

Windermere Oaks Water Supply Corporation

424 Coventry Rd Spicewood, Texas 78669 2015 Board of Directors:

Bob Mebane, President Dana Martin, Vice President Mike Madden, Secretary/Treasurer Bill Earnest, Director Pat Mulligan, Director

Open Board of Directors meeting held: Thursday, July 16, 2015 Board Members Present:

Bob Mebane Dana Martin Bill Earnest Mike Madden Pat Mulligan

Minutes

Bob Mebane called the meeting to order at 6:30 PM, A quorum was established with all board members present.

Motion was made by Pat Mulligan to approve minutes of 03/16/2015, 04/06/2015, 05/13/2015 WOWSC Board Meetings Seconded by Mike Madden unanimous approval by the BOD's.

Review and Approval of updated WOWSC Tariff was deferred for future meeting as some Board Members had not had an opportunity to review the updated WOWSC Tariff.

Discussion of WOPOA Proposal for purchase of Boat Storage area at Old WWTP Property will be discussed in Executive Session.

Discussed Hill Condo Membership / Standby Fees. Motion was made by Mike Madden to draft a letter to the Hill Condo Owners listing the options they have under the WOWSC Tariff regarding membership fees, Standby Fees, Tap Fees, seconded by Pat Mulligan unanimous approval by BOD's.

General Manager's Report: George Burriss gave 6/30/15 Manager's Report copy attached

Financial Report: Karri Gibson and Mike Madden Gave Financial Reports for April, May and June, Also Bank Balances as of 07/16/2015. Copies attached.

Review of Old Business, Introduction of New Business: George asked the board to rescind that we are at Stage 2.5 of the WOWSC DCP, The Lake is now at 671. Pat Mulligan made a motion to rescind the Stage 2.5 since 671 is above all the DCP Levels. Seconded by Dana Martin unanimous approval by remaining BOD's.

Adjourned to Executive Session at 7:14 PM to discuss real Estate, Personnel or Legal Matters Out of Executive Session at 7:58 PM motion made by Pat Mulligan to Adjourn seconded by Mike Madden unanimous approval by BOD's meeting adjourned at 7:59 PM

Windermere Oaks W.S.C. **Balance Sheet** As of April 30, 2015

	Apr 30, 15
ASSETS	
Current Assets	
Checking/Savings 10200 Cash in Bank-2100725	21,312.51
10400 · MM/Contingency Funds-128546	125,215,25
10500 · disbursement account for wwtp (this is a disbursement a	25.00
Total Checking/Savings	146,552.76
Other Current Assets 11000 · Standby Fees-Receivable	34,898.42
Total Other Current Assets	34,898.42
Total Current Assets	181,451.18
Fixed Assets	
15000 · Furniture & Fixtures	2,702.03
15100 - Equipment	109,418.15
15200 · Fence	16,517.66
15300 · Water Treatment Facility 15310 · 2004 Water Plant Expansion	191,994.20 6.500.00
15340 · 3-Phase Electrical Upgrade	8,699.00
15350 · 2004 Water Storage Tank	70,649.95
15400 · Improvements	29,986.86
15500 · Building	3,377.58
15600 · Sewer Plant	125,233.87
15650 · Barge Replacement	652.27
15700 · Hydrotank Foundation	9,599.19
15750 · Boat	4,000.00
15800 · Decant Lagoon	18,475.51
15850 · 2014 WW Treatment Plant (Expenditures for WWTP)	782,118.12
15900 · Sewer Plant Bidg new 15950 · 2007 Water Treatment Plant	18,277.70
16800 · Lot 253	679,210.33
16900 · Land	6,403.75 61,424.08
17000 · Accumulated Depreciation	-680,702.62
Total Fixed Assets	1,464,537.63
Other Assets	
19300 · Standby Fees Delinquent	59,410.52
Total Other Assets	59,410.52
TOTAL ASSETS	1,705,399.33
LIABILITIES & EQUITY Liabilities	
Current Liabilities	
Other Current Liabilities	
24000 · Other Taxes Payable	-155.97
24200 - Current Portion Lng Trm D	6,135.00
24700 · Loan 17160100	97,227.48
25000 - Water & Sewer Taxes Payable	4,905.63
27100 · Deferred Revenue-Standby Fees	35,426.42
Total Other Current Liabilities	143,538.56
Total Current Liabilities	143,538.56
Long Term Liabilities	
27000 · Note Payable WO POA	-871.62
27400 · Current Portion Long Term Debt	-6,135.00
27500 · Membership Fees Refundabl	78,710.59
27600 · Loan 17160100 Amer Bank	777.16
27700 · Current Portion Loan 1716	-97,227.48
27750 · Loan ABT WWTP April 4 2014 (This is first loan for WWTP) 27755 · Loan ABT WWTP2 July 11 2014 (Second loan for WWTP)	665,097.99
27800 · Def Revenue Standby Fees-Deling	34,805.44 59,410.52
2. 300 Col Novellac Standay Geo-Deling	35,410.32

Windermere Oaks W.S.C. Balance Sheet As of April 30, 2015

	Apr 30, 15
Total Long Term Liabilities	734,567.60
Total Liabilities	878,106.16
Equity 39005 · Retained Earnings Net Income	776,931,37 50,361.80
Total Equity	827,293.17
TOTAL LIABILITIES & EQUITY	1,705,399.33

Windermere Oaks W.S.C. Profit & Loss Budget Performance April 2015

S	Apr 15	Budget	Jan - Apr 15	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income			\$5.00 to \$5.	North Bright (March	
40000 - Standby Fees	2,376 00	3,333.33	42,984.00	13,333.32	40,000.00
40200 - Water & Sewer Services	20,373.87	22,500.00	80,570.27	90,000.00	270,000.00
40300 · Late Charges	1,119.85	416.66	2,787.33	1,566.64	5,000.00
40410 · Membership Transfer Fees	0,00	8.33	0.00	33.32	100.00 8.000.00
40500 · Equity Buy-in Fees	0.00	666.66	4,000.00	2,666.64	6,000.00
40600 - Water & Sewer Taps	0.00	500.00	1,500.00	2,000.00 133.32	400,00
41000 - Interest Income	30.92 -350.00	33.33	112.08 -350.00	133.32	400,00
43500 - Dues & Subscriptons Refund 46400 - Reconnect fee	0.00	83.33	0.00	333,32	1,000.00
Total Income	23,550.64	27,541.64	131,603,68	110,166.56	330,500.00
Cost of Goods Sold					
50000 - COS-Operator	9,587.00	10,200.00	34,682.59	40,800.00	122,400.00
57000 · COS-Chemicals	0.00	333,33	350.00	1,333.32	4,000.00
57500 · COS-Electricity	1,684.18	1,750.00	7,071.96	7,000.00	21,000.00
58000 · COS-Sludge Removal	0.00	416.66	0,00	1,666.64	5,000.00
58500 · LCRA - Raw Water Fee	612.22	951.08	2,472.36	3,804.32	11,413.00
59000 - COS-Lab Fees	525.00	416.66	3,741.30	1,666.64	5,000.00
Total COGS	12,408.40	14,067.73	48,318.21	56,270.92	168,813.00
Gross Profit	11,142.24	13,473.91	83,285.47	53,895.64	161,687.00
Expense					
59620 • Misc Operations Expense	35.00	** **	35.00	400.04	500.00
62000 - Bank Charges	51.75	41.66 183.33	259.00 0.00	166,64 733,32	2.200.00
62500 - Accounting	0.00	125.00	0.00	500.00	1,500.00
62600 - Billing Services 62800 - Total Contract Services	0.00	125.00	0.00	300.00	1,500.00
62806 • Consulting Fees	0.00	41.66	478.69	166,64	500.00
62808 · Inspections	0.00	41.66	0.00	166.64	500.00
Total 62800 · Total Contract Services	0.00	83.32	478.69	333.28	1,000.00
\$2900 ⋅ Licenses & Permits	0.00	12.50	0.00	50.00	150.00
63000 · Legal/Appraisal	0.00	41.66	0.00	166.64	500.00
63500 - Dues & Subscriptions	0.00	12.50	0.00	50.00	150.00
64000 - Regulatory Assessment Fee	Series Series				
64020 - TCEQ Annual System Fee	0.00	216.66	1,255.00	866.64	2,600.00
Total 64000 · Regulatory Assessment Fee	0.00	216,66	1,255.00	866,64	2,600.00
65500 · Insurance	0.00	833,33	10,270.81	3,333.32	10,000.00
66000 - Office Supplies	524.79	100.00	717.13	400.00	1,200.00
66500 - Telephone and Internet	244.89	250.00	1,130.75	1,000.00	3,000.00
67000 · Postage & Shipping Expense	326.22	208.33	689.36	833,32	2,500.00
68000 - Equipment Rental Expense	0.00		0.00		
68500 · Repairs & Maintenance	1,425.94	1,666.66	7,787.48	6,666.64	20,000.00
58600 - Repair Parts	0.00	125.00	0.00	500.00	1,500.00
69000 - Printing Expense	0.00	83,33	0.00	333,32	1,000.00
71500 - Interest Expense	2,450.84	2,416.42	9,436.45	9,665.68	28,997.00
72500 - Depreciation Expense	0.00	5,638.58	0.00	22,554.32	67,663.00
77500 · Meetings/Conferences 89000 · Other Expense	120.00 744.00	83,33	120.00 744.00	333.32	1,000.00
Total Expense	5,923.43	12,121.61	32,923.67	48,486.44	145,460.00
Net Ordinary Income	5,218.81	1,352.30	50,361.80	5,409.20	16,227.00
	5,218.81	1,352.30	50,361.80	5,409.20	16,227.00

Windermere Oaks W.S.C. Balance Sheet As of May 31, 2015

	May 31, 15
ASSETS	
Current Assets	
Checking/Savings	10 101 70
10200 Cash in Bank-2100725 10400 - MM/Contingency Funds-128546	12,131.79 125,247.16
10500 · disbursement account for wwtp (this is a disbursement a	25.00
Total Checking/Savings	137,403.95
Other Current Assets	300 (100 dt - 100 dt
11000 - Standby Fees-Receivable	34,898.42
Total Other Current Assets	34,898.42
Total Current Assets	172,302.37
Fixed Assets	
15000 - Furniture & Fixtures	2,702.03
15100 - Equipment	109,418.15
15200 · Fence	16,517.66
15300 - Water Treatment Facility	191,994.20
15310 · 2004 Water Plant Expansion	6,500.00
15340 · 3-Phase Electrical Upgrade	8,699.00
15350 · 2004 Water Storage Tank	70,649.95
15400 · Improvements	29,986.86
15500 - Building	3,377.58
15600 · Sewer Plant 15650 · Barge Replacement	125,233.87
15700 · Hydrotank Foundation	652.27 9,599.19
15750 · Boat	4,000.00
15800 · Decant Lagoon	18,475.51
15850 · 2014 WW Treatment Plant (Expenditures for WWTP)	782,118.12
15900 · Sewer Plant Bldg new	18,277.70
15950 · 2007 Water Treatment Plant	679,210.33
16800 · Lot 253	6,403.75
16900 - Land	61,424.08
17000 · Accumulated Depreciation	-680,702.62
Total Fixed Assets	1,464,537.63
Other Assets 19300 · Standby Fees Delinquent	59,410.52
Total Other Assets	59,410.52
TOTAL ASSETS	1,696,250.52
LIABILITIES & EQUITY	1,030,200.02
Liabilities	
Current Liabilities	
Other Current Liabilities	
24000 · Other Taxes Payable	-155.97
24200 · Current Portion Lng Trm D	6,135.00
24700 · Loan 17160100	97,227.48
25000 · Water & Sewer Taxes Payable 27100 · Deferred Revenue-Standby Fees	5,000.57 35,426.42
Total Other Current Liabilities	143,633.50
Total Current Liabilities	143,633.50
Long Term Liabilities	
27000 - Note Payable WO POA	-871.62
27400 · Current Portion Long Term Debt	-6,135.00
27500 · Membership Fees Refundabl	78,710.59
27600 · Loan 17160100 Amer Bank	777.16
27700 · Current Portion Loan 1716	-97,227.48
27750 · Loan ABT WWTP April 4 2014 (This is first loan for WWTP)	604,376.75
27800 · Def Revenue Standby Fees-Delinq	59,410.52
Total Long Term Liabilities	639,040.92

Windermere Oaks W.S.C. Balance Sheet As of May 31, 2015

	May 31, 15
Total Liabilities	782,674.42
Equity 39005 · Refained Earnings Net Income	776,931.37 136,644.73
Total Equity	913,576.10
TOTAL LIABILITIES & EQUITY	1,696,250.52

Windermere Oaks W.S.C. Profit & Loss Budget Performance May 2015

Ordinary IncomeRizapense Income 0.00 3,333.33 42,084.00 16,668.65 400,00.00 40000 - Standuy Fees 19,264.85 22,500.00 69,825.10 112,200.00 270,000.00 40000 - Late Charges 0.00 483.03 2,000.00 41,85 100.00 40000 - Late Charges 0.00 686.66 4,000.00 3,333.00 8,000.00 40500 - Legality Bays-in Fees 0.00 690.00 1,500.00 2,000.00 6,000.00 40500 - Usate & Subscriptions Refund 0.01 500.00 1,500.00 2,000.00 6,000.00 4500 - Usate & Subscriptions Refund 0.00 80.33 0.00 418.55 4,000.00 4500 - Other Incorne (Other Incorne) 90.740.21 1,000.00 418.55 1,000.00 4500 - Colos Chaperator 9,047.50 1,000.00 43,730.00 51,000.00 122,400.00 5000 - COS-Cheprator 9,047.50 10,000.00 43,730.00 51,000.00 122,400.00 5000 - COS-Cheprator 9,047.50 10,000.00 43,730.00 51,000.00		May 15	Budget	Jan - May 15	YTD Budget	Annual Budget
Horome	Ordinary Income/Expense					
August Water & Sewer Services 19,354.83 22,550.00 69,025.10 112,500.00 270,000.00	Income		non-score contain di	reanatationari		40 000 00
March Marc						
Add-10 Membership Transfer Fees 0.00 8.33 0.00 3.383 8.000 4.950 4.9						
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MSDD Waster S Sewer Taps						
41000 Interest Income 31.91 33.33 143.99 168.65 440.00 43500 Dues & Subscriptons Refund 0.00 3.30 0.00 416.65 1.000.00 43400 Reconnect fee 0.00 83.33 0.00 416.65 1.000.00 43400 Cher Income 110,280.08 27,541.84 241,827.6 137,708.20 330,500.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 22,00 200.00 2						
ASDB Due & Subscriptons Refund 0.00 83.33 0.00 A16,85 1,000.00						
Method Reconnect tee 0.00 83.33 0.00 416.65 1.000.00			33.33		166.65	400.00
### ### ### ### ### ### ### ### ### ##			00.00		41C CE	1 000 00
Total Income 10,280,081 1,93 1,93 1,93 1,93 1,93 1,93 1,93 1,9			83.33		410,03	1,000.00
Total Income 110,289.08 27,541.04 241,692.76 137,708.20 330,500.00 Cots of Goods Sold 5000 COS-Operator 9,047.50 10,200.00 43,730.09 51,000.00 122,400.00 57000 COS-Chemicals 0,00 333.33 350.00 1,666.85 4,000.00 57000 COS-Chemicals 0,00 333.33 350.00 1,666.85 4,000.00 55000 COS-Cidertirity 1,534.33 1,750.00 8,7500 2,200.00 55000 COS-Cidertirity 1,534.33 1,750.00 416.66 0,00 2,203.30 5,000.00 55000 COS-Cidertirity 6,651.1 951.00 3,000 2,203.30 5,000.00 55000 COS-Cidertirity 6,651.1 951.00 3,000 2,203.30 5,000.00 1,666.15 1,000.00						
Cost of Goods Sold 9,047.50 10,200.00 43,730.09 51,000.00 122,400.00 50000 COS-Eleminals 0,00 333.33 350.00 1,686.85 4,000.00 57300 COS-Eleminals 0,00 333.33 350.00 1,686.85 4,000.00 55000 COS-Eleminals 0,00 416.66 0,00 2,003.30 5,000.00 55000 COS-Eleminals 0,00 416.66 0,00 2,003.30 5,000.00 55000 COS-Eleminals 0,00 416.66 3,741.30 2,008.30 5,000.00 55000 CCRA - Raw Water Fee 661.51 951.08 3,133.87 4,755.40 11,413.00 59000 COS-Eleminals 661.51 951.08 3,133.87 4,755.40 11,413.00 59000 COS-Eleminals 661.51 41,413.00 416.66 3,741.30 2,008.30 5,000.00 70.0				to accome an extract one with a contract of the contract of th		000 500 00
50000 - COS-Operator		110,289.08	27,541.64	241,892.76	137,708.20	330,500.00
S7000 - COS-Chemicals			100 200 20	New Parket and Co.	F4 000 00	400 400 00
\$77500 - COS-Electricity						
S8000 - COS-Studge Removal 0.00						
SB500 - LCRA - Raw Water Fee 661.51 951.08 3,133.87 4,755.40 11,413.00 5900 - COS-Lab Fees 0.00 416.66 3,741.30 2,268.30 5,000.00						
Total COGS						
Total COGS 11,343,34 14,067.73 59,661.55 70,338.65 169,813.00 Gross Profit 99,945.74 13,473.91 182,231.21 67,369.55 161,667.00 Expense 59600 · Operations Expense 15.17 15.17 58620 · Misc Operations Expense 578.75 913.75 58200 · Bank Charges 50.34 41.66 309.34 208.30 500.00 62000 · Accounting 0.00 183.33 0.00 916.85 2.200.00 62000 · Total Contract Services 0.00 125.00 0.00 625.00 1,500.00 62200 · Total Contract Services 0.00 41.86 0.00 208.30 500.00 62500 · Total Contract Services 0.00 41.86 0.00 208.30 500.00 62500 · Total Contract Services 0.00 41.86 0.00 208.30 500.00 62500 · Total Contract Services 0.00 83.32 478.69 208.30 500.00 62900 · Licenses & Permits 0.00 41.86 0.00 208.30 500.00 62500 · Total Contract Services 0.00 83.32 478.69 416.60 1.000.00 62000 · Licenses & Permits 0.00 12.50 0.00 62.50 150.00 63000 · Legal/Appraisal 2,772.240 41.86 2,772.240 208.30 500.00 63000 · Legal/Appraisal 2,772.240 41.86 2,772.240 208.30 500.00 63000 · Regulatory Assessment Fee 0.00 12.50 0.00 62.50 150.00 64000 · Regulatory Assessment Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 65000 · Regulatory Assessment Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 65000 · Total Gautory Assessment Fee 0.00 83.33 10,270.81 4,166.95 10,000.00 65000 · Total Gautory Assessment Fee 0.00 83.33 10,270.81 4,166.95 10,000.00 65000 · Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 65000 · Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 65000 · Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 65000 · Regulatory Assessment Fee 0.00 83.33 10,000.00 1,000.00 73.33 0.000.00 65000 · Regular Rental Expense 0.00 83.33 0.00 416.65 1,000.00 65000 · Regular Rental Expense 0.00 83.33 0.00 416.65 1,000.00 65000 · Regular Rental Expense 0.00 83.33 0.00 416.65 1,000.00 65000 · Regular Rental Expense 0.00 83.33 0.00 416.65 1,000.00 65000 · Regular Rental Expense 0.00 83.33 0.00 416.65 1,000.00 65000 · Regular Rental Expense 0.00 83.33 0.00 416.65 1,000.00 65000 · Regular Rental Expense 0.00 83.33 0.00 20.00 28,192.						
Expense						
Expense 15.17 15.10 15	Total COGS	11,343.34	14,067.73	59,661.55	70,338.65	168,813.00
Section September 15.17	Gross Profit	98,945.74	13,473.91	182,231.21	67,369.55	161,687.00
S9520 - Misc Operations Expense 878.75 913.75 32000 - Bank Charges 50.34 41.66 309.34 208.30 500.00 52500 - Accounting 0.00 183.33 0.00 918.65 2.200.00 52500 - Consulting 0.00 125.00 0.00 625.00 1,500.00 52500 - Total Contract Services 0.00 41.66 478.69 208.30 500.00 52500 - Consulting Fees 0.00 41.66 478.69 208.30 500.00 52500 - Consulting Fees 0.00 41.66 0.00 208.30 500.00 52500 - Total Contract Services 0.00 41.66 0.00 208.30 500.00 52500 - Total Contract Services 0.00 41.66 0.00 208.30 500.00 52500 - Legal/Appraisal 2.722.40 416.60 2.722.40 208.30 500.00 63500 - Legal/Appraisal 2.722.40 416.60 2.722.40 208.30 500.00 63500 - Dues & Subscriptions 0.00 12.50 0.00 62.50 150.00 64000 - Regulatory Assessment Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 64000 - Regulatory Assessment Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 65500 - Insurance 0.00 833.33 10,270.81 4,166.65 10,000.00 65500 - Insurance 0.00 833.33 10,270.81 4,166.65 10,000.00 65500 - Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 6500 - Postage & Shipping Expense 415.98 208.33 1,105.34 1,041.85 2,500.00 68000 - Repairs & Maintenance 4,493.39 1,666.66 1,225.87 8,333.30 20,000.00 68000 - Repairs & Maintenance 4,493.39 1,666.66 1,225.87 8,333.30 20,000.00 68000 - Repairs & Maintenance 4,493.39 1,666.66 1,225.87 8,333.30 20,000.00 68000 - Printing Expense 0.00 833.33 0.00 416.65 1,000.00 6800 - Repairs & Maintenance 4,493.39 1,666.66 1,225.87 8,333.30 20,000.00 6800 - Repairs & Maintenance 4,493.39 1,666.66 1,225.87 8,333.30 20,000.00 6800 - Repairs & Maintenance 4,493.39 1,666.66 1,225.87 8,333.30 20,000.00 6800 - Repairs & Maintenance 4,493.39 1,666.66 1,225.87 8,333.30 20,000.00 68000 - Repairs & Maintenance 0.00 6,598.58 0.00	Ехрепse					
Section	59600 · Operations Expense	15.17				
Company	59620 · Misc Operations Expense	878.75				
S2800 - Billing Services 0.00 125.00 0.00 625.00 1,500.00 62800 - Total Contract Services 0.00 41.66 478.69 208.30 500.00 62808 - Consulting Fees 0.00 41.66 0.00 208.30 500.00 62808 - Inspections 0.00 41.66 0.00 208.30 500.00 62808 - Inspections 0.00 41.66 0.00 208.30 500.00 62800 - Total Contract Services 0.00 12.50 0.00 62.50 150.00 63000 - Legal/Appraisal 2,722.40 41.66 2,722.40 208.30 500.00 63500 - Legal/Appraisal 2,722.40 41.66 2,722.40 208.30 500.00 63500 - Legal/Appraisal 0.00 216.66 1,255.00 0.00 62.50 150.00 62.00 62.50 150.00 63000 - Regulatory Assessment Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 64000 - Regulatory Assessment Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 65500 - Insurance 0.00 833.33 10,270.81 4,166.85 10,000.00 65500 - Insurance 0.00 833.33 10,270.81 4,166.85 10,000.00 65500 - Telephone and Internet 184.99 250.00 1,316.74 1,250.00 3,000.00 65000 - Proistage & Shipping Expense 415.98 208.33 1,105.34 1,041.85 2,500.00 65000 - Repairs & Maintenance 4,493.93 1,666.86 1,226.87 8,333.30 20,000.00 65000 - Repairs & Maintenance 4,493.93 1,666.86 1,226.87 8,333.30 20,000.00 65000 - Repairs & Maintenance 4,493.93 1,666.86 1,226.87 8,333.30 20,000.00 65000 - Repairs & Maintenance 4,493.93 1,666.86 1,226.87 8,333.30 20,000.00 65000 - Printing Expense 0.00 83.33 0.00 416.65 1,000.00 65000 - Printing Expense 0.00 83.33 0.00 416.65 1,000.00 65000 - Printing Expense 0.00 83.33 0.00 416.65 1,000.00 65000 - Printing Expense 0.00 83.33 0.00 416.65 1,000.00 65000 - Printing Expense 0.00 65000 - Repairs & Maintenance 4,493.93 1,666.86 1,226.87 8,333.30 20,000.00 65000 - Repairs & Maintenance 4,493.93 1,666.86 1,226.87 8,333.30 20,000.00 65000 - Repairs & Maintenance 4,493.93 1,404.40 1,530.0	62000 - Bank Charges					
Section Contract Services Contract Servi	62500 · Accounting					
62806 - Consulting Fees 0.00 41.66 478.69 208.30 500.00 Total 62800 - Total Contract Services 0.00 41.66 0.00 208.30 500.00 62900 - Licenses & Permits 0.00 12.50 0.00 62.50 150.00 63000 - Legal/Appraisal 2,722.40 41.66 2,722.40 208.30 500.00 63000 - Regulatory Assessment Fee 0.00 12.50 0.00 62.50 150.00 64000 - Regulatory Assessment Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 Total 64000 - Regulatory Assessment Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 65500 - Insurance 0.00 833.33 10,270.81 4,166.65 10,000.00 65000 - Office Supplies 15.00 100.00 732.13 500.00 1,200.00 65000 - Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 67000 - Postage & Shipping Expense 415.98 208.33 1,105.34 1,041.65 2,500.00		0.00	125.00	0.00	625.00	1,500.00
Total 62800 - Total Contract Services 0.00 41.66 0.00 208.30 500.00					XCXCDALV NAME	222.000
Total 62800 - Total Contract Services 0.00 83.32 478.69 416.60 1.000.00 62900 - Licenses & Permits 0.00 12.50 0.00 62.50 150.00 63000 - Legall/Appraisal 2,722.40 41.66 2,722.40 208.30 500.00 63500 - Dues & Subscriptions 0.00 12.50 0.00 62.50 150.00 63500 - Dues & Subscriptions 0.00 12.50 0.00 62.50 150.00 64000 - Regulatory Assessment Fee 64020 - TCEQ Annual System Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 65500 - Insurance 0.00 833.33 10,270.81 4,166.65 10,000.00 65500 - Insurance 0.00 833.33 10,270.81 4,166.65 10,000.00 66500 - Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 66500 - Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 66500 - Equipment Rental Expense 0.00 0.00 68000 - Equipment Rental Expense 0.00 0.00 68000 - Repairs & Maintenance 4,439.39 1,668.66 12,226.87 8,333.30 20,000.00 68000 - Repairs & Maintenance 4,439.39 1,668.66 12,226.87 8,333.30 20,000.00 69000 - Printing Expense 0.00 8333 0.00 416.65 1,000.00 69000 - Printing Expense 0.00 8333 0.00 416.65 1,000.00 71500 - Interest Expense 0.00 8333 0.00 416.65 1,000.00 71500 - Interest Expense 0.00 8333 0.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 10.00 71500 - Interest Expense 0.00 83.33 10.00 71500 - Inter	62806 - Consulting Fees					
62900 - Licenses & Permits	62808 · Inspections	0.00	41.66	AND ADDRESS OF THE PARTY OF THE		
S3000 - Legal/Appraisal 2,722.40	Total 62800 - Total Contract Services	0.00				3000 500
S3500 - Dues & Subscriptions D.00 12.50 D.00 62.50 150.00	62900 · Licenses & Permits	0.00	12.50	0.00		
Section Sect	63000 · Legal/Appraisal	2,722.40	41.66			
64020 - TCEQ Ánnual System Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 Total 64000 - Regulatory Assessment Fee 0.00 216.66 1,255.00 1,083.30 2,600.00 65500 - Insurance 0.00 833.33 10,270.81 4,166.65 10,000.00 66000 - Office Supplies 15.00 100.00 732.13 500.00 1,200.00 65500 - Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 67000 - Postage & Shipping Expense 415.98 208.33 1,105.34 1,041.65 2,500.00 68000 - Equipment Rental Expense 0.00 0 0 0 0 0 68000 - Repairs & Maintenance 4,439.39 1,666.66 12,268.87 3,333.30 20,000.00 69000 - Printing Expense 0.00 83.33 0.00 416.65 1,000.00 71500 - Interest Expense 0.00 83.33 0.00 416.65 1,000.00 77500 - Popreciation Expense 0.00 5,638.58 0.00 28,192.90 <t< td=""><td>63500 · Dues & Subscriptions</td><td>0.00</td><td>12.50</td><td>0.00</td><td>62.50</td><td>150.00</td></t<>	63500 · Dues & Subscriptions	0.00	12.50	0.00	62.50	150.00
Total 64000 · Regulatory Assessment Fee	64000 · Regulatory Assessment Fee					
65500 Insurance 0.00 833.33 10,270.81 4,166.65 10,000.00 66000 Office Supplies 15.00 100.00 732.13 500.00 1,200.00 66500 Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 67000 Postage & Shipping Expense 415.98 208.33 1,105.34 1,041.65 2,500.00 68000 Equipment Rental Expense 0.00 0.00 68500 Repairs & Maintenance 4,439.39 1,666.66 12,226.87 8,333.30 20,000.00 68600 Repair Parts 1,538.05 125.00 1,538.05 625.00 1,500.00 68000 Printing Expense 0.00 83.33 0.00 416.65 1,000.00 71500 Interest Expense 2,402.74 2,416.42 11,839.19 12,082.10 23,997.00 72500 Depreciation Expense 0.00 5,638.58 0.00 28,192.90 67,683.00 77500 Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 89000 Office Expense 0.00 5,638.58 0.00 28,192.90 67,683.00 77500 Meetings/Conferences 0.00 744.00 Total Expense 12,662.81 12,121.61 45,586.48 60,608.05 145,460.00 Net Ordinary Income 86,282.93 1,352.30 136,644.73 6,761.50 16,227.00	64020 - TCEQ Annual System Fee	0.00	216.66	1,255.00	1,083.30	
Section	Total 64000 · Regulatory Assessment Fee	0.00	216.66	1,255.00	1,083.30	280 V M. COURSE SAN
66500 · Telephone and Internet 184.99 250.00 1,315.74 1,250.00 3,000.00 67000 · Postage & Shipping Expense 415.98 208.33 1,105.34 1,041.65 2,500.00 68000 · Equipment Rental Expense 0.00 0.00 0.00	65500 · Insurance	0.00	833.33	10,270.81		
67000 · Postage & Shipping Expense 415.98 208.33 1,105.34 1,041.65 2,500.00 68000 · Equipment Rental Expense 0.00 0.00 0.00 0.00 68500 · Repairs & Maintenance 4,439.39 1,666.66 12,226.87 8,333.30 20,000.00 68600 · Repair Parts 1,538.05 125.00 1,538.05 625.00 1,500.00 69000 · Printing Expense 0.00 83.33 0.00 416.65 1,000.00 71500 · Interest Expense 2,402.74 2,416.42 11,839.19 12,082.10 28,997.00 72500 · Depreciation Expense 0.00 5,638.58 0.00 28,192.90 67,683.00 77500 · Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 89000 · Other Expense 0.00 83.33 120.00 416.65 1,000.00 7050 · Meetings/Conferences 0.00 744.00 744.00 744.00 145.460.00 Net Ordinary Income 86,282.93 1,352.30 136,644.73 6,761.50 16,227.00	66000 - Office Supplies	15.00	100.00	732.13		
68000 · Equipment Rental Expense 0.00 0.00 68500 · Repairs & Maintenance 4,493.99 1,666.66 12,226.87 8,333.30 20,000.00 68600 · Repair Parts 1,538.05 125.00 1,538.05 625.00 1,500.00 68000 · Printing Expense 0.00 83.33 0.00 416.65 1,000.00 71500 · Interest Expense 2,402.74 2,416.42 11,839.19 12,082.10 28,997.00 72500 · Depreciation Expense 0.00 5,638.58 0.00 28,192.90 67,683.00 77500 · Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 89000 · Other Expense 0.00 83.33 120.00 416.65 1,000.00 77500 · Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 89000 · Other Expense 0.00 744.00 416.65 1,000.00 Total Expense 12,662.81 12,121.61 45,586.48 60,608.05 145,460.00 Net Ordinary Income 86,282.93 1,352.30	66500 · Telephone and Internet					
68500 · Repairs & Maintenance 4,439.39 1,666.66 12,226.87 8,333.30 20,000.00 68600 · Repair Parts 1,538.05 125.00 1,538.05 625.00 1,500.00 69900 · Printing Expense 0.00 83.33 0.00 416.65 1,000.00 71500 · Interest Expense 2,402.74 2,416.42 11,839.19 12,082.10 28,997.00 72500 · Depreciation Expense 0.00 5,638.83 0.00 28,192.90 67,683.00 77500 · Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 8900 · Other Expense 0.00 744.00 744.00 416.65 1,000.00 Total Expense 12,662.81 12,121.61 45,586.48 60,608.05 145,460.00 Net Ordinary Income 86,282.93 1,352.30 136,644.73 6,761.50 16,227.00	67000 · Postage & Shipping Expense	415.98	208.33	1,105.34	1,041.65	2,500.00
68600 · Repair Parts 1,538.05 125.00 1,538.05 625.00 1,500.00 69000 · Printing Expense 0.00 83.33 0.00 416.65 1,000.00 71500 · Interest Expense 2,402.74 2,416.42 11,839.19 12,082.10 28,997.00 72500 · Depreciation Expense 0.00 5,638.58 0.00 28,192.90 67,683.00 77500 · Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 89000 · Other Expense 0.00 744.00 744.00 70000 70000 700000 70000000000	68000 · Equipment Rental Expense	0.00				
\$9000 · Printing Expense 0.00 83.33 0.00 416.65 1,000.00 71500 · Interest Expense 2,402.74 2,416.42 11,839.19 12,082.10 28,997.00 72500 · Depreciation Expense 0.00 5,638.58 0.00 28,192.90 67,683.00 77500 · Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 89000 · Other Expense 0.00 744.00 416.65 1,000.00 Total Expense 12,662.81 12,121.61 45,586.48 60,608.05 145,460.00 Net Ordinary Income 86,282.93 1,352.30 136,644.73 6,761.50 16,227.00						
71500 · Interest Expense 2,402.74 2,416.42 11,839.19 12,082.10 28,997.00 72500 · Depreciation Expense 0.00 5,638.58 0.00 28,192.90 67,683.00 77500 · Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 83000 · Other Expense 0.00 744.00	68600 · Repair Parts	1,538.05				
72500 · Depreciation Expense 0.00 5,638.58 0.00 28,192.90 67,683.00 77500 · Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 89000 · Other Expense 0.00 744.00 744.00 12,121.61 45,586.48 60,608.05 145,460.00 Net Ordinary Income 86,282.93 1,352.30 136,644.73 6,761.50 16,227.00	69000 · Printing Expense	0.00	83.33			
77500 · Meetings/Conferences 0.00 83.33 120.00 416.65 1,000.00 89000 · Other Expense 0.00 744.00 Total Expense 12,662.81 12,121.61 45,586.48 60,608.05 145,460.00 Net Ordinary Income 88,282.93 1,352.30 136,644.73 6,761.50 16,227.00	71500 · Interest Expense	2,402.74				
35000 - Other Expense 0.00 744.00 Total Expense 12,662.81 12,121.61 45,586.48 60,608.05 145,460.00 Net Ordinary Income 86,282.93 1,352.30 136,644.73 6,761.50 16,227.00						
Total Expense 12,662.81 12,121.61 45,586.48 60,608.05 145,460.00 Net Ordinary Income 86,282.93 1,352.30 136,644.73 6,761.50 16,227.00			83,33		416.65	1,000.00
Net Ordinary Income 86,282.93 1,352.30 136,644.73 6,761.50 16,227.00	89000 - Other Expense	0.00		A Comment of the Comm		
100 100 100 100 100 100 100 100 100 100	Total Expense	12,662.81	12,121.61	45,586.48	60,608.05	145,460.00
Net Income 86,282.93 1,352.30 136,644.73 6,761.50 16,227.00	Net Ordinary Income	86,282.93	1,352.30	136,644.73	6,761.50	• 16,227.00
	Net Income	86,282.93	1,352.30	136,644.73	6,761.50	16,227.00

12:45 PM 07/11/15 Cash Basis

Windermere Oaks W.S.C. Balance Sheet As of June 30, 2015

	Jun 30, 15
ASSETS	
Current Assets	
Checking/Savings 10200 Cash in Bank-2100725	14,052.63
10400 · MM/Contingency Funds-128546	115,776.33
10500 · disbursement account for wwtp (this is a disbursement account for loan proceeds and inter	25.00
Total Checking/Savings	129,853.96
Other Current Assets 11000 · Standby Fees-Receivable	34,898.42
Total Other Current Assets	34,898.42
Total Current Assets	164,752.38
Fixed Assets	
15000 · Furniture & Fixtures	2,702.03
15100 · Equipment 15200 · Fence	109,418.15 16,517.66
15300 · Water Treatment Facility	191,994.20
15310 - 2004 Water Plant Expansion	6,500.00
15340 · 3-Phase Electrical Upgrade	8,699.00
15350 - 2004 Water Storage Tank	70,649.95
15400 - Improvements	29,986.86
15500 · Building 15600 · Sewer Plant	3,377.58 125,233.87
15650 - Barge Replacement	652.27
15700 · Hydrotank Foundation	9,599.19
15750 · Boat	4,000.00
15800 - Decant Lagoon	18,475.51
15850 · 2014 WW Treatment Plant (Expenditures for WWTP)	782,118.12
15900 - Sewer Plant Bidg new 15950 - 2007 Water Treatment Plant	18,277.70 679,210.33
16800 · Lot 253	6,403.75
16900 - Land	61,424.08
17000 · Accumulated Depreciation	-680,702.62
Total Fixed Assets	1,464,537.63
Other Assets	
19300 · Standby Fees Delinquent	59,410.52
Total Other Assets	59,410.52
TOTAL ASSETS	1,688,700.53
LIABILITIES & EQUITY Liabilities	
Current Liabilities	
Other Current Liabilities	
24000 · Other Taxes Payable	-155.97
24200 - Current Portion Lng Trm D	6,135.00
24700 · Loan 17160100	97,227.48
25000 · Water & Sewer Taxes Payable 27100 · Deferred Revenue-Standby Fees	5,104.52 35,426.42
Total Other Current Liabilities	143,737.45
Total Current Liabilities	143,737.45
Long Term Liabilities 27000 · Note Payable WO POA	-871.62
27400 · Current Portion Long Term Debt	-6,135.00
27500 · Membership Fees Refundabl	78,710.59
27600 · Loan 17160100 Amer Bank	777.16
27700 · Current Portion Loan 1716	-97,227.48
27750 · Loan ABT WWTP April 4 2014 (This is first loan for WWTP) 27800 · Def Revenue Standby Fees-Delinq	599,619.51 59,410.52
Total Long Term Liabilities	634,283.68

12:45 PM 07/11/15 Cash Basis

Windermere Oaks W.S.C. Balance Sheet As of June 30, 2015

	Jun 30, 15
Total Liabilities	778,021.13
Equity 39005 - Retained Earnings Net Income	776,931.37 133,748.03
Total Equity	910,679.40
TOTAL LIABILITIES & EQUITY	1,688,700.53

12:56 PM 07/11/15 Cash Basis

Windermere Oaks W.S.C. Profit & Loss Budget Performance June 2015

	Jun 15	Budget	Jan - Jun 15	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income	22722	0.000.00	43.848.00	19,999,98	40,000.00
40000 · Standby Fees	864.00	3,333.33	121,071,37	135,000.00	270,000.00
40200 · Water & Sewer Services	21,146.27	22,500.00	3,467.65	2,499.96	5,000.00
40300 - Late Charges	520.12	416.66	350.00	2,455.00	3,000.00
40400 · Membership Fees	350.00 0.00	8.33	0.00	49.98	100.00
40410 - Membership Transfer Fees		666.66	4.000.00	3,999.96	8,000,00
40500 · Equity Buy-in Fees	0.00	500.00	1,500.00	3,000.00	6.000.00
40600 · Water & Sewer Taps		33.33	173.16	199.98	400.00
41000 · Interest Income	29.17 39.02	33.33	-310.98	133.30	100.00
43500 - Dues & Subscriptons Refund	0.00	83.33	0.00	499.98	1,000.00
46400 • Reconnect fee	0.00	03.33	90.740.21	400,00	110-0-1-0-1
48100 - Other Income (Other Income)	0.00		1.93		
49000 - Fee Discounts 49100 - Lab fees refunded	661.51		661.51		
	23,610,09	27,541.64	265,502.85	165,249.84	330,500.00
Total Income	23,010,03	27,041.04	200,002.00	700,2 1010	55.042.000000000000000000000000000000000
Cost of Goods Sold	44.046.00	10,200.00	55,646,48	61,200.00	122,400.00
50000 · COS-Operator	11,916.39		350.00	1,999.98	4.000.00
57000 · COS-Chemicals	0.00 1,685.01	333.33 1.750.00	10.391.30	10,500.00	21,000.00
57500 · COS-Electricity	10.686,1	416.66	0.00	2,499.96	5,000.00
58000 · COS-Sludge Removal	1,958.70	951.08	5,092,57	5,706.48	11,413.00
58500 · LCRA - Raw Water Fee 59000 · COS-Lab Fees	1,773.69	416.66	5,514.99	2,499.96	5,000.00
NOTE OF THE PROCESSING OF A CONTRACT OF THE PROCESSING OF THE PROC		14,067.73	76,995.34	84,406.38	168,813.00
Total COGS	17,333.79				****
Gross Profit	6,276.30	13,473.91	188,507.51	80,843.46	161,687.00
Expense	0.050.07		2,974,54		
59600 - Operations Expense	2,959.37		1,325.10		
59620 · Misc Operations Expense	411.35		350.00		
61000 · Benefits Paid to Members	350.00	41.66	363.82	249.96	500,00
62000 · Bank Charges	54.48	183,33	980.00	1,099,98	2,200.00
62500 · Accounting	980.00 0.00	125.00	0.00	750.00	1,500.00
62600 · Billing Services	0.00	125.00	0.00	7.00.00	1,000.00
62800 · Total Contract Services	0.00	41,66	478.69	249.96	500.00
62806 · Consulting Fees 62808 · Inspections	0.00	41.66	0.00	249.96	500.00
Total 62800 · Total Contract Services	0.00	83.32	478.69	499.92	1,000.00
62900 · Licenses & Permits	0.00	12.50	0.00	75.00	150.00
63000 · Legal/Appraisal	0.00	41.66	2,722.40	249.96	500.00
63500 - Dues & Subscriptions	385.00	12.50	385.00	75.00	150.00
64000 - Regulatory Assessment Fee				4 000 00	2.600.00
64020 · TCEQ Annual System Fee	0.00	216.66	1,255.00	1,299.96	
Total 64000 · Regulatory Assessment Fee	0.00	216.66	1,255.00	1,299.96	2,600.00
65500 - Insurance	0.00	833.33	10,270.81	4,999.98	10,000.00
66000 · Office Supplies	0.00	100.00	732.13	600.00	1,200.00
66500 - Telephone and Internet	304.89	250.00	1,620.63	1,500.00	3,000.00
67000 - Postage & Shipping Expense	15.98	208.33	1,121.32	1,249.98	2,500.00
68000 · Equipment Rental Expense	0.00		0.00	0.000.00	00 000 00
68500 · Repairs & Maintenance	1,508.14	1,666.66	13,735.01	9,999.96 750.00	20,000.00 1,500.00
68600 · Repair Parts	0.00	125.00	1,538.05		1,000.00
69000 - Printing Expense	0.00	83.33	0.00	499,98	28,997.00
71500 · Interest Expense	2,203.79	2,416.42	14,042.98	14,498.52 33,831.48	67,663.00
72500 - Depreciation Expense	0.00	5,638.58	0.00	499.98	1,000.00
77500 · Meetings/Conferences	0.00	83.33	120.00 744.00	459.50	1,000.00
89000 - Other Expense	0.00			70 700 00	145 460 00
Total Expense	9,173.00	12,121.61	54,759.48	72,729.66	145,460.00
Net Ordinary Income	-2,896.70	1,352.30	133,748.03	8,113.80	16,227.00
Net income	-2,896.70	1,352.30	133,748.03	8,113.80	16,227.00

Manager's Report

for June 30,2015

For the past several years the two critical issues confronting WOWSC have been the condition of the wastewater treatment plant and the low lake level. As of September when the new WWTP came online, that reduced the critical issues to the lake level. As of April, only two months ago, the lake level was below 630', and the odds of having to haul in water by the end of summer were probably no better that 50/50.

As of the end of June, the lake level has risen to 670' and life is beginning to look like it might be returning to normal. But, as is usually the case, that kind of rapid rise in the lake level is associated with some kind of storm. Instead of a hurricane, this time it was torrential rains, lightning strikes and destructive winds, even tornadoes. Apparently, lightning struck the PEC power line, sending an electrical spike into the treatment plant, knocking out the control system and damaging pumps, computers and other components. Even though the plant was able to maintain water service through the storm, an interface card in the computer which controls the operation of the plant, was damaged, in addition to transducers which control the operation of the high pressure pumps. The operators were able to operate the plant manually until the components could be replaced.

However, the most substantial damage was inflicted on the intake pumps on the barge. The rush of the current and the high winds forced the barge downstream, and broke one of the three steel cables which anchor the barge, which in turn allowed the barge to move just far enough so that three of the four electric cables which supply power to the four intake pumps were torn loose. In order to assess the damage, the three pumps which were not running were taken to the pump supplier to be checked, and they determined that two of the pump motors were inoperable. Our electrician was called to analyze the condition of the electric cables and their integrity will not be certain until the rebuilt pumps are installed in the next few days. In the meantime, the electric switches on the barge have been replaced and the broken steel anchor cable has been repaired. Until the pumps are up and running it will not be possible to know what the cost of all repairs will be. If the electric cables are satisfactory, the total cost will be around \$10,000, but the replacement of the electric cables could themselves run an additional \$20,000.

In any event, the insurance company is aware of the storm and its impact on the system, and a claim has been initiated. Contact has been made with the agent and the adjuster. A preliminary description of the damage has been provided and we are waiting on their instruction as to how to proceed. Our policy includes a \$1000 deductible, so most of the expense hopefully will be covered.

OTHER DEVELOPMENTS

- After many hours of discussions with TCEQ, they have concluded that we are not required at this time to begin chemical treatment to address a violation of the lead and copper regulations. All that is required will be additional sampling to determine if chemical treatment will be necessary.
- TCEQ inspectors performed an inspection of the new WWTP. Their report and the
 inspection results have not yet been received. During the inspection, they did not
 indicate there were any major issues. They were pleased with the new plant, and the
 only concern they expressed was that a meter on the line to the irrigation line may be
 required.
- Progress on controlling the erosion of the berms around the ponds at the new WWTP
 has been delayed by the rain which has made preparation of the soil impossible until it
 dries out.
- The final draft of the revised tariff has been forwarded to all BOD members, and the next step will be for the BOD to raise any questions or concerns prior to adoption.

Respectfully submitted,

George Burriss