement Per LUE: **\$1,805.20**

Year End	Lazy Nine 1A Total LUEs	Lazy Nine 1B Total LUEs	Total Lazy Nine LUEs	New LUEs Current Year	Current Year Reimburse Amount	PUA Reimburse Date
2013	5	88	93	93	\$167,883.55	10/28/2014
2014	5	294	299	206	\$371,871.08	3/31/2015
2015	5	380	385	86	\$155,247.15	3/30/2016
2016	1	516	517	132	\$238,286.32	4/10/2017
2017	5	639	644	127	\$229,260.33	3/26/2018
2018	10	778	788	144	\$259,948.72	3/22/2019
2019	16	955	971	183	\$330,351.50	4/7/2020
2020	140	1158	1298	327	\$590,300.21	2021
2021			0	0	\$0.00	
2022			0	0	\$0.00	

**Total To Date: \$2,343,148.86****Balance To Be Reimbursed: \$1,370,146.36**

Subject: FW: December Connection Count

From: Robert Anderson <randerson@crossroadsus.com>

Sent: Tuesday, January 19, 2021 2:18 PM

To: Becky Hinojosa <bhinojosa@newlandco.com>; Miki Martin <mikim@malonewheeler.com>

Subject: December Connection Count

OPERATIONS REPORT

**DISTRICT LN1B**

FOR THE MONTH OF DEC 20

READ DATE 1/4/21

GENERAL INFORMATION

Occupied Single Family Connections	1003
Vacant Single Family Connections	0
Residential Builder	98
BUILDER VAC	0
Builder New Tap	0
Multi Family	0
Commercial	6
COMM VAC	0
School	0
Church	0
Non-Profit (HOA's) IRRG	10
District	8
DISTRICT MTR EFF	0
Temporary (F/H)	4
F/H VAC	0
Builder security Deposit	1
<b>TOTAL CONNECTIONS</b>	<b>1130</b>

1130+28=1158 (28=Commercial LUE's)

OPERATIONS REPORT

**DISTRICT LN1A**

FOR THE MONTH OF DEC 2020

READ DATE 1/4/21

<u>GENERAL INFORMATION</u>	REG	VACANT
Occupied Single Family Connections	0	0
Vacant Single Family Connections	0	0
Effluent	10	
Residential Builder	0	0
Builder New Tap	0	0
Multi Family	0	0
Commercial	1	0
Commercial - VACANT	0	0
School	1	0
Church	0	0
Non-Profit (HOA's) IRRG	0	0
District	1	0
RENTAL METERS	0	0
Temporary (F/H)	3	0
Temporary (F/H) - VACANT	0	0
Builder security Deposit	0	0
<b>TOTAL CONNECTIONS</b>	<b>16</b>	<b>0</b>

16+124=140 (124=Commercial LUE's)

## **V. NEW BUSINESS**



## ITEM A



MAXWELL LOCKE & RITTER LLP

*Accountants and Consultants*

*An Affiliate of CPAmerica International*

tel (512) 370 3200 fax (512) 370 3250  
www.mlrpc.com

Austin: 401 Congress Avenue, Suite 1100  
Austin, TX 78701

Round Rock: 411 West Main Street, Suite 300  
Round Rock, TX 78664

March 11, 2021

To the Board of Directors of  
West Travis County Public Utility Agency:

We have audited the financial statements of the governmental activities and each major fund of West Travis County Public Utility Agency (the "PUA") as of and for the year ended September 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 9, 2020. Professional standards also require that we communicate to you the following information related to our audit.

### **Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the PUA are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2020. We noted no transactions entered into by the PUA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were management's estimate of the depreciable lives of capital assets based on the expected useful lives of the assets, the amortizable life of consideration in excess of value of assets acquired (formerly known as "goodwill") and estimates provided by the actuary related the net pension asset, deferred outflows and inflows related to pension, and pension expense. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Affiliated Company

ML&R WEALTH MANAGEMENT LLC

"A Registered Investment Advisor"  
This firm is not a CPA firm

### **Difficulties Encountered in Performing the Audit**

We encountered no difficulties in dealing with management in performing and completing our audit.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were detected as a result of our audit procedures.

### **Disagreements with Management**

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### **Management Representations**

We have requested certain representations from management that are included in the attached management representation letter dated March 11, 2021.

### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to PUA's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### **Issues Relevant to the Oversight of the Financial Reporting Process**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the PUA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. While the disruption is currently expected to be temporary, there is uncertainty around the duration. Due to the nature of the PUA's services, the pandemic may negatively impact the PUA's business, results of operations, and financial position; however, the related financial impact cannot be reasonably estimated at this time.

## **Other Matters**

We applied certain limited procedures to management's discussion and analysis, the schedule of changes in net pension liability (asset) and related ratios, the schedule of agency contributions, and the notes to required supplementary information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplemental information listed in the table of contents ("supplementary information"), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the other supplemental information listed in the table of contents, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## **Restriction on Use**

This information is intended solely for the information and use of the Board of Directors and management of the PUA and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Enclosure 1: Management Representation Letter

March 11, 2021

Maxwell Locke & Ritter LLP  
401 Congress Avenue, Suite 1100  
Austin, Texas 78701

This representation letter is provided in connection with your audit of the financial statements of West Travis County Public Utility Agency (the "PUA"), which comprise the respective financial position of the governmental activities and each major fund as of September 30, 2020, and the respective changes in financial position for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of the auditors' report, the following representations made to you during your audit.

#### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 9, 2020, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the PUA's accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the PUA is contingently liable, if any, have been properly recorded or disclosed.
- 11) Pension payments made after the PUA's year-end are properly disclosed.
- 12) We believe that the actuarial assumptions and methods used to measure pension liabilities (assets) and costs for financial reporting purposes are appropriate in the circumstances.
- 13) We agree with the findings of the actuarial firm (the "specialist") used in evaluating the Texas County and District Retirement System pension liability (asset) and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give our cause to any instructions to be given to specialists with respect to the values of amounts derived in an attempt to bias their work and we are not otherwise aware of any matters that have had an impact on the independence of objectivity of the specialists.

#### **Information Provided**

- 14) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the PUA from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 15) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 16) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 17) We have no knowledge of any fraud or suspected fraud that affects the PUA and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
- 18) Others where the fraud could have a material effect on the financial statements.

- 19) We have no knowledge of any allegations of fraud or suspected fraud affecting the PUA's financial statements communicated by employees, former employees, regulators, or others.
- 20) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 21) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 22) We have disclosed to you the names of the PUA's related parties and all the related party relationships and transactions, including any side agreements.

**Government-specific**

- 23) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 24) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 25) The PUA has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 27) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 28) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 29) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 30) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and the related notes.
- 31) The PUA has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

- 32) The PUA has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 33) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 34) The financial statements properly classify all funds and activities in accordance with GASBS No. 34 , as amended, and GASBS No. 84 .
- 35) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 36) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 37) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 38) Provisions for uncollectible receivables have been properly identified and recorded.
- 39) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 40) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 41) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 42) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 43) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 44) We have appropriately disclosed the PUA's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 45) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 46) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.



47) With respect to the supplemental schedules:

- a) We acknowledge our responsibility for presenting the supplemental schedules in accordance with accounting principles generally accepted in the United States of America, and we believe the supplemental schedules, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplemental schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplemental schedules.
- b) If the supplemental schedules are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplemental schedules no later than the date we issue the supplemental schedules and the auditor's report thereon.

DocuSigned by:

*Jennifer Riechers*

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Jennifer Riechers, General Manager

DocuSigned by:

*Jennifer Smith*

5141815C8E1D490

Jennifer Smith, Controller

**West Travis County  
Public Utility Agency**

**Financial Statements and  
Supplemental Information  
as of and for the Year Ended  
September 30, 2020 and  
Independent Auditors' Report**

# West Travis County Public Utility Agency

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# Annual Filing Affidavit

The State of Texas

County of Travis

I, \_\_\_\_\_  
(Name of Duly Authorized Agency Representative)

of the \_\_\_\_\_ West Travis County Public Utility Agency \_\_\_\_\_,

hereby swear, or affirm, that the Agency named above has reviewed and approved at a meeting of the Board of Directors of the Agency on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, its audit report as of September 30, 2020 and for the year then ended and that copies of the annual audit report have been filed in the Agency office, located at 13215 Bee Cave Pkwy, Building B, Suite 110, Bee Cave, Texas 78738.

Date: \_\_\_\_\_, 20\_\_\_\_. By: \_\_\_\_\_  
(Signature of Agency Representative)

\_\_\_\_\_  
Scott Roberts, Board President  
(Typed Name and Title of above Agency Representative)

Sworn to and subscribed to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
(Signature of Notary)

(SEAL)

\_\_\_\_\_  
(Printed Name of Notary)

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



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Round Rock: 411 West Main Street, Suite 300

Round Rock, TX 78664

## **Independent Auditors' Report**

To the Board of Directors of  
West Travis County Public Utility Agency:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of West Travis County Public Utility Agency (the "PUA"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the PUA'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.

Affiliated Company

ML&R WEALTH MANAGEMENT LLC

*"A Registered Investment Advisor"*

*This firm is not a CPA firm*

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 PUA as of September 30, 2020, 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, the schedule of changes in net pension liability (asset) and related ratios, the schedule of agency contributions, and the notes to required supplementary information on pages 5 through 10, 34, 35, and 36 through 37, respectively, 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 PUA's basic financial statements. The supplemental information and other supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information 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 listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other supplemental information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Maxwell Locke & Ritter LLP*

Austin, Texas  
March 11, 2021

# West Travis County Public Utility Agency

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## Management's Discussion and Analysis For the Year Ended September 30, 2020

As management of the West Travis County Public Utility Agency (the "PUA"), we provide readers of the PUA's financial statements this narrative overview and analysis of the financial activities of the PUA for the year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with the PUA's financial statements that follow.

For purposes of Governmental Accounting Standards Board ("GASB") Statement No. 34, the PUA is considered a special purpose government. This allows the PUA 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.

### Financial Highlights

- The assets and deferred outflows of resources of the PUA at September 30, 2020 were approximately \$267.1 million while its liabilities and deferred inflows of resources were approximately \$205.7 million. Assets and deferred outflows of resources of the PUA exceeded its liabilities and deferred inflows of resources at September 30, 2020 by approximately \$61.4 million.
- Revenues for the year ended September 30, 2020 totaled approximately \$42.4 million while expenses totaled approximately \$26.8 million, resulting in an increase in net position of approximately \$15.6 million for the year ended September 30, 2020.
- In June 2020, the PUA made an early payment of \$19,730,000 on its Series 2015 bonds. By paying this debt prior to maturity, the District saved approximately \$9,323,000 of interest costs.

### Overview of the Basic Financial Statements

The PUA's reporting is comprised of two parts:

- *Management's Discussion and Analysis*
- *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 *Basic Financial Statements* are designed to provide readers with an overview of the PUA's finances, in a manner similar to the private sector business.

The *Statement of Net Position and Governmental Funds Balance Sheet* presents information on all the PUA's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. The statement of net position and governmental funds balance sheet can be found on page 11 of the report which 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 PUA's net position will indicate financial health.

The *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances* represents information showing how the PUA's net position changed during the most recent fiscal year which includes a column (titled "Total Governmental Funds") that derives the change in fund balances 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 PUA'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*.

Required supplementary information related to the PUA's participation in the Texas County and District Retirement System pension plan, schedules required by the Water Agency Accounting Manual, and other schedules are presented immediately following the *Notes to Basic Financial Statements*.

## **Financial Analysis**

The *Statement of Net Position and Governmental Funds Balance Sheet* as noted earlier shows net position which may serve over time as a useful indicator of the PUA's financial position. In the case of the PUA, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$61.4 million at the close of the most recent year ending on September 30, 2020.

The PUA had total cash, cash equivalents, and temporary investments of approximately \$105.6 million as of September 30, 2020. Of this, approximately \$14.8 million is specifically set aside for paying debt. Long-term debt related to the outstanding Series 2013 Revenue and Refunding Bonds, Series 2015 Revenue Bonds, Series 2017 Revenue Refunding Bonds, and Series 2019 Revenue Bonds totaled approximately \$197.7 million as of September 30, 2020; future water and wastewater revenues collected by the PUA will be used to pay this outstanding long-term debt.

Approximately \$25.9 million and approximately \$34.9 million of cash, cash equivalents, and temporary investments as of September 30, 2020 are in the Capital Projects and Impact Fee Funds, respectively. This money is segregated for the construction of new capital projects.

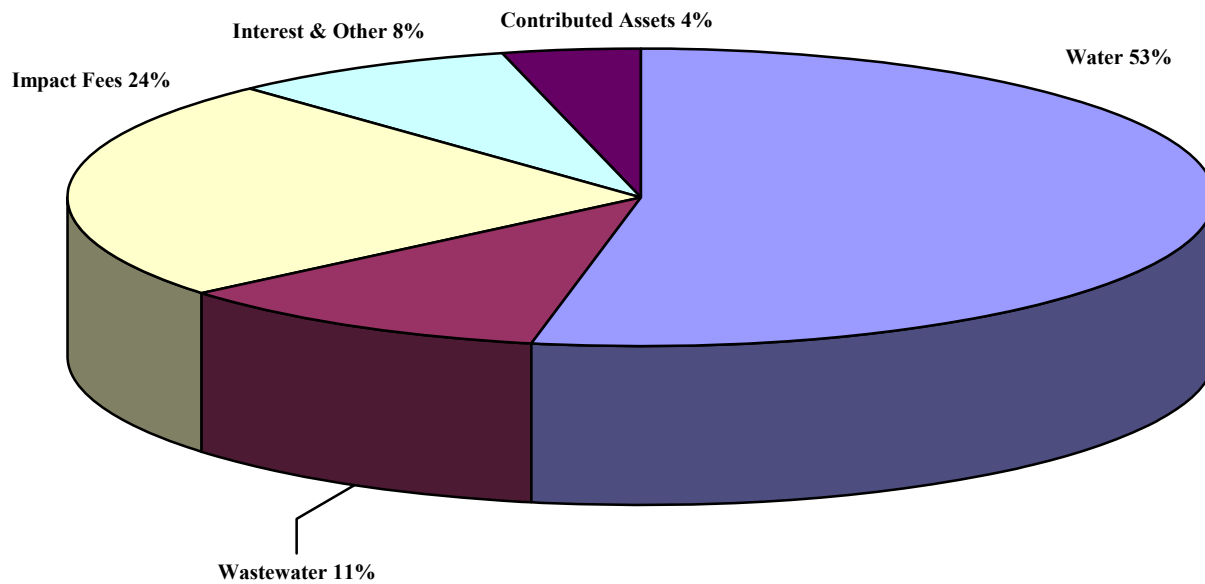
As part of the bond agreement for the previously issued Series 2013 issuance, the PUA agreed to maintain separate and special accounts known as the Rate Stabilization Fund and the Facilities Fund. The Rate Stabilization Fund is an account which holds funds that may be used at the discretion of the PUA for any lawful purpose, including capital additions and improvements to the PUA's water and wastewater system and to enable the PUA to manage rates and charges, provided, however, that such funds shall be used in the following order of priority: 1) first for funding of operating and maintenance reserves and payment of principal and interest on debt obligations, 2) redemption or defeasance of outstanding obligations, if economically advantageous, and 3) transfer to the Facilities Fund for payment of costs of any capital additions and improvements. The Facilities Fund is an account which holds transfers from the General Fund for times coverage for payment of capital additions and improvements, including reimbursement of such costs. As funds transferred to either of these accounts are for specific purposes pursuant to approval by formal action by the Board of Directors, they are considered committed fund balance in the General Fund and are shown as such on the Governmental Funds Balance Sheet.

### Statement of Net Position

	Governmental Activities	
	2020	2019
Current and other assets	\$ 111,028,549	\$ 120,678,187
Capital and non-current assets	129,218,406	126,930,764
Total assets	<u>\$ 240,246,955</u>	<u>\$ 247,608,951</u>
Deferred outflows of resources	<u>\$ 26,839,800</u>	<u>\$ 27,855,495</u>
Current liabilities	\$ 8,722,083	\$ 7,337,324
Long-term liabilities	196,804,854	222,243,593
Total liabilities	<u>\$ 205,526,937</u>	<u>\$ 229,580,917</u>
Deferred inflows of resources	<u>\$ 127,812</u>	<u>\$ 40,072</u>
Net investment in capital assets	\$ (37,867,058)	\$ (56,958,210)
Restricted	13,910,684	16,621,096
Unrestricted	85,388,380	86,180,571
Total net position	<u>\$ 61,432,006</u>	<u>\$ 45,843,457</u>

The PUA's total assets were approximately \$240.2 million and \$247.6 million as of September 30, 2020 and 2019, respectively. As of September 30, 2020, the PUA had deferred outflows of resources totaling approximately \$26.8 million mainly related to deferred charges on bond refundings and liabilities exceeding assets at the time of purchase of the LCRA West Travis County water and wastewater system (formerly known as "goodwill"). Like goodwill, these deferred outflows of resources are amortized systematically over a period of forty years; amortization expense for the year ending September 30, 2020 was \$360,098. The PUA had outstanding liabilities of approximately \$205.5 million and \$229.6 million as of September 30, 2020 and 2019, respectively, of which approximately \$197.7 million and \$221.9 million represents bonds payable as of September 30, 2020 and 2019, respectively.

## Sources of Revenue



## Statement of Activities

	Governmental Activities	
	2020	2019
Water and wastewater	\$ 27,075,578	\$ 26,576,550
Impact fees	10,353,761	12,039,356
Contributions	1,509,051	5,319,600
Interest and other	3,464,316	3,227,223
Total revenues	42,402,706	47,162,729
Water and wastewater	5,684,121	5,258,860
Professional services	908,156	807,230
Personnel expenses	3,108,000	2,984,555
Other	794,196	827,236
Debt service	8,768,152	9,072,176
Depreciation and amortization	7,551,532	7,499,622
Total expenses	26,814,157	26,449,679
Change in net position	15,588,549	20,713,050
Beginning net position	45,843,457	25,130,407
Ending net position	\$ 61,432,006	\$ 45,843,457

Operating revenues were approximately \$42.4 million and \$47.2 million for the years ended September 30, 2020 and 2019, respectively. Water and wastewater service provided approximately \$27.1 million and \$26.6 million in revenues for the years ended September 30, 2020 and 2019, respectively. Impact fees generated approximately \$10.4 million and \$12.0 million in revenues for the years ended September 30, 2020 and 2019, respectively. Total expenses were approximately \$26.8 million and \$26.4 million for the years ended September 30, 2020 and 2019, respectively. Net position was approximately \$61.4 million and approximately \$45.8 million at September 30, 2020 and 2019, respectively.

## Analysis of Governmental Funds

	2020	2019
Cash and cash equivalents	\$ 23,694,119	\$ 30,793,120
Temporary investments	81,941,674	83,218,462
Receivables	4,903,079	6,070,759
Interfund receivable	6,765,125	3,451,473
Deposits	16,087	16,087
Total assets	<u>\$ 117,320,084</u>	<u>\$ 123,549,901</u>
Accounts payable	\$ 1,693,078	\$ 1,113,649
Refundable deposits	1,081,324	676,005
Other liabilities	841,961	532,190
Interfund payable	6,765,125	3,451,473
Total liabilities	<u>10,381,488</u>	<u>5,773,317</u>
Restricted fund balance	33,142,417	43,513,518
Committed fund balance	12,490,698	10,541,675
Assigned fund balance	35,276,209	44,052,162
Unassigned fund balance	<u>26,029,272</u>	<u>19,669,229</u>
Total fund balances	<u>106,938,596</u>	<u>117,776,584</u>
Total liabilities and fund balances	<u><u>\$ 117,320,084</u></u>	<u><u>\$ 123,549,901</u></u>

The *General Fund* pays for daily operating expenditures. For the year ended September 30, 2020, the PUA's budget projected an ending operating fund balance of approximately \$33.6 million. The General Fund reflected positive change in fund balance of approximately \$8.3 million, a positive difference of approximately \$4.9 million compared to the budget. This positive difference is primarily due to less capital outlay expenditures than budgeted and more water revenue than budgeted.

The *Debt Service Fund* had an ending restricted fund balance of approximately \$14.9 million as of September 30, 2020. During the year, the PUA paid approximately \$32.4 million in principal and interest due on the outstanding Series 2013, Series 2015, Series 2017, and Series 2019 bonds from the Debt Service Fund. More detailed information about the PUA's debt is presented in the *Notes to Basic Financial Statements*.

The *Capital Projects Fund* purchases primarily the PUA's infrastructure.

The *Impact Fee Fund* accounts for charges on new development within the PUA to help fund and pay for the construction or needed expansion of capital improvements.

## Capital Assets

	2020	2019
Land	\$ 6,097,409	\$ 6,097,409
Construction in progress	8,193,509	2,644,199
Water and wastewater facilities	170,860,202	167,160,157
Vehicles	1,028,385	967,866
Leasehold improvements	187,052	187,052
Subtotal	186,366,557	177,056,683
Accumulated depreciation and amortization	(57,398,410)	(50,206,976)
Total	<u>\$ 128,968,147</u>	<u>\$ 126,849,707</u>

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

## Long-Term Debt Activity

	2020	2019
Bonds payable	\$ 183,405,000	\$ 207,060,000
Premiums on bonds	14,304,292	14,913,862
Discount on bonds	(29,802)	(59,603)
Total	<u>\$ 197,679,490</u>	<u>\$ 221,914,259</u>

The PUA owes approximately \$183.4 million to bond holders from the Series 2013, Series 2015, Series 2017, and Series 2019 bonds issued in previous years.

More detailed information about the PUA's long-term debt is presented in the *Notes to Basic Financial Statements*.

## Currently Known Facts, Decisions, or Conditions

The currently adopted fiscal year 2021 budget projects a General Fund balance decrease of approximately \$1.7 million due to the expected expenditures in the Facilities Fund. Budgeted revenues and other financing sources total approximately \$26.3 million, while expenditures and other financing uses are expected to be approximately \$28.0 million, which includes approximately \$11.1 million reserved to fund future debt service obligations.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. While the disruption is expected to be temporary, there is uncertainty around the duration. Due to the nature of the PUA's services, the pandemic may negatively impact the PUA's business, results of operations, and financial position; however, the related financial impact cannot be reasonably estimated at this time.

## Requests for Information

This financial report is designed to provide a general overview of the PUA's finances and to demonstrate the PUA'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 PUA at 13215 Bee Cave Pkwy, Building B, Suite 110, Bee Cave, Texas 78738.

# West Travis County Public Utility Agency

## Statement of Net Position and Governmental Funds Balance Sheet September 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Impact Fee Fund	Total Governmental Funds	Adjustments (Note 2)	Statement of Net Position
<b><u>Assets</u></b>							
Cash and cash equivalents	\$ 17,466,378	1,592,602	55,422	4,579,717	23,694,119	-	\$ 23,694,119
Temporary investments	12,535,638	13,241,282	25,813,370	30,351,384	81,941,674	-	81,941,674
Receivables:							
Service accounts	4,489,332	-	-	17,836	4,507,168	-	4,507,168
Accrued interest	50,434	52,520	106,860	124,912	334,726	-	334,726
Other	61,185	-	-	-	61,185	-	61,185
Due from other funds	6,562,765	-	-	202,360	6,765,125	(6,765,125)	-
Deposits	16,087	-	-	-	16,087	-	16,087
Bond insurance costs	-	-	-	-	-	473,590	473,590
Capital assets (net of accumulated depreciation):							
Land	-	-	-	-	-	6,097,409	6,097,409
Construction in progress	-	-	-	-	-	8,193,509	8,193,509
Vehicles	-	-	-	-	-	384,225	384,225
Leasehold improvements	-	-	-	-	-	127,108	127,108
Water production, transmission, and distribution facilities and wastewater collection and treatment facilities	-	-	-	-	-	114,165,896	114,165,896
Net pension asset	-	-	-	-	-	250,259	250,259
Total assets	<u>\$ 41,181,819</u>	<u>14,886,404</u>	<u>25,975,652</u>	<u>35,276,209</u>	<u>117,320,084</u>	<u>122,926,871</u>	<u>\$ 240,246,955</u>
<b><u>Deferred Outflows of Resources</u></b>							
Consideration in excess of value of assets acquired (net of accumulated amortization)	\$ -	-	-	-	-	11,163,029	\$ 11,163,029
Deferred charges on bond refundings	-	-	-	-	-	15,370,046	15,370,046
Pension contributions after measurement date	-	-	-	-	-	164,441	164,441
Deferred outflows related to pension asset	-	-	-	-	-	142,284	142,284
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,839,800</u>	<u>26,839,800</u>
<b><u>Liabilities</u></b>							
Accounts payable	\$ 1,021,932	-	671,146	-	1,693,078	-	\$ 1,693,078
Refundable deposits	1,081,324	-	-	-	1,081,324	-	1,081,324
Other liabilities	356,233	-	485,728	-	841,961	-	841,961
Due to other funds	202,360	-	6,562,765	-	6,765,125	(6,765,125)	-
Bond interest payable	-	-	-	-	-	975,720	975,720
Long-term liabilities:							
Due within one year	-	-	-	-	-	4,130,000	4,130,000
Due after one year	-	-	-	-	-	193,549,490	193,549,490
Due to developers for utility facility acquisition	-	-	-	-	-	3,255,364	3,255,364
Total liabilities	<u>2,661,849</u>	<u>-</u>	<u>7,719,639</u>	<u>-</u>	<u>10,381,488</u>	<u>195,145,449</u>	<u>205,526,937</u>
<b><u>Deferred Inflows of Resources</u></b>							
Deferred inflows related to pension asset	-	-	-	-	-	127,812	127,812
<b><u>Fund Balances / Net Position</u></b>							
Fund balances:							
Restricted for:							
Debt service	-	14,886,404	-	-	14,886,404	(14,886,404)	-
Capital projects	-	-	18,256,013	-	18,256,013	(18,256,013)	-
Committed for:							
Rate Stabilization Fund	4,213,294	-	-	-	4,213,294	(4,213,294)	-
Facilities Fund	8,277,404	-	-	-	8,277,404	(8,277,404)	-
Assigned for-							
Projects funded by impact fees	-	-	-	35,276,209	35,276,209	(35,276,209)	-
Unassigned	26,029,272	-	-	-	26,029,272	(26,029,272)	-
Total fund balances	<u>38,519,970</u>	<u>14,886,404</u>	<u>18,256,013</u>	<u>35,276,209</u>	<u>106,938,596</u>	<u>(106,938,596)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 41,181,819</u>	<u>14,886,404</u>	<u>25,975,652</u>	<u>35,276,209</u>	<u>117,320,084</u>		
Net position:							
Net investment in capital assets							(37,867,058)
Restricted for debt service							13,910,684
Unrestricted							85,388,380
Total net position							<u>\$ 61,432,006</u>

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

# West Travis County Public Utility Agency

## Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balances Year Ended September 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Impact Fee Fund	Total Governmental Funds	Adjustments (Note 2)	Statement of Activities
<b>Expenditures/Expenses:</b>							
Service operations:							
Water expense:							
Raw water	\$ 1,150,217	-	-	-	1,150,217	-	\$ 1,150,217
Utilities	1,273,899	-	-	-	1,273,899	-	1,273,899
Maintenance and repairs	607,459	-	-	-	607,459	-	607,459
Chemicals	268,463	-	-	-	268,463	-	268,463
Other	466,751	-	-	-	466,751	-	466,751
Wastewater expense:							
Sludge disposal	656,109	-	-	-	656,109	-	656,109
Utilities	274,423	-	-	-	274,423	-	274,423
Maintenance and repairs	497,842	-	-	-	497,842	-	497,842
Other	318,152	-	-	-	318,152	-	318,152
Professional services	908,156	-	-	-	908,156	-	908,156
Personnel expenses	3,142,794	-	-	-	3,142,794	(34,794)	3,108,000
SER project expenses	170,806	-	-	-	170,806	-	170,806
Other	675,560	8,437	17,062	-	701,059	93,137	794,196
Capital outlay	408,265	-	8,484,665	-	8,892,930	(8,892,930)	-
Debt service:							
Principal payments	-	23,655,000	-	-	23,655,000	(23,655,000)	-
Interest payments and fiscal agent fees	-	8,747,583	-	-	8,747,583	20,569	8,768,152
Depreciation and amortization	-	-	-	-	-	7,551,532	7,551,532
Total expenditures/expenses	10,818,896	32,411,020	8,501,727	-	51,731,643	(24,917,486)	26,814,157
<b>Revenues:</b>							
Program revenues:							
Water revenue:							
Retail	15,027,538	-	-	-	15,027,538	-	15,027,538
Wholesale	5,480,748	-	-	-	5,480,748	-	5,480,748
Other	540,434	-	-	-	540,434	-	540,434
Impact fees	-	-	-	9,063,671	9,063,671	-	9,063,671
Wastewater revenue:							
Retail	3,689,755	-	-	-	3,689,755	-	3,689,755
Wholesale	863,956	-	-	-	863,956	-	863,956
Other	122,655	-	-	-	122,655	-	122,655
Impact fees	-	-	-	1,290,090	1,290,090	-	1,290,090
SER project	1,350,492	-	-	-	1,350,492	-	1,350,492
Total program revenues	27,075,578	-	-	10,353,761	37,429,339	-	37,429,339
Net program revenue							10,615,182
General revenues:							
Contributions	-	-	-	-	-	1,509,051	1,509,051
Other	329,997	-	35,277	-	365,274	-	365,274
Interest	453,387	627,528	920,521	1,097,606	3,099,042	-	3,099,042
Total general revenues	783,384	627,528	955,798	1,097,606	3,464,316	1,509,051	4,973,367
Total revenues	27,858,962	627,528	955,798	11,451,367	40,893,655	1,509,051	42,402,706
<b>Other Financing Sources (Uses):</b>							
Transfers in	-	28,958,320	-	-	28,958,320	(28,958,320)	-
Transfers out	(8,731,000)	-	-	(20,227,320)	(28,958,320)	28,958,320	-
Total other financing sources (uses)	(8,731,000)	28,958,320	-	(20,227,320)	-	-	-
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	8,309,066	(2,825,172)	(7,545,929)	(8,775,953)	(10,837,988)	10,837,988	-
Change in net position	-	-	-	-	-	15,588,549	15,588,549
<b>Fund Balances /Net Position:</b>							
Beginning of year	30,210,904	17,711,576	25,801,942	44,052,162	117,776,584	(71,933,127)	45,843,457
End of year	\$ 38,519,970	14,886,404	18,256,013	35,276,209	106,938,596	(45,506,590)	\$ 61,432,006

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

# West Travis County Public Utility Agency

## Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund Year Ended September 30, 2020

	Original/Final Budget	Actual	Variance
<b>Revenues:</b>			
Water revenue	\$ 19,131,000	21,048,720	1,917,720
Wastewater revenue	4,406,000	4,676,366	270,366
SER project	1,571,000	1,350,492	(220,508)
Interest and other	247,000	783,384	536,384
Total Revenues	25,355,000	27,858,962	2,503,962
<b>Expenditures:</b>			
Service operations:			
Water expense:			
Raw water	1,020,000	1,150,217	(130,217)
Utilities	1,033,000	1,273,899	(240,899)
Maintenance and repairs	1,327,000	607,459	719,541
Chemicals	250,000	268,463	(18,463)
Other	635,320	466,751	168,569
Wastewater expense:			
Sludge disposal	675,000	656,109	18,891
Utilities	295,000	274,423	20,577
Maintenance and repairs	864,500	497,842	366,658
Other	443,925	318,152	125,773
Professional services	840,000	908,156	(68,156)
Personnel expenses	3,213,000	3,142,794	70,206
SER project expenses	180,000	170,806	9,194
Other	915,490	675,560	239,930
Capital outlay	1,505,350	408,265	1,097,085
Total Expenditures	13,197,585	10,818,896	2,378,689
<b>Excess of Revenues Over Expenditures</b>	12,157,415	17,040,066	4,882,651
<b>Other Financing Uses-</b>			
Transfers out	(8,731,000)	(8,731,000)	-
<b>Change in Fund Balance</b>	3,426,415	8,309,066	4,882,651
<b>Fund Balance:</b>			
Beginning of year	30,210,904	30,210,904	-
End of year	\$ 33,637,319	38,519,970	4,882,651

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



# West Travis County Public Utility Agency

## Notes to Basic Financial Statements Year Ended September 30, 2020

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### 1. Summary of Significant Accounting Policies

West Travis County Public Utility Agency (the “PUA”) was created, organized and established on December 21, 2011, pursuant to the provisions of Chapter 572 of the Texas Local Government Code. The PUA is a publicly owned water and wastewater utility, serving western Travis and northern Hays counties, which were formerly serviced by the Lower Colorado River Authority (the “LCRA”). Pursuant to a purchase agreement dated January 17, 2012 entered into with the LCRA (the “Purchase Agreement”), the PUA purchased the LCRA’s West Travis County water and wastewater system. The purchase became effective and operations began on March 19, 2012.

The reporting entity of the PUA encompasses those activities and functions over which the PUA’s appointed officials exercise significant oversight or control. As of September 30, 2020, the PUA was governed by a five member Board of Directors (the “Board”) which were appointed from each of the three entities that formed the PUA: City of Bee Cave, Hays County, and Lake Pointe Municipal Utility District (the “Public Entities”). The PUA is not included in any other governmental “reporting entity” as defined by the Governmental Accounting Standards Board (“GASB”) since Board members are appointed by the Public Entities 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 PUA’s reporting entity.

#### Government-Wide and Fund Financial Statements

For purposes of GASB Statement No. 34, the PUA is considered a special purpose government. This allows the PUA 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 PUA. 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 PUA. Other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate 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. 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. 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 PUA 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.

The PUA 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 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.

The Impact Fee Fund includes charges on new development within the PUA to help fund and pay for the construction or needed expansion of capital improvements.

## **Budgets and Budgetary Accounting**

Formal budgetary integration is employed as a management control device for the General Fund. The budget is proposed by the PUA 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. Under GASB Statement No. 34, budgetary comparison information is required for the General Fund and each major special revenue fund (the Impact Fee Fund); however, the PUA is not legally required to adopt a budget for the Impact Fee Fund. Therefore, budget comparison information for the Impact Fee Fund is not included in the PUA's financial statements. In addition, formal budgetary integration is not employed for the Debt Service Fund or Capital Projects Fund. For the year ended September 30, 2020, expenditures for the General Fund were below budget by approximately \$2,379,000.

## **Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balances**

Cash and cash equivalents - Cash and cash equivalents included cash on deposit as well as investments with maturities of three months or less.

Temporary Investments - The PUA 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, corporate bonds, money market and other mutual funds, and local government investment pools. The PUA's investment policies and types of investments are governed by Section 2256 of the Government Code ("Public Funds Investment Act"). The PUA's management believes that it complied with the requirements of the Public Funds Investment Act and the PUA's investment policies. The PUA accrues interest on temporary investments based on the terms and effective interest rates of the specific investments.

Accounts Receivable - The PUA 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. As of September 30, 2020, there was no allowance for uncollectible accounts.

Capital Assets - Capital assets, which include land, construction in progress, vehicles, leasehold improvements, and water production, transmission, and distribution facilities and wastewater collection and treatment facilities (purchased, constructed or donated) are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the PUA as assets with an initial, individual cost of at least \$10,000. Such assets are recorded at historical cost if purchased or estimated acquisition value at the date of donation if donated. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized.

Water and wastewater facilities are depreciated using the straight-line method over estimated useful lives ranging from one to sixty years. Vehicles are depreciated using the straight-line method over estimated useful lives ranging from five to fifteen years. Leasehold improvements are amortized over the term of the lease agreement.

Consideration in Excess of Value of Assets Acquired - The PUA complies with GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, which provides guidance for accounting and financial reporting of government combinations, including mergers, acquisitions, and transfers of operations, and disposals of government operations, and requires, among other things, disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. In a government acquisition in which the consideration provided exceeds the net position acquired, the statement requires the excess (formerly known as "goodwill") be recognized as a deferred outflow of resources and those deferred outflows should be attributed to future periods in a systematic and rational manner, based on professional judgment, considering the relevant circumstances at the time of acquisition.

Consideration in excess of value of assets acquired, which resulted from total liabilities assumed exceeding total assets acquired at the time of purchase of the LCRA West Travis County water and wastewater system in fiscal year 2012, is stated at cost and is being amortized systematically over a period of forty years. As of September 30, 2020, consideration in excess of value of assets acquired, net totaled \$11,163,029. For the year ending September 30, 2020, amortization expense was \$360,098.

Long-Term Debt - 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 over the life of the bonds. 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 received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, including bond insurance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions - The fiduciary net position of the Texas County and District Retirement System (“TCDRS”) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TCDRS’s fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows and Inflows of Resources - The PUA 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 PUA’s net position that is applicable to a future reporting period, and deferred inflows of resources, which represent the PUA’s acquisition of net position applicable to a future reporting period.

The PUA 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 6 and Note 10 for additional information on deferred outflows and inflows of resources.

Fund Balance - The PUA’s fund balance classifications are presented in accordance 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 9 for additional information on those fund balance classifications.

Fair Value Measurements - The PUA 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 June 15, 2021. 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, 2022.

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, 2020. 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 cost 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, 2022.

## 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	\$ 106,938,596
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.	473,590
Capital assets, consideration in excess of value of assets acquired, and other noncurrent assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets, net of accumulated depreciation	128,968,147
Consideration in excess of value of assets acquired, net of accumulated amortization	11,163,029
Net pension asset is not receivable in the current period and, therefore, is not reported in the funds.	250,259
The following liabilities and deferred outflows and inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds:	
Pension contributions after measurement date	164,441
Deferred outflows related to pension asset	142,284
Deferred inflows related to pension asset	(127,812)
Bonds payable, including premiums and discounts	(197,679,490)
Less: Deferred charges on bond refundings	15,370,046
Due to developers for utility facility acquisition	(3,255,364)
Bond interest payable	(975,720)
Total net position	<u>\$ 61,432,006</u>

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

Deficiency of revenues and other financing sources under expenditures and other financing uses	\$ (10,837,988)
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	7,452,425
Contributed assets	1,509,051
Depreciation expense	(7,191,434)
Amortization expense	(360,098)
Disposal of capital assets	(93,137)
Bond proceeds and other debt provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Bond principal payments	23,655,000
Payment to developers for utility facility acquisition	1,440,505
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.	
Pension contributions made before the measurement date	55,156
Pension contributions made after the measurement date	164,441
Adjustments for ending deferred outflows and inflows related to net pension asset	(184,803)
Change in bond interest payable	114,760
Amortization of bond discount	(29,801)
Amortization of deferred charges on bond refunding	(608,929)
Amortization of bond insurance costs	(106,169)
Amortization of bond premium	609,570
Change in net position	<u><u>\$ 15,588,549</u></u>

### 3. Cash, Cash Equivalents and Temporary Investments

The PUA's deposits are required to be secured in the manner provided by law for the security of the funds. At September 30, 2020, 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 PUA to invest in funds under a written investment policy. The PUA's investment policy is approved annually by the Board. The primary objectives of the PUA's investment strategy, in order of priority, are safety, liquidity, and yield.

Investments held as of September 30, 2020 consisted of the following:

Type	Fair Value	Weighted Average Maturity (Days)	Standard & Poor's Rating
U.S. Government Notes	\$ 17,862,704	92	AA+
Corporate Bonds	6,299,272	35	AA - AAA
Municipal Bonds	45,731,607	577	A - AAA
U.S. Agencies:			
Federal Farm Credit Bank	3,009,706	31	AA+
Federal Home Loan Mortgage	3,036,562	34	AA+
Federal National Mortgage Assn.	1,725,644	21	AA+
Federal Home Loan Bank	4,276,179	23	AA+
Total	<u>\$ 81,941,674</u>		

The PUA invests excess funds in U.S. government notes, corporate bonds, municipal bonds, and U.S. agency securities and are valued using Level 1 inputs that are based on market data obtained from independent sources. The investments are reported by the PUA at fair value in accordance with GASB Statement No. 72.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. As of September 30, 2020, investments had ratings from Standard & Poor's in compliance with the PUA's investment policy.

Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the PUA's name. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the PUA, and are held by either the counterparty or the counterparty's trust department or agent but not in the PUA's name. As of September 30, 2020, the PUA was not exposed to custodial credit risk.



Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributable to the magnitude of investments in a single issuer. Information regarding investments in any one issuer that represents five percent or more of the PUA's total investments must be disclosed under GASB Statement No. 40, excluding investments issued or explicitly guaranteed by the U.S. government. As of September 30, 2020, the PUA's investments which require disclosure are as follows:

Issuer	Fair Value	Percentage of Portfolio
Federal Home Loan Bank	\$ 4,276,179	5%

Interest Rate Risk - As a means of minimizing risk of loss due to interest rate fluctuations, the PUA's investment policy requires that individual investments have a maximum allowable maturity of five years, unless otherwise stated in the investment policy. The PUA's investments had weighted-average maturities at September 30, 2020 in compliance with the PUA's investment policy. As of September 30, 2020, the PUA was not exposed to significant interest rate risk.

#### 4. Interfund Receivables, Payables and Transfers

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, 2020 is as follows:

Receivable Fund	Payable Fund	Amount
Impact Fee Fund	General Fund	\$ 202,360
General Fund	Capital Projects Fund	6,562,765
Total		<u>\$ 6,765,125</u>

During the year, the General Fund and the Impact Fee Fund transferred \$8,731,000 and \$20,227,320, respectively, to the Debt Service Fund to fund principal and interest payments due on the outstanding bonds, as well as to fund an early redemption on the Series 2015 bonds.

## 5. Capital Assets

Capital assets activity for the year ended September 30, 2020 was as follows:

	Balance September 30, 2019	Additions	Retirements and Transfers	Balance September 30, 2020
Capital assets not being depreciated:				
Land	\$ 6,097,409	-	-	6,097,409
Construction in progress	2,644,199	7,091,091	(1,541,781)	8,193,509
Total capital assets not being depreciated	8,741,608	7,091,091	(1,541,781)	14,290,918
Capital assets being depreciated/amortized:				
Water production, transmission, and distribution facilities and wastewater collection and treatment facilities	167,160,157	2,251,401	1,448,644	170,860,202
Vehicles	967,866	60,519	-	1,028,385
Leasehold improvements	187,052	-	-	187,052
Total capital assets being depreciated/amortized	168,315,075	2,311,920	1,448,644	172,075,639
Less accumulated depreciation and amortization for:				
Water production, transmission, and distribution facilities and wastewater collection and treatment facilities	(49,594,024)	(7,100,282)	-	(56,694,306)
Vehicles	(571,386)	(72,774)	-	(644,160)
Leasehold improvements	(41,566)	(18,378)	-	(59,944)
Total accumulated depreciation and amortization	(50,206,976)	(7,191,434)	-	(57,398,410)
Total capital assets being depreciated/amortized, net	118,108,099	(4,879,514)	1,448,644	114,677,229
Capital assets, net	\$ 126,849,707	2,211,577	(93,137)	128,968,147

## 6. Deferred Charges on Bond Refundings

The following is a summary of changes in deferred charges on bond refundings for the year ended September 30, 2020:

	Beginning Balance	Additions	Retirements	Ending Balance
Deferred charges on bond refundings	<u>\$ 15,978,975</u>	<u>-</u>	<u>(608,929)</u>	<u>15,370,046</u>

## 7. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2020:

	Balance September 30, 2019	Additions	Retirements	Balance September 30, 2020
Series 2013 bonds	\$ 6,180,000	-	(3,035,000)	3,145,000
Series 2015 bonds	36,270,000	-	(20,135,000)	16,135,000
Series 2017 bonds	149,015,000	-	(195,000)	148,820,000
Series 2019 bonds	15,595,000	-	(290,000)	15,305,000
Premiums on bonds	14,913,862	-	(609,570)	14,304,292
Discounts on bonds	<u>(59,603)</u>	<u>-</u>	<u>29,801</u>	<u>(29,802)</u>
Total	<u>\$ 221,914,259</u>	<u>-</u>	<u>(24,234,769)</u>	<u>197,679,490</u>

As of September 30, 2020, long-term debt was comprised of the following:

### Revenue and Refunding Bonds:

\$3,145,000 - Series 2013 Revenue and Refunding Bonds payable serially through the year 2021 at interest rates which range from 2.00% to 5.50%.

\$16,135,000 - Series 2015 Revenue Bonds payable serially through the year 2035 at interest rates which range from 2.00% to 5.00%.

\$148,820,000 - Series 2017 Revenue Refunding Bonds payable serially through the year 2045 at interest rates which range from 2.00% to 5.00%.

\$15,305,000 - Series 2019 Revenue Bonds payable serially through the year 2049 at interest rates which range from 3.00% to 5.00%.

In June 2020, the PUA made early payments of \$19,730,000 on its Series 2015 bonds prior to its scheduled maturity date. The Series 2015 bonds paid had maturity dates of August 2036 through 2046. These early payments resulted in overall debt service savings to the PUA of approximately \$9,323,000.

Debt service requirements to maturity for PUA's bonds are summarized as follows:

Fiscal Year	Principal	Interest	Total Requirement
2021	\$ 4,130,000	7,805,762	11,935,762
2022	4,410,000	7,609,163	12,019,163
2023	4,695,000	7,400,812	12,095,812
2024	5,015,000	7,169,213	12,184,213
2025	5,310,000	6,925,062	12,235,062
2026-2030	31,095,000	30,616,211	61,711,211
2031-2035	39,020,000	22,891,395	61,911,395
2036-2040	38,980,000	15,148,188	54,128,188
2041-2045	47,435,000	6,706,450	54,141,450
2046-2049	3,315,000	424,500	3,739,500
Total	<u>\$ 183,405,000</u>	<u>112,696,756</u>	<u>296,101,756</u>

The PUA defeased outstanding general obligation bonds through the Series 2017 Revenue Refunding Bonds by placing the proceeds of the new bonds and additional payments from the PUA in an irrevocable trust to provide for the future debt service payments on the old bonds. Accordingly, the trust account assets and defeased bonds are not included in the PUA's financial statements. As of September 30, 2020, outstanding bonds of \$145,760,000 are considered defeased.

As of September 30, 2020, revenue bonds of \$218,215,000 and refunding bonds of \$196,890,000 were authorized by the PUA and all were issued.

## 8. Commitments and Contingencies

The PUA is involved in various legal proceedings which arise from time to time in the normal course of business. While the ultimate results of such matters generally cannot be predicted with certainty, management does not expect any such matters to have a material adverse effect on the financial position of the PUA or its results of operations as of September 30, 2020.

**Operating Leases** - The PUA leases office space under non-cancellable, operating lease agreements. Total rent expense for all operating leases was \$189,269 for the year ended September 30, 2020. The following is a schedule of future minimum lease payments required under these operating leases as of September 30, 2020:

2021	\$ 195,732
2022	204,786
2023	214,718
2024	225,012
2025	235,954
Thereafter	<u>20,262</u>
Total	<u>\$ 1,096,464</u>

**Due to Developers for Utility Facility Acquisition** - As part of the Purchase Agreement entered with the LCRA, the PUA inherited and assumed certain obligations due on utility facility development and construction agreements entered into with various developers. As part of the original agreements, costs incurred by the developers in the creation of water and wastewater utilities were to be reimbursed by the LCRA. Pursuant to the Purchase Agreement, the PUA has taken on the liabilities to these developers under the various utility facility development and construction agreements. These liabilities are based on the allowed water and wastewater facility development and construction expenses incurred by the developers and estimates are subject to change. As of September 30, 2020, the outstanding liability owed to the various developers totaled \$3,255,364 and developer commitments under utility facility development and construction agreements totaled \$5,261,357.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. While the disruption is expected to be temporary, there is uncertainty around the severity and duration. Due to the nature of the PUA's services, the pandemic may negatively impact the PUA's business, results of operations, and financial position; however, the related financial impact cannot be reasonably estimated at this time. The PUA is actively managing its operations to maintain its cash flow and management believes that the PUA has adequate liquidity.

## **9. Fund Balances**

For the year ended September 30, 2020, the PUA has presented fund balance classifications in accordance 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, the Board may appropriate amounts that are to be used for a specific purpose. 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 PUA's General Fund.

The detail of the fund balances is included in the Governmental Funds Balance Sheet on page 11. Fund balance of the PUA may be committed for a specific purpose by formal action of the Board, the PUA'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. As of September 30, 2020, spending and commitments and assignments of fund balance have been executed in accordance with the PUA's GASB 54 policy. Under the policy, 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.

As part of the bond agreement for the Series 2013 issuance, the PUA agreed to maintain separate and special accounts known as the Rate Stabilization Fund and the Facilities Fund. The Rate Stabilization Fund is an account which holds funds that may be used at the discretion of the PUA for any lawful purpose, including capital additions and improvements to the PUA's water and wastewater system and to enable the PUA to manage rates and charges, provided, however, that such funds shall be used in the following order of priority: 1) first for funding of operating and maintenance reserves and payment of principal and interest on debt obligations, 2) redemption or defeasance of outstanding obligations, if economically advantageous, and 3) transfer to the Facilities Account for payment of costs of any capital additions and improvements. The Facilities Fund is an account which holds transfers from the General Fund for times coverage for payment of capital additions and improvements, including reimbursement of such costs. As funds transferred to either of these accounts are for specific purposes pursuant to approval by formal action by the Board, they are considered committed fund balance in the General Fund and are shown as such on the governmental funds balance sheet on page 11.

## **10. Defined Benefit Pension Plan**

### **Plan Description**

The PUA provides retirement, disability, and death benefits for all of its non-temporary full-time employees through a nontraditional defined benefit pension plan administered by TCDRS. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 798 active participating counties and districts throughout Texas. TCDRS in the aggregate issues a comprehensive annual financial report ("CAFR") on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas State statutes governing TCDRS ("TCDRS Act"). Members can retire at age 60 and above with 8 or more years of service, after 30 years of service, or when service time plus age equals 75 but must leave their accumulated contributions in the plan to receive any employer-finance benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

## Benefits Provided

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and the employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act, so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employee membership data related to the Plan, as of the valuation date of December 31, 2019 was as follows:

Retirees and beneficiaries currently receiving benefits	-
Terminated employees entitled to but not yet receiving benefits	22
Active plan members	34
Total	<u>56</u>

## Contributions

The PUA has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The PUA contributed using the actuarially determined rate of 9.24% for 2020 as adopted by the governing body of the PUA. The employee contribution rate was 7.00%. The employee contribution rate and the employer contribution rate may be changed by the governing body of the PUA within the options available in the TCDRS Act. The required contribution and actual contributions for the year ended September 30, 2020 equaled \$219,597.

## Net Pension Asset

### Actuarial Assumptions

The PUA's net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level percentage of payroll, closed
Amortization Period	0.0 years
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation
Investment Rate of Return	8.10%
Cost-of-Living Adjustments	Cost-of-Living Adjustments for the PUA are not considered to be automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB 68 calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Between ages 40 and 74 with various rates of service retirement by gender: low of 4.5% for age 40-44 to high of 25.0% for age 65-66 for males and females
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.
Mortality:	
Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
Service retirees, beneficiaries and non-depositing members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Disabled retirees	130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The actuarial assumptions that determined the total pension liability as of December 31, 2019 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB 68.



### Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on April 2020 information for a 10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2017.

Asset Class	Benchmark	Target Allocation (a)	Geometric Real Rate of Return (Expected minus Inflation) (b)
US Equities	Dow Jones U.S. Total Stock Market Index	14.50%	5.20%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (c)	20.00%	8.20%
Global Equities	MSCI World (net) Index	2.50%	5.50%
International Equities - Developed	MSCI World Ex USA (net) Index	7.00%	5.20%
International Equities - Emerging	MSCI Emerging Markets (net) Index	7.00%	5.70%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	-0.20%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.00%	3.14%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.00%	7.16%
Distressed Debt	Cambridge Associates Distressed Securities Index (d)	4.00%	6.90%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	3.00%	4.50%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	8.40%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (e)	6.00%	5.50%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	8.00%	2.30%

(a) Target asset allocation adopted at the June 2020 TCDRS Board meeting.

(b) Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.80%, per Cliffwater's 2020 capital market assumptions.

(c) Includes vintage years 2006-present of Quarter Pooled Horizon internal rates of return.

(d) Includes vintage years 2005-present of Quarter Pooled Horizon internal rates of return.

(e) Includes vintage years 2007-present of Quarter Pooled Horizon internal rates of return.

### Discount Rate

The discount rate used to measure the total pension liability was 8.10%. This rate reflects the long-term rate of return funding valuation assumption of 8.00%, plus 0.10% adjustment to be gross of administrative expenses as required by GASB 68. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active, inactive, and retired members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return, and the municipal bond rate does not apply.

### **Changes in Net Pension Asset**

Changes in the PUA's net pension asset for the valuation year ended December 31, 2019 are as follows:

	Total Pension Liability	Increase (Decrease) Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balance as of December 31, 2018	\$ 686,220	\$ 767,277	\$ (81,057)
Changes for the year:			
Service cost	344,682	-	344,682
Interest on total pension liability (1)	83,045	-	83,045
Effect of plan changes (2)	-	-	-
Effect of economic/demographic gains or losses	(91,585)	-	(91,585)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(11,541)	(11,541)	-
Benefit payments	-	-	-
Administrative expenses	-	(961)	961
Member contributions	-	156,523	(156,523)
Net investment income	-	125,640	(125,640)
Employer contributions	-	211,753	(211,753)
Other (3)	-	12,389	(12,389)
Balance as of December 31, 2019	<u>\$ 1,010,821</u>	<u>\$ 1,261,080</u>	<u>\$ (250,259)</u>

(1) Reflects the change in the liability due to the time value of money. TCERS does not charge fees or interest.

(2) Reflects plan changes adopted effective in 2020.

(3) Relates to allocation of system-wide items.

## Sensitivity Analysis

The following presents the net pension liability (asset) of the PUA, calculated using the discount rate of 8.10%, as well as what the PUA's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (7.10%) or 1 percentage point higher (9.10%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	7.10%	8.10%	9.10%
Total pension liability	\$ 1,196,845	\$ 1,010,821	\$ 859,785
Fiduciary net position	1,261,080	1,261,080	1,261,080
Net pension liability/(asset)	<u>\$ (64,235)</u>	<u>\$ (250,259)</u>	<u>\$ (401,295)</u>

## Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended September 30, 2020, the PUA recognized pension expense of \$184,803. As of September 30, 2020, the deferred outflows and inflows of resources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 142,284	\$ 120,990
Net difference between projected and actual earnings	-	6,276
Changes of assumptions	-	546
Contributions made subsequent to measurement date	164,441	-
Total	<u>\$ 306,725</u>	<u>\$ 127,812</u>

The \$164,441 reported as deferred outflows of resources related to pensions resulting from PUA contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended September 30, 2021. The remaining amounts currently reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	Pension Expense Amount
2021	\$ 1,796
2022	1,565
2023	263
2024	(9,732)
2025	42
Thereafter	20,538
	<u>\$ 14,472</u>

## **11. Risk Management**

The PUA is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The PUA has obtained coverage from the Texas Municipal League Intergovernmental Risk Pool (“TML Pool”) to effectively manage its risk. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The TML Pool was established by various political subdivisions in Texas to provide self-insurance for its members and to obtain lower costs for insurance. TML Pool members pay annual contributions to obtain the insurance. Annual contribution rates are determined by the TML Pool board. Rates are estimated to include all claims expected to occur during the policy including claims incurred but not reported. The TML Pool has established claims reserves for each of the types of insurance offered. Although the TML Pool is a self-insured risk pool, members are not contingently liable for claims filed above the amount of the fixed annual contributions. If losses incurred are significantly higher than actuarially estimated, the TML Pool adjusts the contribution rate for subsequent years. Members may receive returns of contributions if actual results are more favorable than estimated.

## **Required Supplementary Information**

# West Travis County Public Utility Agency

## Schedule of Changes in Net Pension Liability (Asset) and Related Ratios September 30, 2020

	Year Ended December 31, 2019*	Year Ended December 31, 2018*	Year Ended December 31, 2017*	Year Ended December 31, 2016*
<b>Total Pension Liability</b>				
Service cost	\$ 344,682	\$ 348,223	\$ 119,674	\$ 28,142
Interest on total pension liability	83,045	54,891	12,066	1,118
Effect of plan changes	-	-	-	-
Effect of assumption changes or inputs	-	-	(663)	23
Effect on economic/demographic (gains) or losses	(91,585)	(42,524)	172,751	-
Benefit payments/refunds of contributions	(11,541)	(7,481)	-	-
Net change in total pension liability	324,601	353,109	303,828	29,283
Total pension liability, beginning	686,220	333,111	29,283	-
Total pension liability, ending (a)	<u>\$ 1,010,821</u>	<u>\$ 686,220</u>	<u>\$ 333,111</u>	<u>\$ 29,283</u>
<b>Fiduciary Net Position</b>				
Employer contributions	\$ 211,753	\$ 224,461	\$ 210,021	\$ 17,381
Member contributions	156,523	151,080	138,442	11,456
Investment income net of investment expenses	125,640	(3,193)	9,878	-
Benefit payments/refunds of contributions	(11,541)	(7,481)	-	-
Administrative expenses	(961)	(616)	(262)	-
Other	12,389	11,005	4,668	437
Net change in fiduciary net position	493,803	375,256	362,747	29,274
Fiduciary net position, beginning	767,277	392,021	29,274	-
Fiduciary net position, ending (b)	<u>\$ 1,261,080</u>	<u>\$ 767,277</u>	<u>\$ 392,021</u>	<u>\$ 29,274</u>
Net pension liability / (asset), ending = (a) - (b)	\$ (250,259)	\$ (81,057)	\$ (58,910)	\$ 9
Fiduciary net position as a % of total pension liability	124.76%	111.81%	117.68%	99.97%
Pensionable covered payroll	\$ 2,236,038	\$ 2,158,282	\$ 1,977,741	\$ 163,664
Net pension liability (asset) as a % of covered payroll	-11.19%	-3.76%	-2.98%	0.01%

\* Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

## West Travis County Public Utility Agency

### Schedule of Agency Contributions September 30, 2020

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Year Ending September 30 **	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Deficiency (Excess)	Pensionable Covered Payroll *	Actual Contribution as a % of Covered Payroll
2017	\$ 167,287	167,287	-	1,575,205	10.6%
2018	\$ 221,706	221,706	-	2,119,811	10.5%
2019	\$ 219,468	219,468	-	2,258,133	9.7%
2020	\$ 219,597	219,597	-	2,362,092	9.3%

\* Payroll is calculated based on contributions as reported to TCDRS.

\*\* Schedule is intended to show information for 10 years.  
Additional years will be displayed as they become available.

# West Travis County Public Utility Agency

## Notes to Required Supplementary Information Year Ended September 30, 2020

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### 1. Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The following methods and assumptions were used to determine the contributions rates:

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level percentage of payroll, closed
Amortization Period	0.0 years
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation
Investment Rate of Return	8.10%
Cost-of-Living Adjustments	Cost-of-Living Adjustments for the District are not considered to be automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB 68 calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Between ages 40 and 74 with various rates of service retirement by gender: low of 4.5% for age 40-44 to high of 25.0% for age 65-66 for males and females
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.
Mortality:	
Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
Service retirees, beneficiaries and non-depositing members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Disabled retirees	130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.



## **2. Change in Assumptions**

There were no changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period.

## **Supplemental Information**

# **West Travis County Public Utility Agency**

## **Index of Supplemental Schedules Year Ended September 30, 2020**

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SI-1	Notes Required by the Water Agency Accounting Manual
SI-2	Schedule of Services and Rates
SI-3	Schedule of Temporary Investments
SI-4	Long-Term Debt Service Requirements by Years
SI-5	Analysis of Changes in Long-Term Debt
SI-6	Board Members, Key Personnel and Consultants

## West Travis County Public Utility Agency

### SI-1 Notes Required by the Water Agency Accounting Manual Year Ended September 30, 2020

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The notes which follow are not necessarily required for fair presentation of the audited basic financial statements of the PUA which are contained in the preceding section of this report.

(A) Creation of PUA

See Note 1 to basic financial statements.

(B) Contingent Liabilities

See Note 8 to basic financial statements.

(C) Pension Coverage

See Note 10 to basic financial statements.

(D) Pledge of Revenues

See Note 7 to basic financial statements.

(E) Compliance with Debt Service Requirements

The provisions of the bond resolutions as summarized in Note 7 to basic financial statements relating to debt service requirements have been met.

(F) Redemption of Bonds

See Note 7 to basic financial statements.

# West Travis County Public Utility Agency

## SI-2 Schedule of Services and Rates Year Ended September 30, 2020

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### 1. Services Provided by the Agency:

- |  |  |  |
|--|--|--|
| <input checked="" type="checkbox"/> Retail Water   | <input checked="" type="checkbox"/> Wholesale Water      | <input type="checkbox"/> Drainage              |
| <input checked="" type="checkbox"/> Retail Wastewater  | <input checked="" type="checkbox"/> Wholesale Wastewater | <input checked="" type="checkbox"/> Irrigation |
| <input type="checkbox"/> Parks/Recreation  | <input type="checkbox"/> Fire Protection                 | <input type="checkbox"/> Security              |
| <input type="checkbox"/> Solid Waste/Garbage   | <input type="checkbox"/> Flood Control                   | <input type="checkbox"/> Roads                 |
| <input type="checkbox"/> Participates in joint venture, regional system and or wastewater service<br>(other than emergency interconnect) |  |  |
| <input checked="" type="checkbox"/> Other (specify):   | <u>Raw Water and Effluent Water</u>                      |  |

### 2. Retail Service Providers:

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

	<u>Minimum Charge (1)</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate per 1,000 Gallons Over Minimum (1)</u>	<u>Usage Levels</u>
Water	<u>\$ 29.53</u>	<u>N/A</u>	<u>N</u>	<u>\$ 4.70</u>	<u>0 to 10,000</u>
				<u>5.87</u>	<u>10,001 to 20,000</u>
				<u>9.13</u>	<u>20,001 to 35,000</u>
				<u>13.70</u>	<u>35,001 to 50,000</u>
				<u>15.75</u>	<u>50,001 to 80,000</u>
				<u>18.11</u>	<u>80,001 above</u>
Wastewater	<u>\$ 45.38</u>	<u>N/A</u>	<u>N</u>	<u>\$ 6.38</u>	<u>0 to above</u>
Surcharge	<u>N/A</u>				

Agency employs winter averaging for wastewater usage? ☒ Yes (2) ☐ No

Total charges per 10,000 gallons usage: Water: \$ 76.53 (1) Wastewater: \$ 109.18 (1)

(1) Rates indicated above are for Retail Residential customers. See Other Supplemental Schedules for rates for non-residential customers.

(2) Agency employs winter averaging for residential customers only. Winter averaging is not employed for commercial customers.

(continued)

## West Travis County Public Utility Agency

### SI-2 Schedule of Services and Rates (continued) Year Ended September 30, 2020

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#### b. Water and Wastewater Retail Connections:

<u>Meter Size</u>	<u>Total Connections</u>
<=3/4"	8,198
1"	168
1 1/2"	112
2"	127
3"	10
4"	1
6"	2
8"	1
10"	-
Total Water	8,619
Total Wastewater	2,476

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

Gallons pumped into system:	<u>3,075,607,000</u>	Water Accountability Ratio:
Gallons billed to customers:	<u>2,893,346,000</u>	(Gallons billed/Gallons pumped)
		<u>94.07%</u>

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

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

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

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

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

(continued)

## West Travis County Public Utility Agency

### SI-2 Schedule of Services and Rates (continued) Year Ended September 30, 2020

---

#### 5. Location of Agency:

County(ies) in which agency is located:

Travis and Hays

Is the Agency located entirely within one county?

☐ Yes ☒ No

Is the Agency located within a city?

☐ Entirely ☒ Partly ☐ Not at all

City(ies) in which Agency is located:

City of Bee Cave, Village of Bear Creek,  
City of Dripping Springs

Is the Agency located within a city's extra-territorial jurisdiction (ETJ)?

☒ Entirely ☐ Partly ☐ Not at all

ETJ's in which agency is located:

City of Bee Cave, Village of Bear Creek,  
City of Dripping Springs, City of Austin

Are Board members appointed by an office outside the Agency?

☒ Yes ☐ No

If yes, by whom?

City of Bee Cave, Texas; Hays County;  
Lake Pointe Municipal Utility District

**Other  
Supplemental Information**



# West Travis County Public Utility Agency

## SI-3 Schedule of Temporary Investments Year Ended September 30, 2020

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at September 30, 2020	Accrued Interest Receivable at September 30, 2020
<u>General Fund:</u>					
U.S. Government Notes	Various	Various	Various	\$ 3,098,149	\$ 10,426
Corporate Bonds	Various	Various	Various	819,346	4,580
Municipal Bonds	Various	Various	Various	6,803,046	32,333
U.S. Agencies:					
Federal Farm Credit Bank	Various	Various	Various	437,482	748
Federal Home Loan Mortgage	Various	Various	Various	443,229	519
Federal National Mortgage Association	3135G0V75	1.75%	7/2/2024	248,028	1,017
Federal Home Loan Bank	Various	Various	Various	686,358	811
Total Temporary Investments - General Fund				12,535,638	50,434
<u>Debt Service Fund:</u>					
U.S. Government Notes	Various	Various	Various	1,255,088	4,434
Corporate Bonds	Various	Various	Various	1,089,624	6,074
Municipal Bonds	Various	Various	Various	8,446,272	37,762
U.S. Agencies:					
Federal Farm Credit Bank	Various	Various	Various	617,242	1,057
Federal Home Loan Mortgage	Various	Various	Various	622,323	732
Federal National Mortgage Association	3135G0V75	1.75%	7/2/2024	353,572	1,449
Federal Home Loan Bank	Various	Various	Various	857,161	1,012
Total Temporary Investments - Debt Service Fund				13,241,282	52,520
<u>Capital Projects Fund:</u>					
U.S. Government Notes	Various	Various	Various	6,203,141	23,772
Corporate Bonds	Various	Various	Various	2,020,357	11,129
Municipal Bonds	Various	Various	Various	14,022,200	65,763
U.S. Agencies:					
Federal Farm Credit Bank	Various	Various	Various	900,262	1,541
Federal Home Loan Mortgage	Various	Various	Various	903,463	1,063
Federal National Mortgage Association	3135G0V75	1.75%	7/2/2024	517,167	2,120
Federal Home Loan Bank	Various	Various	Various	1,246,780	1,472
Total Temporary Investments - Capital Projects Fund				25,813,370	106,860
<u>Impact Fee Fund:</u>					
U.S. Government Notes	Various	Various	Various	7,306,326	27,352
Corporate Bonds	Various	Various	Various	2,369,945	13,055
Municipal Bonds	Various	Various	Various	16,460,089	77,204
U.S. Agencies:					
Federal Farm Credit Bank	Various	Various	Various	1,054,720	1,805
Federal Home Loan Mortgage	Various	Various	Various	1,067,547	1,254
Federal National Mortgage Association	3135G0V75	1.75%	7/2/2024	606,877	2,488
Federal Home Loan Bank	Various	Various	Various	1,485,880	1,754
Total Temporary Investments - Impact Fee Fund				30,351,384	124,912
Total All Funds				\$ 81,941,674	\$ 334,726

# West Travis County Public Utility Agency

## SI-4 Long-Term Debt Service Requirements by Years September 30, 2020

Due During Fiscal Years Ending 9/30	West Travis County Public Utility Agency Revenue and Refunding Bonds, Series 2013			West Travis County Public Utility Agency Revenue Bonds, Series 2015			West Travis County Public Utility Agency Revenue Refunding Bonds, Series 2017			West Travis County Public Utility Agency Revenue Bonds, Series 2019			Total		
	Principal Due 8/15	Interest Due 2/15, 8/15	Total	Principal Due 8/15	Interest Due 2/15, 8/15	Total	Principal Due 8/15	Interest Due 2/15, 8/15	Total	Principal Due Various	Interest Due Various	Total	Principal Due Various	Interest Due Various	Total
2021	\$ 3,145,000	157,250	3,302,250	\$ 490,000	619,962	1,109,962	\$ 200,000	6,392,000	6,592,000	\$ 295,000	636,550	931,550	\$ 4,130,000	7,805,762	11,935,762
2022	-	-	-	595,000	595,463	1,190,463	3,505,000	6,386,000	9,891,000	310,000	627,700	937,700	4,410,000	7,609,163	12,019,163
2023	-	-	-	695,000	571,662	1,266,662	3,685,000	6,210,750	9,895,750	315,000	618,400	933,400	4,695,000	7,400,812	12,095,812
2024	-	-	-	815,000	536,913	1,351,913	3,870,000	6,026,500	9,896,500	330,000	605,800	935,800	5,015,000	7,169,213	12,184,213
2025	-	-	-	910,000	496,162	1,406,162	4,060,000	5,833,000	9,893,000	340,000	595,900	935,900	5,310,000	6,925,062	12,235,062
2026	-	-	-	995,000	459,763	1,454,763	4,265,000	5,630,000	9,895,000	350,000	585,700	935,700	5,610,000	6,675,463	12,285,463
2027	-	-	-	1,100,000	419,962	1,519,962	4,475,000	5,416,750	9,891,750	360,000	575,200	935,200	5,935,000	6,411,912	12,346,912
2028	-	-	-	1,140,000	386,962	1,526,962	4,700,000	5,193,000	9,893,000	375,000	560,800	935,800	6,215,000	6,140,762	12,355,762
2029	-	-	-	1,180,000	349,912	1,529,912	4,935,000	4,958,000	9,893,000	390,000	545,800	935,800	6,505,000	5,853,712	12,358,712
2030	-	-	-	1,235,000	296,812	1,531,812	5,185,000	4,711,250	9,896,250	410,000	526,300	936,300	6,830,000	5,534,362	12,364,362
2031	-	-	-	1,290,000	255,132	1,545,132	5,440,000	4,452,000	9,892,000	430,000	505,800	935,800	7,160,000	5,212,932	12,372,932
2032	-	-	-	1,340,000	209,982	1,549,982	5,710,000	4,180,000	9,890,000	450,000	484,300	934,300	7,500,000	4,874,282	12,374,282
2033	-	-	-	1,395,000	163,082	1,558,082	5,940,000	3,951,600	9,891,600	475,000	461,800	936,800	7,810,000	4,576,482	12,386,482
2034	-	-	-	1,450,000	112,556	1,562,556	6,180,000	3,714,000	9,894,000	490,000	447,550	937,550	8,120,000	4,274,106	12,394,106
2035	-	-	-	1,505,000	54,556	1,559,556	6,425,000	3,466,800	9,891,800	500,000	432,237	932,237	8,430,000	3,953,593	12,383,593
2036	-	-	-	-	-	-	6,685,000	3,209,800	9,894,800	515,000	415,988	930,988	7,200,000	3,625,788	10,825,788
2037	-	-	-	-	-	-	6,950,000	2,942,400	9,892,400	530,000	399,250	929,250	7,480,000	3,341,650	10,821,650
2038	-	-	-	-	-	-	7,230,000	2,664,400	9,894,400	555,000	378,050	933,050	7,785,000	3,042,450	10,827,450
2039	-	-	-	-	-	-	7,520,000	2,375,200	9,895,200	575,000	355,850	930,850	8,095,000	2,731,050	10,826,050
2040	-	-	-	-	-	-	7,815,000	2,074,400	9,889,400	605,000	332,850	937,850	8,420,000	2,407,250	10,827,250
2041	-	-	-	-	-	-	8,130,000	1,761,800	9,891,800	625,000	308,650	933,650	8,755,000	2,070,450	10,825,450
2042	-	-	-	-	-	-	8,455,000	1,436,600	9,891,600	655,000	283,650	938,650	9,110,000	1,720,250	10,830,250
2043	-	-	-	-	-	-	8,795,000	1,098,400	9,893,400	675,000	257,450	932,450	9,470,000	1,355,850	10,825,850
2044	-	-	-	-	-	-	9,150,000	746,600	9,896,600	705,000	230,450	935,450	9,855,000	977,050	10,832,050
2045	-	-	-	-	-	-	9,515,000	380,600	9,895,600	730,000	202,250	932,250	10,245,000	582,850	10,827,850
2046	-	-	-	-	-	-	-	-	-	770,000	165,750	935,750	770,000	165,750	935,750
2047	-	-	-	-	-	-	-	-	-	805,000	127,250	932,250	805,000	127,250	932,250
2048	-	-	-	-	-	-	-	-	-	850,000	87,000	937,000	850,000	87,000	937,000
2049	-	-	-	-	-	-	-	-	-	890,000	44,500	934,500	890,000	44,500	934,500
	<u>\$ 3,145,000</u>	<u>157,250</u>	<u>3,302,250</u>	<u>\$ 16,135,000</u>	<u>5,528,881</u>	<u>21,663,881</u>	<u>\$ 148,820,000</u>	<u>95,211,850</u>	<u>244,031,850</u>	<u>\$ 15,305,000</u>	<u>11,798,775</u>	<u>27,103,775</u>	<u>\$ 183,405,000</u>	<u>112,696,756</u>	<u>296,101,756</u>

## West Travis County Public Utility Agency

### SI-5 Analysis of Changes in Long-Term Debt September 30, 2020

	Series 2013	Series 2015	Series 2017	Series 2019	Totals
Interest rate	2.00-5.50%	2.00-5.00%	2.00-5.00%	3.00-5.00%	
Dates interest payable	2/15; 8/15	2/15; 8/15	2/15; 8/15	2/15; 8/15	
Maturity dates	8/15/2021	8/15/2035	8/15/2045	8/15/2049	
Bonds outstanding, beginning of period	\$ 6,180,000	\$ 36,270,000	\$ 149,015,000	\$ 15,595,000	\$ 207,060,000
Bonds issued/acquired during current period	-	-	-	-	-
Bonds retired during current period	(3,035,000)	(20,135,000)	(195,000)	(290,000)	(23,655,000)
Bonds outstanding, end of period	<u>\$ 3,145,000</u>	<u>\$ 16,135,000</u>	<u>\$ 148,820,000</u>	<u>\$ 15,305,000</u>	<u>\$ 183,405,000</u>
Interest paid during current period	<u>\$ 263,875</u>	<u>\$ 1,438,062</u>	<u>\$ 6,398,250</u>	<u>\$ 645,573</u>	<u>\$ 8,745,760</u>
Paying agent's name & address:	BOK Financial Dallas, Texas	BOK Financial Dallas, Texas	BOK Financial Dallas, Texas	BOK Financial Dallas, Texas	
	Revenue Bonds	Refunding Bonds			
Bond authority:					
Amount authorized	\$ 218,215,000 *	\$ 196,890,000 *			
Amount issued	<u>(218,215,000)</u>	<u>(196,890,000)</u>			
Remaining to be issued	<u>\$ -</u>	<u>\$ -</u>			

Debt Service Fund cash and temporary investments balances as of September 30, 2020: \$ 14,833,884

Average annual debt service payments (principal & interest) for remaining term of debt: \$ 10,210,405

\* Since the PUA has no taxing authority, it has no specific standing authorization to issue bonds.

# West Travis County Public Utility Agency

## SI-6 Board Members, Key Personnel and Consultants September 30, 2020

Complete Agency Mailing Address: 13215 Bee Cave Pkwy, Building B Suite 11

Bee Cave, Texas 78738

Agency Business Telephone Number: (512) 263-0100

Submission date of the most recent Registration Form: N/A

Limit on fees of office that a director may receive during a fiscal year: N/A

Name and Address	Term of Office Appointed & Expires or Date Hired	Fees 9/30/20	Expense Reimbursements 9/30/20	Title at Year End
<u>Board Members:</u>				
Scott Roberts	Appointed 10/18 - 9/22	\$ -	\$ -	President
Jack Creveling	Appointed 8/20 - 7/24	-	-	Vice President
Walt Smith	Appointed 8/20 - 7/24	-	-	Secretary/Treasurer
Clint Garza	Appointed 8/20 - 7/24	-	-	Director
Jason Bethke	Appointed 8/20 - 7/24	-	-	Director
<u>Former Board Members:</u>				
Don Walden	Appointed 10/16 - 8/20	-	-	Former Vice President
Ray Whisenant	Appointed 10/16 - 8/20	-	-	Former Secretary/ Treasurer
Bill Goodwin	Appointed 10/16 - 8/20	-	-	Former Assistant Secretary
Eileen Brzoska	Appointed 3/18 - 8/20	-	-	Former Director

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

### Key Administrative Personnel-

Jennifer Riechers	2019	\$	177,847	\$	870	General Manager
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(continued)

## West Travis County Public Utility Agency

### SI-6 Board Members, Key Personnel and Consultants (continued) September 30, 2020

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Name and Address	Date Hired	Fees and Expense Reimbursements 9/30/20	Title at Year End
<u>Consultants:</u>			
Murfee Engineering Company	Dec-11	\$ 1,351,268	Engineer
Lloyd Gosselink Rochelle & Townsend, P.C.	Dec-11	412,895	Attorney
Specialized Public Finance Inc.	Dec-11	4,938	Financial Advisor
The Wallace Group, Inc.	Dec-11	1,658	Engineer
Nelisa Heddin Consulting, LLC	Dec-11	-	Rate Consultant
Maxwell Locke & Ritter LLP	Sep-12	88,000	Auditor
CP&Y, Inc.	Dec-17	186,657	Engineer

# **West Travis County Public Utility Agency**

## **Index of Other Supplemental Schedules Year Ended September 30, 2020**

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- OSI-1 Major PUA Water and Wastewater Customers
- OSI-2 Historical Condensed Statement of Operations
- OSI-3 Monthly Water Rates and Impact Fees of the Participants
- OSI-4 Monthly Wastewater Rates

# West Travis County Public Utility Agency

## OSI-1 Major PUA Water and Wastewater Customers September 30, 2020

Name of Rate Payer	Water		
	2020		
	Gallons Used	Revenue	% of Total Revenue
Spanish Oaks Owners Association	20,204,000	\$ 336,301	1.6%
Highpointe Community Association	11,962,000	209,241	1.0%
WSH 71 TX Partners, LLC	11,731,000	107,093	0.5%
CSHV HCG Retail & Office	9,151,000	95,750	0.4%
H E B	5,580,000	81,648	0.4%
Estates at Bee Cave	7,527,000	77,846	0.4%
Ladera HOA	3,602,000	55,961	0.3%
The Auberge at Bee Cave	4,651,000	54,833	0.3%
7 Oaks Neighborhood Association	3,252,000	53,441	0.2%
SWBC Falconhead LP	8,235,000	51,283	0.2%
	<u>85,895,000</u>	<u>\$ 1,123,397</u>	<u>5.3%</u>

Name of Rate Payer	Wastewater		
	2020		
	Gallons Used	Revenue	% of Total Revenue
CSHV HCG Retail & Office	9,151,000	\$ 133,345	2.9%
Estates at Bee Cave	7,527,000	120,303	2.6%
WSH 71 TX Partners, LLC	9,726,000	100,172	2.1%
SWBC Falconhead LP	8,235,000	70,765	1.5%
Hill Country Apartments	7,370,000	68,574	1.5%
H E B	3,482,000	61,210	1.3%
Inven Trust Property Management	4,520,000	44,985	1.0%
Lake Travis ISD	1,484,000	32,629	0.7%
Hill Country Galleria Hotel	3,171,000	30,720	0.6%
Whole Foods Market	2,385,000	24,965	0.5%
	<u>57,051,000</u>	<u>\$ 687,668</u>	<u>14.7%</u>

## West Travis County Public Utility Agency

### OSI-2 Historical Condensed Statement of Operations

September 30, 2020

	Year Ended September 30, 2020	Year Ended September 30, 2019	Year Ended September 30, 2018	Year Ended September 30, 2017	Year Ended September 30, 2016
Revenues and Expenses					
Gross Water and Wastewater System Revenue	\$ 27,075,578	26,576,550	27,894,945	25,646,460	22,618,368
Direct O&M Expense	10,410,631	9,883,405	10,048,087	10,464,185	11,072,137
Total Net Revenues	16,664,947	16,693,145	17,846,858	15,182,275	11,546,231
Impact Fees Recognized/Collected	10,353,761	12,039,356	13,595,918	9,358,123	6,891,383
Total Net Water and Wastewater System Income	<u>\$ 27,018,708</u>	<u>28,732,501</u>	<u>31,442,776</u>	<u>24,540,398</u>	<u>18,437,614</u>
	Retail	Wholesale (estimated)			
Water Connections	8,619	9,787			
Wastewater Connections	2,476	995			
Water Population Served (1)	55,218				
PUA General Operating Fund Unassigned Balance	26,029,272				
PUA Rate Stabilization Fund Balance	4,213,294				
PUA Facilities Fund Balance	8,277,404				
PUA Impact Fee Fund Balance	35,276,209				

(1) Calculated based upon 3 occupants/water connection.



## West Travis County Public Utility Agency

### OSI-3 Monthly Water Rates and Impact Fees of the Participants September 30, 2020

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#### Water Impact Fees:

	Bee Cave Rate District	Bee Cave South Rate District	Homestead/ Meadow Fox Rate District	HPR/290 Rate District	Water System Service Area	290 Water System Service Area
Historical Water Impact Fee	\$ 4,120	\$ 5,180	\$ 4,120	\$ 5,180	N/A	N/A
2012 Water Impact Fee	N/A	N/A	N/A	N/A	\$ 5,992	\$ 8,809
2015 Water Impact Fee	N/A	N/A	N/A	N/A	\$ 7,476	\$ 12,938
September 20, 2018 Water Impact Fee	N/A	N/A	N/A	N/A	\$ 3,776	\$ 6,139

The PUA assesses, collects and reports water and wastewater impact fees by rate districts. In addition, the PUA designs and constructs and accounts for capital improvement projects that provide water and wastewater services to existing/new development and associated system expansions to and within these rate districts.

Additional information about the PUA's tariff can be found on their website at the following address: <https://wtcpua.org/rates-and-policies>.

(continued)

## West Travis County Public Utility Agency

### OSI-3 Monthly Water Rates and Impact Fees of the Participants (continued) September 30, 2020

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#### Residential, Multi-Unit Residential and Multi-Use Facilities, Irrigation and Fire Hydrant Meters (Minimum Monthly Bill):

Meter Size	Base Fee
5/8"	\$ 29.53
3/4"	\$ 44.57
1"	\$ 81.09
1 1/2"	\$ 158.54
2"	\$ 184.62
3"	\$ 305.26
4"	\$ 499.14
6"	\$ 1,645.80
8"	\$ 1,993.47
12"	\$ 3,785.37

#### Volume Charge (per thousand gallons used):

#### Residential (with 5/8" and 3/4" meters), Irrigation and Fire Hydrant Meters:

Gallons	Base Fee
0-10,000	\$ 4.70
10,001-20,000	\$ 5.87
20,001-35,000	\$ 9.13
35,001-50,000	\$ 13.70
50,001-80,000	\$ 15.75
80,000 +	\$ 18.11

#### All Commercial:

Gallons	Base Fee
1 and above	\$ 5.50

#### Multi-Unit Residential and Multi-Use Facilities:

Gallons	Base Fee
1 and above	\$ 5.50

# West Travis County Public Utility Agency

## OSI-4 Monthly Wastewater Rates September 30, 2020

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### Wastewater Impact Fee per LUE:

	System Wide
Historical Water Impact Fee	\$ 5,250
2012 Wastewater Impact Fee	\$ 11,500
2015 Wastewater Impact Fee	\$ 11,644
September 20, 2018 Wastewater Impact Fee	\$ 7,868

### Monthly Fee Per Rate District

	Base Fee
Minimum Monthly Charge:	
Residential	\$ 45.38
Commercial (based on meter size 5/8")	\$ 45.38
Multi Family Residential/Multi-Use Facilities (based on meter size 5/8")	\$ 45.38
Volume Charge (per thousand gallons):	
Residential	\$ 6.38
Non-Residential	\$ 6.94
Multi-Use Residential/Multi-Use Facilities	\$ 6.94

Additional information about the PUA's tariff can be found on their website at the following address:  
<https://wtcpua.org/rates-and-policies>.

## **ITEM B**

By: Goodwin

AN ACT

H.B. No. 2805

relating to the board of directors of a public utility agency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
A BILL TO BE ENTITLED

SECTION 1. Section 572.057, Local Government Code, is amended by amending Subsection (b) and adding Subsections (b-1) and (c-1) to read as follows:

(b) Except as provided by Subsection (b-1), each ~~Each~~ director must be appointed by place by the governing bodies of the participating public entities. Each participating public entity is entitled to appoint at least one director.

(b-1) If a public utility agency has a service area that includes the unincorporated area of a county that is outside the boundaries of the agency's participating public entities, the commissioners court of the county may appoint the same number of directors as the number appointed by the participating public entity with the largest population that is less than the population of the unincorporated area.

(c-1) A director must be a customer of the public utility agency and reside within the area served by the agency.

SECTION 2. Section 572.057(c-1), Local Government Code, as added by this Act, applies only to the term of a director that begins on or after the effective date of this Act.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as

H.B. No. 2805

1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2021.

## **VI. CIP WORKSHOP**

# ITEM A



## Capital Projects Fund Spending Projection

### Funding Source: Bond Proceeds, Impact Fee Funds & Investment Income

Project	2021	2022	2023	2024	2025	Thereafter	Total
<b><u>System-wide</u></b>							
Uplands WTP-Design & Admin	\$ 575,000	\$ 525,000	\$ 435,000				\$ 1,535,000
Uplands WTP Expansion-Const		\$ 6,000,000	\$ 6,000,000			\$ 13,500,000	\$ 25,500,000
Raw Water Intake/Pump Station Expansion Ph 2-Design & Admin						\$ 330,000	\$ 330,000
Raw Water Intake/Pump Station Expansion Ph 2-Const						\$ 3,600,000	\$ 3,600,000
Raw Water TM #2-Design & Admin	\$ 42,000						\$ 42,000
Raw Water TM #2-Construction	\$ 500,000						\$ 500,000
System Hydraulic Modeling	\$ 105,000						\$ 105,000
Additional Water Supply Development	\$ 100,000	\$ 400,000	\$ 500,000				\$ 1,000,000
<b><u>US290 System</u></b>							
SW Pkwy PS Upgrade Ph 1-Design & Admin	\$ 93,074						\$ 93,074
SW Pkwy PS Upgrade Ph 1-Const	\$ 2,942,375						\$ 2,942,375
SW Pkwy PS Upgrade Ph 2-Design & Admin		\$ 200,000					\$ 200,000
SW Pkwy PS Upgrade Ph 2-Const		\$ 1,000,000					\$ 1,000,000
1240 Conversion/WL-Design & Admin	\$ 140,000						\$ 140,000
1240 Conversion/WL-Const	\$ 2,400,000						\$ 2,400,000
1340 PS Upgrade-Design & Admin							\$ -
1340 PS Upgrade-Const	\$ 2,200,000						\$ 2,200,000
1420 PS Upgrade 290 Countyline-Design & Admin	\$ 52,000		\$ 90,000		\$ 90,000		\$ 232,000
1420 PS Upgrade 290 Countyline-Const	\$ 315,000		\$ 600,000		\$ 520,000		\$ 1,435,000
Circle Drive Pump Station Design & Admin	\$ 396,000						\$ 396,000
Circle Drive Pump Station-Const		\$ 3,564,000					\$ 3,564,000
1340 Conversion WL-Sawyer Ranch-Design & Admin	\$ 181,000						\$ 181,000
1340 Conversion WL-Sawyer Ranch-Const	\$ 661,000						\$ 661,000
<b><u>SH71 System</u></b>							
HPR Conversion & Upgrade to 1500 gpm-Design & Admin	\$ 21,875						\$ 21,875
HPR Conversion & Upgrade to 1500 gpm-Const	\$ 273,618						\$ 273,618
HPR Pump Station GST 2-Design & Admin	\$ 112,688					\$ 8,000	\$ 120,688
HPR Pump Station GST 2-Const	\$ 1,600,000					\$ 200,000	\$ 1,800,000
West Bee Cave Pump Station Upgrade-Design & Admin	\$ 37,200						\$ 37,200
West Bee Cave Pump Station Upgrade-Const	\$ 172,000						\$ 172,000
1080 Bee Cave Transmission Main-Design & Admin	\$ 253,035	\$ 100,000					\$ 353,035
1080 Bee Cave Transmission Main-Const	\$ 2,128,000	\$ 2,129,000					\$ 4,257,000
Home Depot Pump Station Expansion & Conversion-Design & Admin	\$ 47,000						\$ 47,000
Home Depot Pump Station Expansion & Conversion-Const	\$ 241,000						\$ 241,000
<b><u>Wastewater</u></b>							
Bohls WWTP Expansion-Design & Admin	\$ 280,000	\$ 147,000					\$ 427,000
Bohls WWTP Expansion-Const	\$ 2,800,000	\$ 2,000,000					\$ 4,800,000
Effluent Disposal-Design & Admin							
Beneficial Recycling Facility-Design & Admin	\$ 154,657						\$ 154,657
Effluent Disposal-Const	\$ 590,000						\$ 590,000
Beneficial Recycling Facility-Const	\$ 2,091,000	\$ 1,394,000					\$ 3,485,000
Bohls Service Area Lift Station & FM-Design & Admin						\$ 100,000	\$ 100,000
Bohls Service Area Lift Station & FM-Const						\$ 680,000	\$ 680,000
<b><u>Developer Reimbursements</u></b>							
Developer Reimbursements	\$ 3,455,471	\$ 2,978,566	\$ 275,000	\$ 275,000	\$ 275,000	\$ 585,446	\$ 7,844,483
	\$ 24,959,993	\$ 20,437,566	\$ 7,900,000	\$ 275,000	\$ 275,000	\$ 19,613,446	\$ 73,461,005

**West Travis County Public Utility Agency**  
**Capital Projects Funding Plan**  
**(With 90% Impact Fee Assessment)**

	2021	2022	2023	2024	2025	Thereafter
<b>Capital Projects Fund</b>						
Beginning Fund Balance (expected)	\$ 18,256,013	\$ 3,789,020	\$ 53,454	\$ 2,154,454	\$ 3,189,579	\$ 13,000,579
Add Transfer from Facilities Fund	-	-	-	-	-	6,261,867
Add Transfer from Impact Fee Fund	10,000,000	10,000,000	10,000,000	1,252,125	10,000,000	-
Add Transfer from General Fund	-	6,600,000	-	-	-	-
Add Interest Income	493,000	102,000	1,000	58,000	86,000	351,000
Less Project Expenses - CIP & Developer Reimb	(24,959,993)	(20,437,566)	(7,900,000)	(275,000)	(275,000)	(19,613,446)
Projected Ending Fund Balance	\$ 3,789,020	\$ 53,454	\$ 2,154,454	\$ 3,189,579	\$ 13,000,579	\$ -

<b>Facilities Fund</b>						
Beginning Fund Balance (expected)	\$ 8,277,404	\$ 4,660,554	\$ 4,458,554	\$ 5,490,804	\$ 7,239,054	\$ 9,000,304
Add Transfer from General Fund	2,016,250	2,500,000	2,500,000	2,500,000	2,500,000	-
Add Interest Income	223,000	126,000	120,000	148,000	195,000	243,000
Less Transfer to Capital Projects Fund	-	-	-	-	-	(6,261,867)
Less Project Expenses - Rehab, Equip & Prev Maint	(5,856,100)	(2,828,000)	(1,587,750)	(899,750)	(933,750)	-
Projected Ending Fund Balance	\$ 4,660,554	\$ 4,458,554	\$ 5,490,804	\$ 7,239,054	\$ 9,000,304	\$ 2,981,437

<b>Impact Fee Fund</b>						
Beginning Fund Balance (expected)	\$ 30,668,943	\$ 22,414,279	\$ 19,618,349	\$ 16,531,017	\$ 22,770,653	
Add Impact Fee Revenue	9,243,260	8,774,994	8,558,592	9,221,685	8,674,610	
Add Interest Income	828,000	605,000	530,000	446,000	615,000	
Less Impact Fee Study	(150,000)					
Less Transfers to Capital Projects Fund	(10,000,000)	(10,000,000)	(10,000,000)	(1,252,125)	(10,000,000)	limited to 10M per year
Less Transfers to Debt Service Fund	(2,175,924)	(2,175,924)	(2,175,924)	(2,175,924)	(2,175,924)	
Less Transfers for Early Retirement of Debt	(6,000,000)	-	-	-	-	
Projected Ending Fund Balance	\$ 22,414,279	\$ 19,618,349	\$ 16,531,017	\$ 22,770,653	\$ 19,884,340	\$ - 15M required balance

<b>General Fund</b>						
Beginning Fund Balance (expected)	\$ 26,029,272	\$ 26,853,457	\$ 20,361,185	\$ 21,202,636	\$ 22,810,598	
Add Operating Revenue	25,903,000	26,939,120	28,016,685	29,137,352	30,302,846	
Add Interest Income	130,000	130,000	130,000	130,000	130,000	
Less Operating Expenditures	(11,127,565)	(11,461,392)	(11,805,234)	(12,159,391)	(12,524,172)	
Less Transfers to Facilities Fund	(2,016,250)	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)	
Less Transfers to Debt Service Fund	(8,065,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	
Less Early Retirement of Debt	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	
Less Transfers to Rate Stabilization Fund	(1,000,000)	-	-	-	-	
Less Transfers to Capital Projects Fund	-	(6,600,000)	-	-	-	
Projected Ending Fund Balance	\$ 26,853,457	\$ 20,361,185	\$ 21,202,636	\$ 22,810,598	\$ 25,219,271	\$ -