

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
NOVEMBER 30, 2014**

|  |            |
|--|------------|
| Total Fund Balance - Governmental Fund | \$ 114,047 |
|--|------------|

Amounts reported for governmental activities in the Statement of Net Position are different because:

|  |           |
|--|-----------|
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds. | 4,461,246 |
|--|-----------|

|  |        |
|--|--------|
| Deferred tax revenues and deferred penalty and interest revenues on delinquent taxes for the 2013 and prior tax levies became part of recognized revenue in the governmental activities of the District. | 12,258 |
|--|--------|

Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

|                  |                    |
|------------------|--------------------|
| Due to Developer | <u>(5,224,515)</u> |
|------------------|--------------------|

|  |                     |
|--|---------------------|
| Total Net Position - Governmental Activities | <u>\$ (636,964)</u> |
|--|---------------------|

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

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2014**

|  | General Fund      | Adjustments         | Statement of<br>Activities |
|--|-------------------|---------------------|----------------------------|
| <b>REVENUES</b>  |                   |                     |                            |
| Property Taxes   | \$ 331,055        | \$ (1,624)          | \$ 329,431                 |
| Water Service  | 71,928            |                     | 71,928                     |
| Wastewater Service                                       | 56,930            |                     | 56,930                     |
| Regional Water Authority Fees                            | 35,333            |                     | 35,333                     |
| Penalty and Interest                                     | 13,019            | (338)               | 12,681                     |
| Tap Connection and Inspection Fees                       | 50,480            |                     | 50,480                     |
| Miscellaneous Revenues                                   | 4,210             |                     | 4,210                      |
| <b>TOTAL REVENUES</b>                                    | <u>\$ 562,955</u> | <u>\$ (1,962)</u>   | <u>\$ 560,993</u>          |
| <b>EXPENDITURES/EXPENSES</b>                             |                   |                     |                            |
| Service Operations:                                      |                   |                     |                            |
| Professional Fees  | \$ 120,340        | \$                  | \$ 120,340                 |
| Contracted Services                                      | 58,902            |                     | 58,902                     |
| Utilities  | 18,301            |                     | 18,301                     |
| Regional Water Authority Assessment, Note 11             | 36,522            |                     | 36,522                     |
| Repairs and Maintenance                                  | 95,089            |                     | 95,089                     |
| Operating Leases, Note 10                                | 57,600            |                     | 57,600                     |
| Depreciation, Note 4                                     |                   | 78,370              | 78,370                     |
| Other  | 74,325            |                     | 74,325                     |
| <b>TOTAL EXPENDITURES/EXPENSES</b>                       | <u>\$ 461,079</u> | <u>\$ 78,370</u>    | <u>\$ 539,449</u>          |
| <b>NET CHANGE IN FUND BALANCE</b>                        | \$ 101,876        | \$ (101,876)        | \$                         |
| <b>CHANGE IN NET POSITION</b>                            |                   | 21,544              | 21,544                     |
| <b>FUND BALANCE/NET POSITION -<br/>DECEMBER 1, 2013</b>  | <u>12,171</u>     | <u>(670,679)</u>    | <u>(658,508)</u>           |
| <b>FUND BALANCE/NET POSITION -<br/>NOVEMBER 30, 2014</b> | <u>\$ 114,047</u> | <u>\$ (751,011)</u> | <u>\$ (636,964)</u>        |

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

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED NOVEMBER 30, 2014**

|  |                  |
|--|------------------|
| Net Change in Fund Balance - Governmental Fund   | \$ 101,876       |
| Amounts reported for governmental activities in the Statement of Activities are different because:   |                  |
| Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.                       | (1,624)          |
| Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed.    | (338)            |
| Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities. | <u>(78,370)</u>  |
| Change in Net Position - Governmental Activities   | <u>\$ 21,544</u> |

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

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2014**

**NOTE 1. CREATION OF DISTRICT**

Harris County Municipal Utility District No. 480 (the "District") was created effective January 30, 2007, by an Order of the Texas Commission on Environmental Quality, (the "Commission"). Pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, the District is empowered to purchase, operate and maintain all facilities, plants and improvements necessary to provide water, sanitary sewer service, storm sewer drainage, irrigation, solid waste collection and disposal, including recycling, and to construct parks and recreational facilities for the residents of the District. The Board of Directors held its first meeting on February 28, 2007.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB"). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Commission.

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether or not an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District's financial statement as component units.

**Financial Statement Presentation**

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting.

GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2014**

**NOTE 2.      SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial Statement Presentation (Continued)

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense of the government-wide Statement of Activities.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2014**

**NOTE 2.      SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide statements. The fund statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance.

Governmental Fund

The District has one governmental fund and considers it to be a major fund.

General Fund - To account for property tax revenues, customer service revenues, costs and general expenditures.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if they are collectable within 60 days after year end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include the 2013 tax levy collections during the period October 1, 2013, to November 30, 2014, and taxes collected from December 1, 2013, to November 30, 2014, for the 2012 and prior tax levies. The 2014 tax levy has been fully deferred.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2014**

**NOTE 2.     SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Interest costs, including developer interest, engineering fees and certain other costs are capitalized as part of the asset.

Assets are capitalized, including infrastructure assets, if they have an original cost greater than \$5,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are as follows:

|                     | <u>Years</u> |
|---------------------|--------------|
| Buildings           | 40           |
| Water System        | 10-45        |
| Wastewater System   | 10-45        |
| Drainage System     | 10-45        |
| All Other Equipment | 3-20         |

Budgeting

In compliance with governmental accounting principles, the Board of Directors annually adopts an unappropriated budget for the General Fund. The budget was amended during the current fiscal year.

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that Directors are considered to be "employees" for federal payroll tax purposes only.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2014**

**NOTE 2.     SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

*Nonspendable:* amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted:* amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally. The District does not have any restricted fund balances.

*Committed:* amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

*Assigned:* amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned Fund Balances.

*Unassigned:* all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.



**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2014**

**NOTE 2.      SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and 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.

**NOTE 3.      DEPOSITS AND INVESTMENTS**

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District's deposits was \$160,541 and the bank balance was \$167,403. The bank balance was fully covered by federal depository insurance. The carrying values of the deposits are included in the Governmental Fund Balance Sheet and the Statement of Net Position at November 30, 2014, as listed below:

GENERAL FUND

\$     160,541

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2014**

**NOTE 3. DEPOSITS AND INVESTMENTS (Continued)**

Investments (Continued)

prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest District funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. Authorized investments are summarized as follows: (1) obligations of the United States or its agencies and instrumentalities, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) certain collateralized mortgage obligations, (4) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies and instrumentalities, including obligation that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, (5) certain A rated or higher obligations of states, agencies, counties, cities, and other political subdivisions of any state, (6) bonds issued, assumed or guaranteed by the State of Israel, (7) insured or collateralized certificates of deposit, (8) certain fully collateralized repurchase agreements secured by delivery, (9) certain bankers' acceptances with limitations, (10) commercial paper rated A-1 or P-1 or higher and a maturity of 270 days or less, (11) no-load money market mutual funds and no-load mutual funds with limitations, (12) certain guaranteed investment contracts, (13) certain qualified governmental investment pools and (14) a qualified securities lending program. As of November 30, 2014, the District had no investments.

**NOTE 4. CAPITAL ASSETS**

Capital asset activity for the year ended November 30, 2014:

|   | December 1,<br>2013 | Increases         | Decreases       | November 30,<br>2014 |
|---|---------------------|-------------------|-----------------|----------------------|
| <b>Capital Assets Not Being Depreciated</b>         |                     |                   |                 |                      |
| Land and Land Improvements                          | \$ 1,145,908        | \$ - 0 -          | \$ - 0 -        | \$ 1,145,908         |
| <b>Capital Assets Subject to Depreciation</b>       |                     |                   |                 |                      |
| Water System  | \$ 211,706          | \$ 83,861         | \$              | \$ 295,567           |
| Wastewater System                                   | 927,274             | 218,839           |                 | 1,146,113            |
| Drainage System                                     | 1,830,504           | 575,170           |                 | 2,405,674            |
| <b>Total Capital Assets Subject to Depreciation</b> | <b>\$ 2,969,484</b> | <b>\$ 877,870</b> | <b>\$ - 0 -</b> | <b>\$ 3,847,354</b>  |

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2014**

**NOTE 4. CAPITAL ASSETS (Continued)**

|  | December 1,<br>2013 | Increases         | Decreases       | November 30,<br>2014 |
|--|---------------------|-------------------|-----------------|----------------------|
| <b>Less Accumulated Depreciation</b>                                     |                     |                   |                 |                      |
| Water System   | \$ 31,077           | \$ 5,322          | \$              | \$ 36,399            |
| Wastewater System  | 145,120             | 24,606            |                 | 169,726              |
| Drainage System  | 277,449             | 48,442            |                 | 325,891              |
| <b>Total Accumulated Depreciation</b>                                    | <u>\$ 453,646</u>   | <u>\$ 78,370</u>  | <u>\$ - 0 -</u> | <u>\$ 532,016</u>    |
| <b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b> | <u>\$ 2,515,838</u> | <u>\$ 799,500</u> | <u>\$ - 0 -</u> | <u>\$ 3,315,338</u>  |
| <b>Total Capital Assets, Net of Accumulated Depreciation</b>             | <u>\$ 3,661,746</u> | <u>\$ 799,500</u> | <u>\$ - 0 -</u> | <u>\$ 4,461,246</u>  |

**NOTE 5. MAINTENANCE TAX**

On May 12, 2007, the voters of the District approved the levy and collection of a maintenance tax in an amount not to exceed \$1.50 per \$100 of assessed valuation of taxable property within the District. The maintenance tax is to be used by the General Fund to pay expenditures of operating the District's water and wastewater system. During the year ended November 30, 2014, the District levied an ad valorem maintenance tax of \$1.48 per \$100 of assessed valuation, which resulted in a tax levy of \$491,298 on the adjusted taxable valuation of \$33,195,742 for the 2014 tax year.

Levy Date - October 1, or as soon thereafter as practicable.

Lien Date - January 1.

Due Date - Not later than January 31.

Delinquent Date - February 1, at which time the taxpayer is liable for penalty and interest.

**NOTE 6. DEVELOPER ADVANCES**

The District has entered into agreements with Developers to advance funds to the District sufficient to pay for creation and organizational costs as well as operating expenses until other sufficient revenues become available to the District. The District intends to reimburse the Developers for such advances from a future bond issue. Since inception, the Developers have made operating advances totaling \$231,253 to the District which have been recorded as liabilities in the Statement of Net Position.

## **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**

### **NOTES TO THE FINANCIAL STATEMENTS**

**NOVEMBER 30, 2014**

#### **NOTE 7. UNREIMBURSED COSTS**

The District has entered into certain financing and reimbursement agreements with Developers within the District which provide for the Developers to make payments on behalf of the District for various projects. The District has an obligation to reimburse the Developers for these costs from future bond issues to the extent approved by the Commission. The District has recorded a liability to the Developers of \$4,993,262 for completed projects as of November 30, 2014.

#### **NOTE 8. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District carries commercial insurance for its fidelity bonds and participates in the Texas Municipal League Intergovernmental Risk Pool (TML) to provide general liability, automobile, and errors and omissions coverage. The District, along with other participating entities, contributes annual amounts determined by TML's management. As claims arise, they are submitted and paid by TML. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

#### **NOTE 9. BONDS VOTED**

At an election held within the District on May 12, 2007, voters approved for the District to issue water, sewer and drainage bonds up to a maximum amount of \$41,100,000 and park bonds up to a maximum amount of \$5,000,000.

#### **NOTE 10. OPERATING LEASES**

##### Interim Wastewater Treatment Plant

On June 26, 2006, a developer for the District entered into a 36-month lease agreement with AUC Group, L.P. to lease an 80,000 gallons-per-day (gpd) prepackaged wastewater treatment plant with an oversized clarifier for future expansion to 300,000 gpd commencing on the first day of the month following substantial completion of the installation and start-up of the leased equipment. Lease payments began in May, 2007 at a rate of \$7,300 per month. After the conclusion of the initial 36-month lease, the District extended the lease on a month-to-month basis at \$4,800 per month. The District made lease payments of \$57,600 during the current fiscal year.

##### Water Well and Water Treatment Plant

On June 1, 2006, a developer for the District entered into an Equipment Lease and Purchase Option Agreement with Bussell & Sons, LLC (Lessor) for the lease of a potable water well and water treatment plant. The Developer purchased the facilities in the current fiscal year

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2014**

**NOTE 11. NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY**

The District is located within the boundaries of the North Harris County Regional Water Authority (the "Authority"). The Authority was created under Article 16, Section 59 of the Texas Constitution by House Bill 2965 (the "Act"), as passed by the 75<sup>th</sup> Texas Legislature, in 1999. The Act empowers the Authority to provide for the conservation, preservation, protection, recharge and prevention of waste of groundwater, and for the reduction of groundwater withdrawals. The Authority currently charges a fee of \$2.00 per 1,000 gallons of water pumped from each well. The District made payments of \$36,522 to the Authority during the current fiscal year.

**NOTE 12. EMERGENCY WATER SUPPLY AGREEMENT**

On April 1, 2014, the District entered into an Emergency Water Supply Agreement (Agreement) with Dowdell Public Utility District (Dowdell). Each party will fund one-half of the design and construction of the interconnect facilities with Dowdell's share not to exceed \$25,000. Costs to maintain the point of connection facilities will be borne equally by both districts, with the costs to be billed by the District to Dowdell. The cost of water will be equal to the base rate per 1,000 gallons charged by the supplying district for single family residential users within its district at 5,000 gallons usage during a month, plus any pumpage fee, unless the fee is already included in the rate. The term of the agreement is 20 years, with automatic successive five-year renewals.

**NOTE 13. AGREEMENTS FOR WATER AND WASTEWATER SERVICE**

On September 24, 2014, the District entered into an agreement with Aqua Texas, Inc. (Aqua) for the provision of water services. Water supplied will be billed to the District at the volumetric rate established for wholesale water users as provided in the applicable tariff approved by the State agency with jurisdiction, currently \$5.01 per 1,000 gallons of water. The agreement expires May 1, 2054.

On September 24, 2014, the District entered into an agreement with Aqua Texas, Inc. (Aqua) for the provision of wastewater services. Wastewater treatment will be billed to the District based on the number of active single family connections for the preceding month at the rate established for retail residential wastewater users as provided in the applicable tariff approved by the State agency with jurisdiction, currently \$63.80 per single family equivalent connection. The agreement expires May 1, 2054.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**

**REQUIRED SUPPLEMENTARY INFORMATION**

**NOVEMBER 30, 2014**

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2014**

|   | Original<br>Budget | Final<br>Amended<br>Budget | Actual            | Variance<br>Positive<br>(Negative) |
|---|--------------------|----------------------------|-------------------|------------------------------------|
| <b>REVENUES</b>                         |                    |                            |                   |                                    |
| Property Taxes                          | \$ 187,711         | \$ 264,150                 | \$ 331,055        | \$ 66,905                          |
| Water Service                           | 55,000             | 57,000                     | 71,928            | 14,928                             |
| Wastewater Service                      | 35,000             | 35,000                     | 56,930            | 21,930                             |
| Regional Water Authority Fee            | 18,000             | 21,000                     | 35,333            | 14,333                             |
| Penalty and Interest                    | 1,700              | 1,700                      | 13,019            | 11,319                             |
| Tap Connection and Inspection Fees      | 90,000             | 90,000                     | 50,480            | (39,520)                           |
| Miscellaneous Revenues                  | 100                | 100                        | 4,210             | 4,110                              |
| <b>TOTAL REVENUES</b>                   | <u>\$ 387,511</u>  | <u>\$ 468,950</u>          | <u>\$ 562,955</u> | <u>\$ 94,005</u>                   |
| <b>EXPENDITURES</b>                     |                    |                            |                   |                                    |
| Services Operations:                    |                    |                            |                   |                                    |
| Professional Fees                       | \$ 87,500          | \$ 87,500                  | \$ 120,340        | \$ (32,840)                        |
| Contracted Services                     | 31,000             | 31,000                     | 58,902            | (27,902)                           |
| Utilities                               | 18,000             | 18,000                     | 18,301            | (301)                              |
| Regional Water Authority Assessment     | 24,000             | 24,000                     | 36,522            | (12,522)                           |
| Repairs and Maintenance                 | 78,000             | 104,000                    | 95,089            | 8,911                              |
| Operating Leases                        | 118,000            | 118,000                    | 57,600            | 60,400                             |
| Other                                   | 50,840             | 50,840                     | 74,325            | (23,485)                           |
| <b>TOTAL EXPENDITURES</b>               | <u>\$ 407,340</u>  | <u>\$ 433,340</u>          | <u>\$ 461,079</u> | <u>\$ (27,739)</u>                 |
| <b>NET CHANGE IN FUND BALANCE</b>       | <u>\$ (19,829)</u> | <u>\$ 35,610</u>           | <u>\$ 101,876</u> | <u>\$ 66,266</u>                   |
| <b>FUND BALANCE - DECEMBER 1, 2013</b>  | <u>12,171</u>      | <u>12,171</u>              | <u>12,171</u>     |                                    |
| <b>FUND BALANCE - NOVEMBER 30, 2014</b> | <u>\$ (7,658)</u>  | <u>\$ 47,781</u>           | <u>\$ 114,047</u> | <u>\$ 66,266</u>                   |

See accompanying independent auditor's report.

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**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**SUPPLEMENTARY INFORMATION – REQUIRED BY THE**  
**WATER DISTRICT FINANCIAL MANAGEMENT GUIDE**  
**NOVEMBER 30, 2014**

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**SERVICES AND RATES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2014**

**1. SERVICES PROVIDED BY THE DISTRICT DURING THE FISCAL YEAR:**

|               |  |               |                      |               |            |
|---------------|--|---------------|----------------------|---------------|------------|
| <u>  X  </u>  | Retail Water   | <u>      </u> | Wholesale Water      | <u>  X  </u>  | Drainage   |
| <u>  X  </u>  | Retail Wastewater  | <u>      </u> | Wholesale Wastewater | <u>      </u> | Irrigation |
| <u>      </u> | Parks/Recreation   | <u>      </u> | Fire Protection      | <u>      </u> | Security   |
| <u>  X  </u>  | Solid Waste/Garbage  | <u>      </u> | Flood Control        | <u>      </u> | Roads      |
| <u>      </u> | Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) |               |                      |               |            |
| <u>      </u> | Other (specify): _____   |               |                      |               |            |

**2. RETAIL SERVICE PROVIDERS**

**a. RETAIL RATES FOR A 5/8" METER (OR EQUIVALENT):**

Based on the rate order effective June 25, 2014.

|                | Minimum<br>Charge | Minimum<br>Usage | Flat<br>Rate<br>Y/N | Rate per 1,000<br>Gallons over<br>Minimum Use | Usage Levels   |
|----------------|-------------------|------------------|---------------------|---|--|
| WATER:         | \$ 23.85          | 8,000            | N                   | \$ 1.50<br>\$ 2.00<br>\$ 2.50<br>\$ 3.50      | 8,001 to 15,000<br>15,001 to 20,000<br>20,001 to 30,000<br>30,001 and up |
| WASTEWATER:    | \$ 24.00          |                  | Y                   |   |  |
| SURCHARGE:     |                   |                  |                     |   |  |
| Commission     | 0.5% of actual    |                  |                     |   |  |
| Regulatory     | water and         |                  |                     |   |  |
| Assessments    | sewer bill        |                  |                     |   |  |
| Regional Water | \$2.20 per        |                  |                     |   |  |
| Authority Fee  | 1,000 gallons     |                  |                     |   |  |

District employs winter averaging for wastewater usage?

|               |              |
|---------------|--------------|
| <u>      </u> | <u>  X  </u> |
| Yes           | No           |

Total monthly charges per 10,000 gallons usage: Water: \$26.85 Wastewater: \$24.00 Surcharge: \$22.25

See accompanying independent auditor's report.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**SERVICES AND RATES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2014**

**2. RETAIL SERVICE PROVIDERS (Continued)**

**b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)**

| <u>Meter Size</u>            | <u>Total<br/>Connections</u> | <u>Active<br/>Connections</u> | <u>ESFC<br/>Factor</u> | <u>Active<br/>ESFCs</u> |
|------------------------------|------------------------------|-------------------------------|------------------------|-------------------------|
| Unmetered                    |                              |                               | x 1.0                  |                         |
| ≤¾"                          | <u>227</u>                   | <u>222</u>                    | x 1.0                  | <u>222</u>              |
| 1"                           | <u>2</u>                     | <u>2</u>                      | x 2.5                  | <u>5</u>                |
| 1½"                          |                              |                               | x 5.0                  |                         |
| 2"                           | <u>1</u>                     | <u>1</u>                      | x 8.0                  | <u>8</u>                |
| 3"                           |                              |                               | x 15.0                 |                         |
| 4"                           |                              |                               | x 25.0                 |                         |
| 6"                           |                              |                               | x 50.0                 |                         |
| 8"                           |                              |                               | x 80.0                 |                         |
| 10"                          |                              |                               | x 115.0                |                         |
| Total Water Connections      | <u>230</u>                   | <u>225</u>                    |                        | <u>235</u>              |
| Total Wastewater Connections | <u>224</u>                   | <u>224</u>                    | x 1.0                  | <u>224</u>              |

**3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (Unaudited)**

Gallons pumped into the system: 17,778,000      Water Accountability Ratio: 93.8%  
 (Gallons billed/Gallons pumped)

Gallons billed to customers: 16,674,000

See accompanying independent auditor's report.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**SERVICES AND RATES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2014**

**4. STANDBY FEES** (authorized only under TWC Section 49.231):

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

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

**5. LOCATION OF DISTRICT:**

Is the District located entirely within one county?

Yes ☒ No ☐

County in which District is located:

Harris County, Texas

Is the District located within a city?

Entirely ☐ Partly ☐ Not at all ☒

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

Entirely ☒ Partly ☐ Not at all ☐

ETJ in which the District is located:

City of Houston, Texas

Are Board Members appointed by an office outside the District?

Yes ☐ No ☒

See accompanying independent auditor's report.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2014**

PROFESSIONAL FEES:

|             |               |
|-------------|---------------|
| Auditing    | \$ 8,000      |
| Engineering | 18,058        |
| Legal       | <u>94,282</u> |

|                         |                   |
|-------------------------|-------------------|
| TOTAL PROFESSIONAL FEES | <u>\$ 120,340</u> |
|-------------------------|-------------------|

CONTRACTED SERVICES:

|                        |              |
|------------------------|--------------|
| Appraisal District     | \$ 2,412     |
| Bookkeeping            | 5,663        |
| Operations and Billing | 14,485       |
| Tax Collector          | <u>3,743</u> |

|                           |                  |
|---------------------------|------------------|
| TOTAL CONTRACTED SERVICES | <u>\$ 26,303</u> |
|---------------------------|------------------|

UTILITIES:

|             |                  |
|-------------|------------------|
| Electricity | <u>\$ 18,301</u> |
|-------------|------------------|

|                         |                  |
|-------------------------|------------------|
| REPAIRS AND MAINTENANCE | <u>\$ 95,089</u> |
|-------------------------|------------------|

ADMINISTRATIVE EXPENDITURES:

|                                  |            |
|----------------------------------|------------|
| Director Fees                    | \$ 5,700   |
| Dues                             | 565        |
| Insurance                        | 4,507      |
| Legal Notices                    | 846        |
| Office Supplies and Postage      | 10,085     |
| Payroll Taxes and Administration | 367        |
| Travel and Meetings              | 788        |
| Other                            | <u>622</u> |

|                                   |                  |
|-----------------------------------|------------------|
| TOTAL ADMINISTRATIVE EXPENDITURES | <u>\$ 23,480</u> |
|-----------------------------------|------------------|

|                 |                  |
|-----------------|------------------|
| TAP CONNECTIONS | <u>\$ 20,190</u> |
|-----------------|------------------|

|                      |                  |
|----------------------|------------------|
| SOLID WASTE DISPOSAL | <u>\$ 32,599</u> |
|----------------------|------------------|

OTHER EXPENDITURES:

|                                      |               |
|--------------------------------------|---------------|
| Chemicals                            | \$ 4,460      |
| Laboratory Fees                      | 11,025        |
| Permit Fees                          | 1,425         |
| Reconnection Fees                    | 675           |
| Inspection Fees                      | 9,560         |
| Regulatory Assessment                | 533           |
| Regional Water Authority Assessments | 36,522        |
| Sludge Hauling                       | 2,977         |
| Operating Leases                     | <u>57,600</u> |

|                          |                   |
|--------------------------|-------------------|
| TOTAL OTHER EXPENDITURES | <u>\$ 124,777</u> |
|--------------------------|-------------------|

|                    |                          |
|--------------------|--------------------------|
| TOTAL EXPENDITURES | <u><u>\$ 461,079</u></u> |
|--------------------|--------------------------|

See accompanying independent auditor's report.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED NOVEMBER 30, 2014**

|                             | <u>Maintenance Taxes</u> |                   |
|-----------------------------|--------------------------|-------------------|
| TAXES RECEIVABLE -          |                          |                   |
| DECEMBER 1, 2013            | \$ 269,663               |                   |
| Adjustments to Beginning    |                          |                   |
| Balance                     | <u>61,521</u>            | \$ 331,184        |
| Original 2014 Tax Levy      | \$ 463,118               |                   |
| Adjustment to 2014 Tax Levy | <u>28,180</u>            | <u>491,298</u>    |
| TOTAL TO BE                 |                          |                   |
| ACCOUNTED FOR               |                          | \$ 822,482        |
| TAX COLLECTIONS:            |                          |                   |
| Prior Years                 | \$ 321,486               |                   |
| Current Year                | <u>12,124</u>            | <u>333,610</u>    |
| TAXES RECEIVABLE -          |                          |                   |
| NOVEMBER 30, 2014           |                          | <u>\$ 488,872</u> |
| TAXES RECEIVABLE BY         |                          |                   |
| YEAR:                       |                          |                   |
| 2014                        |                          | \$ 479,174        |
| 2013                        |                          | 5,799             |
| 2012                        |                          | 2,100             |
| 2011                        |                          | <u>1,799</u>      |
| TOTAL                       |                          | <u>\$ 488,872</u> |

See accompanying independent auditor's report.

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# HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480

## TAXES LEVIED AND RECEIVABLE FOR THE YEAR ENDED NOVEMBER 30, 2014

|   | <u>2014</u>          | <u>2013</u>          | <u>2012</u>          | <u>2011</u>          |
|---|----------------------|----------------------|----------------------|----------------------|
| PROPERTY VALUATIONS:                          |                      |                      |                      |                      |
| Land  | \$ 11,157,324        | \$ 8,762,905         | \$ 8,231,084         | \$ 8,715,339         |
| Improvements                                  | 21,915,465           | 10,718,744           | 6,021,980            | 4,532,357            |
| Personal Property                             | 342,963              | 338,202              | 248,460              | 62,486               |
| Exemptions                                    | <u>(220,010)</u>     | <u>(1,717,837)</u>   | <u>(1,567,329)</u>   | <u>(27,243)</u>      |
| TOTAL PROPERTY VALUATIONS                     | <u>\$ 33,195,742</u> | <u>\$ 18,102,014</u> | <u>\$ 12,934,195</u> | <u>\$ 13,282,939</u> |
| MAINTENANCE TAX RATES PER \$100 VALUATION     | <u>\$ 1.48</u>       | <u>\$ 1.48</u>       | <u>\$ 1.50</u>       | <u>\$ 1.50</u>       |
| ADJUSTED TAX LEVY*                            | <u>\$ 491,298</u>    | <u>\$ 267,910</u>    | <u>\$ 194,013</u>    | <u>\$ 199,244</u>    |
| PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED | <u>2.47 %</u>        | <u>97.84 %</u>       | <u>98.92 %</u>       | <u>99.10 %</u>       |

\* Based upon adjusted tax at time of audit for the fiscal year in which the tax was levied.

Maintenance Tax – Maximum tax rate of \$1.50 per \$100 of assessed valuation approved by voters on May 12, 2007.

See accompanying independent auditor's report.



**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**GENERAL FUND - FIVE YEARS**

|  | Amounts           |                   |                    |
|--|-------------------|-------------------|--------------------|
|  | 2014              | 2013              | 2012               |
| <b>REVENUES</b>  |                   |                   |                    |
| Property Taxes   | \$ 331,055        | \$ 181,991        | \$ 225,653         |
| Water Service  | 71,928            | 59,442            | 29,379             |
| Wastewater Service   | 56,930            | 40,441            | 24,481             |
| Regional Water Authority Fee                                 | 35,333            | 24,727            | 17,134             |
| Penalty and Interest   | 13,019            | 7,713             | 30,913             |
| Tap Connection and Inspection Fees                           | 50,480            | 75,600            | 40,075             |
| Miscellaneous Revenues                                       | 4,210             | 3,717             | 1,304              |
| <b>TOTAL REVENUES</b>  | <u>\$ 562,955</u> | <u>\$ 393,631</u> | <u>\$ 368,939</u>  |
| <b>EXPENDITURES</b>  |                   |                   |                    |
| Professional Fees  | \$ 120,340        | \$ 87,318         | \$ 56,883          |
| Contracted Services  | 58,902            | 39,058            | 22,977             |
| Utilities  | 18,301            | 15,457            | 16,807             |
| Regional Water Authority Assessment                          | 36,522            | 22,286            | 19,156             |
| Repairs and Maintenance                                      | 95,089            | 46,494            | 78,795             |
| Operating Leases   | 57,600            | 101,339           | 101,339            |
| Other  | 74,325            | 53,552            | 39,072             |
| <b>TOTAL EXPENDITURES</b>                                    | <u>\$ 461,079</u> | <u>\$ 365,504</u> | <u>\$ 335,029</u>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES</b> | <u>\$ 101,876</u> | <u>\$ 28,127</u>  | <u>\$ 33,910</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                   |                   |                    |
| Developer Advances   | <u>\$ - 0 -</u>   | <u>\$ - 0 -</u>   | <u>\$ - 0 -</u>    |
| <b>NET CHANGE IN FUND BALANCE</b>                            | \$ 101,876        | \$ 28,127         | \$ 33,910          |
| <b>BEGINNING FUND BALANCE</b>                                | <u>12,171</u>     | <u>(15,956)</u>   | <u>(49,866)</u>    |
| <b>ENDING FUND BALANCE</b>                                   | <u>\$ 114,047</u> | <u>\$ 12,171</u>  | <u>\$ (15,956)</u> |
| <b>TOTAL ACTIVE RETAIL WATER<br/>CONNECTIONS</b>             | <u>225</u>        | <u>177</u>        | <u>102</u>         |
| <b>TOTAL ACTIVE RETAIL WASTEWATER<br/>CONNECTIONS</b>        | <u>224</u>        | <u>171</u>        | <u>61</u>          |

See accompanying independent auditor's report.

|                    |                    | Percentage of Total Revenue |                |                |                 |                |  |  |
|--------------------|--------------------|-----------------------------|----------------|----------------|-----------------|----------------|--|--|
| 2011               | 2010               | 2014                        | 2013           | 2012           | 2011            | 2010           |  |  |
| \$ 171,904         | \$ 208,281         | 58.8 %                      | 46.2 %         | 61.2 %         | 66.4 %          | 75.5 %         |  |  |
| 21,728             | 17,775             | 12.8                        | 15.1           | 8.0            | 8.4             | 6.5            |  |  |
| 14,495             | 12,597             | 10.1                        | 10.3           | 6.6            | 5.6             | 4.6            |  |  |
| 18,182             | 12,267             | 6.3                         | 6.3            | 4.6            | 7.0             | 4.5            |  |  |
| 18,406             | 13,296             | 2.3                         | 2.0            | 8.4            | 7.1             | 4.8            |  |  |
| 13,475             | 10,500             | 9.0                         | 19.2           | 10.9           | 5.2             | 3.8            |  |  |
| 827                | 856                | 0.7                         | 0.9            | 0.3            | 0.3             | 0.3            |  |  |
| <u>\$ 259,017</u>  | <u>\$ 275,572</u>  | <u>100.0 %</u>              | <u>100.0 %</u> | <u>100.0 %</u> | <u>100.0 %</u>  | <u>100.0 %</u> |  |  |
|                    |                    |                             |                |                |                 |                |  |  |
| \$ 58,445          | \$ 41,402          | 21.4 %                      | 22.2 %         | 15.4 %         | 22.6 %          | 15.2 %         |  |  |
| 17,600             | 18,176             | 10.5                        | 9.9            | 6.2            | 6.8             | 6.6            |  |  |
| 19,030             | 30,550             | 3.3                         | 3.9            | 4.6            | 7.3             | 11.1           |  |  |
| 19,049             | 12,801             | 6.5                         | 5.7            | 5.2            | 7.4             | 4.6            |  |  |
| 56,829             | 71,545             | 16.9                        | 11.8           | 21.4           | 21.9            | 26.0           |  |  |
| 101,339            | 78,494             | 10.2                        | 25.7           | 27.5           | 39.1            | 28.5           |  |  |
| 21,809             | 14,642             | 13.2                        | 13.6           | 10.6           | 8.4             | 5.3            |  |  |
| <u>\$ 294,101</u>  | <u>\$ 267,610</u>  | <u>82.0 %</u>               | <u>92.8 %</u>  | <u>90.9 %</u>  | <u>113.5 %</u>  | <u>97.3 %</u>  |  |  |
|                    |                    |                             |                |                |                 |                |  |  |
| <u>\$ (35,084)</u> | <u>\$ 7,962</u>    | <u>18.0 %</u>               | <u>7.2 %</u>   | <u>9.1 %</u>   | <u>(13.5) %</u> | <u>2.7 %</u>   |  |  |
|                    |                    |                             |                |                |                 |                |  |  |
| <u>\$ 25,093</u>   | <u>\$ 45,000</u>   |                             |                |                |                 |                |  |  |
|                    |                    |                             |                |                |                 |                |  |  |
| \$ (9,991)         | \$ 52,962          |                             |                |                |                 |                |  |  |
| <u>(39,875)</u>    | <u>(92,837)</u>    |                             |                |                |                 |                |  |  |
| <u>\$ (49,866)</u> | <u>\$ (39,875)</u> |                             |                |                |                 |                |  |  |
| <u>67</u>          | <u>50</u>          |                             |                |                |                 |                |  |  |
| <u>61</u>          | <u>44</u>          |                             |                |                |                 |                |  |  |

See accompanying independent auditor's report.



**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 480**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**NOVEMBER 30, 2014**

| <b>Consultants:</b>                              | <u>Date Hired</u> | <u>Fees for the<br/>year ended<br/>November 30, 2014</u> | <u>Title</u>                  |
|--|-------------------|--|-------------------------------|
| Allen Boone Humphries Robinson LLP               | 02/28/07          | \$ 90,288  | Attorney                      |
| McCall Gibson Swedlund Barfoot PLLC              | 01/29/08          | \$ 8,000   | Auditor                       |
| Myrtle Cruz, Inc.                                | 04/12/07          | \$ 6,661   | Bookkeeper                    |
| Perdue, Brandon, Fielder, Collins & Mott, L.L.P. | 05/08/08          | \$ 3,994   | Delinquent<br>Tax Attorney    |
| R.G. Miller Engineers, Inc.                      | 04/12/07          | \$ 15,693  | Engineer                      |
| The GMS Group, LLC                               | 05/23/07          | \$ -0-   | Financial<br>Advisor          |
| Mary Jarmon                                      | 02/26/14          | \$ -0-   | Investment<br>Officer         |
| Water District Management                        | 04/12/07          | \$ 91,075  | Operator                      |
| Assessments of the Southwest                     | 04/12/07          | \$ 4,199   | Tax<br>Assessor/<br>Collector |

See accompanying independent auditor's report.