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Item Number: 44

Addendum StartPage: 0

DOCKET NO. 50399

RECEIVED

APPLICATION OF NEVADA SPECIAL §
UTILITY DISTRICT TO AMEND ITS §
WATER CERTIFICATE OF §
CONVENIENCE AND NECESSITY AND §
TO DECERTIFY PORTIONS OF §
CERTIFICATED WATER SERVICE §
AREAS OF CADDO BASIN SPECIAL §
UTILITY DISTRICT, COPEVILLE §
SPECIAL UTILITY DISTRICT, AND §
CITY OF JOSEPHINE IN COLLIN §
COUNTY §

PUBLIC UTILITY COMMISSION

OF TEXAS

2021 MAY 26 PM 2:51

FILED MAY 26 PM 2:51
PUC TEXAS

COMMISSION STAFF'S SUPPLEMENT TO FINAL RECOMMENDATION

Staff inadvertently did not attach Staff attachment FB-1 to Staff's final recommendation. Staff has attached that document to this pleading.

Dated: May 26, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Rustin Tawater
Managing Attorney

/s/ Robert Dakota Parish
Robert Dakota Parish
State Bar No. 24116875
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7442
(512) 936-7268 (facsimile)
Robert.Parish@puc.texas.gov

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DOCKET NO. 50399

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on May 26, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Robert Dakota Parish
Robert Dakota Parish

NEVADA SPECIAL UTILITY DISTRICT

Financial Statements
(With Auditor's Report Thereon)

September 30, 2020

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ANNUAL FILING AFFIDAVIT

STATE OF TEXAS COUNTY OF Collin

I, Johnny Rudisill of the
(Name of Duly Authorized District Representative)

Nevada Special Utility District

(Name of District)

hereby swear, or affirm, that the district named above has reviewed and approved at a meeting of the Board of the Directors of the District on the 14th day of December its annual audit report for the fiscal year or period ended September 30, 2020 and those copies of the annual audit report have been filed in the district office, located at:

108 N. Warren Street, Nevada, TX 75173

(Address of District)

The annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of the annual filing requirements of Texas Water Code Section 49.194.

Date: 12/14/2020

By: Johnny Rudisill

(Signature of District Representative)

Johnny Rudisill, General Manager

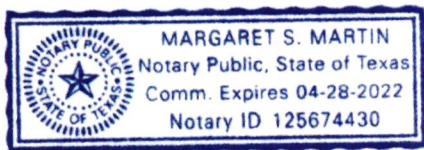
(Typed Name & Title of above District Representative)

Sworn to and Subscribed to before me by this 14th day of December, 2020

(SEAL)

Margaret Martin

(Signature of Notary)



My Commission Expires On: 04/28/2022

Notary Public in the State of Texas.



Nabors CPA Services, P.C.
CERTIFIED PUBLIC ACCOUNTANT
AUDIT, TAX AND CONSULTING SERVICES

(972) 464-1226
8765 Stockard Drive, Suite 404
Frisco, Texas 75034

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Nevada Special Utility District
Nevada, Texas 75173

Report on the Financial Statements

I have audited the accompanying financial statements of the business-type activities of the Nevada Special Utility District as of and for the year ended September 30, 2020, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Member of:
American Institute of CPAs
Texas Society of CPAs

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nevada Special Utility District as of September 30, 2020, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 9 and 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Nevada Special Utility District's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental schedules required by the Texas Commission on Environmental Quality are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory section and supplemental schedules required by the Texas Commission on Environmental Quality have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Natara CPA Services, P.C.

November 10, 2020

FINANCIAL SECTION

Management's Discussion and Analysis

As management of the Nevada Special Utility District, we offer readers of the Nevada Special Utility District's financial statements this narrative overview and analysis of the financial activities of the Nevada Special Utility District for the year ended September 30, 2020.

Financial Highlights

- The assets of the Nevada Special Utility District exceeded its liabilities at the close of the most recent fiscal year by \$2,264,015 (net position). Of this amount \$547,691, (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Nevada Special Utility District's proprietary fund reported ending fund balance of \$2,264,015, an decrease of \$(36,706) in comparison with the prior year. Of this balance, \$547,691 is available for spending at the government's discretion (unrestricted). Unrestricted fund balance represents 53 percent of proprietary fund expenses. At the close of the current fiscal year, the Nevada Special Utility District's proprietary fund had a current ratio of approximately 6:1, based on the current assets of \$710,880 and current liabilities of \$127,741.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Nevada Special Utility District's basic financial statements.

Proprietary funds. The Nevada Special Utility District maintains one proprietary fund. *Proprietary funds* are used to report the same functions presented as business-type activities. The Nevada Special Utility District uses a proprietary fund to account for its Water operations.

The basic proprietary fund financial statements can be found on pages 11-13 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements. The notes to the financial statements can be found on pages 14-21 of this report.

A portion of the Nevada Special Utility District's net position reflects its investment in capital assets (e.g., land, building, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The Nevada Special Utility District uses these capital assets to provide services to customers; consequently, these assets are not available for future spending. Although the Nevada Special Utility District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Nevada Special Utility District - Net Position

| | <u>Business-Type Activities</u> |
|----------------------------|--|
| Current and other assets | \$ 710,880 |
| Capital Assets | <u>3,405,074</u> |
| Total assets | <u>4,115,954</u> |
| Current liabilities | 127,741 |
| Long-term liabilities | <u>1,724,198</u> |
| Total liabilities | <u>1,851,939</u> |
| Net position: | |
| Invested in capital assets | |
| net of related debt | 1,716,324 |
| Unrestricted | <u>547,691</u> |
| Total net position | <u>\$ 2,264,015</u> |

Business-type Activities:

- Total revenues decreased by \$63,512 (5%) during the year while expenses increased by \$194,546 (19%).
- Capital assets increased by \$945,482 resulting in a lower unrestricted net position.

Nevada Special Utility District - Changes in Net Position

| | Business-Type Activities |
|--|-------------------------------------|
| Revenues: | |
| Program Revenues | |
| Charges for services | <u>1,212,875</u> |
| Total revenues | <u>1,212,875</u> |
| Expenses: | |
| Water Utilities | <u>1,213,100</u> |
| Total expenses | <u>1,213,100</u> |
| Operating Income | <u>(225)</u> |
| Non-operating Revenues (Expenses) | |
| Investment Income | 4,379 |
| Interest Expense | <u>(40,860)</u> |
| Total Non-operating Revenues (Expenses) | <u>(36,481)</u> |
| Net Increase (Decrease) in Net Position | (36,706) |
| Net position - beginning | <u>2,300,721</u> |
| Net position - ending | <u>2,264,015</u> |

Financial Analysis of the Government's Funds

As noted earlier, the Nevada Special Utility District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Proprietary Fund. The Nevada Special Utility District's proprietary fund provide the same type of information found in business-type activities, but in more detail.

Unrestricted net position of the Proprietary Fund at the end of the year amounted to \$547,691. The total decrease in unrestricted net position of the Proprietary Fund was \$927,091. The factors concerning the finances of this fund have already been addressed in the discussion of the Nevada Special Utility District's business type activities.

Proprietary Fund Budgetary Highlights

During the year, revenues were less than budgetary estimates by \$9,753, and expenditures were more than budgetary estimates by \$182,680. The budget had called for a \$144,966 increase in fund balance, however, more than budgeted expenses resulted in \$36,706 decrease to fund balance.

Capital Assets and Debt Administration

Capital Assets. The Nevada Special Utility District's investment in capital assets for its business-type activities as of September 30 2020, amounts to \$3,405,074 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, and equipment.

Major capital asset events during the current fiscal year included the following:

1. System and improvements, and land purchased totaling \$945,482 were added to the Proprietary Fund capital assets.

Additional information on the Nevada Special Utility District's capital assets can be found in Note 2 on page 17 of this report.

Long-term debt. The District has outstanding debt used to finance construction of water system infrastructure..

Additional information on the Nevada Special Utility District long-term debt can be found in Note 4 on pages 18 of this report.

The Budget, Economic Environment, and Rates

The 2020 budgeted revenues and expenses are projected to rise 7% and 3% respectively. There is significant new development in the district which supports a favorable economic outlook, and the district has not increased the base water rates for the upcoming 2020 fiscal year.

Request for information

This financial report is designed to provide a general overview of the Nevada Special Utility District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office Manager, Nevada Special Utility District, 108 N. Warren Street, Nevada, Texas 75173.

BASIC FINANCIAL STATEMENTS

NEVADA SPECIAL UTILITY DISTRICT

Statement of Net Position

Proprietary Fund

September 30, 2020

| | <u>Proprietary Fund</u> |
|---|-----------------------------|
| ASSETS | |
| Current assets: | |
| Cash and cash equivalents - unrestricted | \$ 320,328 |
| Cash and cash equivalents - restricted | 107,250 |
| Accounts receivable | 111,653 |
| Inventory | <u>171,649</u> |
| Total current assets | <u>710,880</u> |
| Noncurrent assets: | |
| Capital assets: | |
| Land | 311,264 |
| Water systems and improvements | 4,490,070 |
| Buildings and improvements | 141,878 |
| Equipment and furniture | 208,318 |
| Vehicles | 118,124 |
| Intangible assets | 45,678 |
| Less: Accumulated depreciation and amortization | (1,910,258) |
| Total noncurrent assets | <u>3,405,074</u> |
| Total assets | \$ <u>4,115,954</u> |
| LIABILITIES | |
| Current liabilities: | |
| Accrued expenses | \$ 5,741 |
| Bonds payable - current portion | <u>122,000</u> |
| Total current liabilities | <u>127,741</u> |
| Long-term liabilities: | |
| Customer deposits | 246,095 |
| Bonds payable | <u>1,478,103</u> |
| Total long-term liabilities | <u>1,724,198</u> |
| Total liabilities | <u>1,851,939</u> |
| NET POSITION | |
| Invested in capital assets, net of related debt | 1,716,324 |
| Unrestricted | <u>547,691</u> |
| Total net position | \$ <u>2,264,015</u> |

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

NEVADA SPECIAL UTILITY DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended September 30, 2020

| | <u>Proprietary Fund</u> |
|---|-----------------------------|
| OPERATING REVENUES | |
| Water sales | \$ 691,571 |
| Connection fees | 79,389 |
| Charges for services | 397,270 |
| Penalties | 15,988 |
| Tower rent | 23,100 |
| Other income | <u>5,557</u> |
| Total operating revenues | <u>1,212,875</u> |
| OPERATING EXPENSES | |
| Personnel and benefits expenses | 317,208 |
| Water purchases | 358,529 |
| Vehicle and equipment expenses | 25,565 |
| Utilities | 37,905 |
| Repairs and maintenance | 134,824 |
| Professional fees | 38,472 |
| Insurance | 34,719 |
| Other operating expenses | 82,608 |
| Depreciation and amortization | <u>183,270</u> |
| Total operating expenses | <u>1,213,100</u> |
| Operating income (loss) | \$ <u>(225)</u> |
| NONOPERATING REVENUES (EXPENSES) | |
| Investment income | \$ 4,379 |
| Interest expense | <u>(40,860)</u> |
| Total nonoperating revenues (expenses) | <u>(36,481)</u> |
| Change in net position | (36,706) |
| Net position - beginning | <u>2,300,721</u> |
| Net position - ending | \$ <u><u>2,264,015</u></u> |

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

NEVADA SPECIAL UTILITY DISTRICT

Statement of Cash Flows

Proprietary Fund

For the Year Ended September 30, 2020

| | <u>Proprietary Fund</u> |
|---|-----------------------------|
| Cash flows from operating activities: | |
| Cash received from customers and users | \$ 1,223,647 |
| Cash paid to suppliers | (720,576) |
| Cash paid to employees | <u>(317,208)</u> |
| Net cash provided / (used) by operating activities | <u>185,863</u> |
| Cash flows from capital and related financing activities: | |
| Acquisition and construction of capital assets | (945,481) |
| Principal paid on note payable | (120,250) |
| Interest paid on note payable | <u>(40,860)</u> |
| Net cash provided / (used) by capital and related financing activities | <u>(1,106,591)</u> |
| Cash flows from investing activities: | |
| Purchase / sales of investments | 148,164 |
| Interest on deposits and investments | <u>4,379</u> |
| Net cash provided by investing activities | <u>152,543</u> |
| Net increase in cash and cash equivalents | (768,185) |
| Cash and cash equivalents - beginning | <u>1,195,763</u> |
| Cash and cash equivalents - ending | <u>\$ 427,578</u> |

Reconciliation of Net Income to Net Cash Provided/(Used) by Operating Activities

| | |
|---|----------------|
| Operating income (loss) | (225) |
| Adjustments to reconcile net income to net cash provided by operating activities | |
| Depreciation | 183,270 |
| (Increase)/decrease in accounts receivable | (3,328) |
| (Increase)/decrease in inventory | (590) |
| Increase/(decrease) in accrued expenses | (7,364) |
| Increase/(decrease) in customer deposits | <u>14,100</u> |
| Total adjustments | <u>186,088</u> |
| Net cash provided / (used) by operating activities | <u>185,863</u> |

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

NEVADA SPECIAL UTILITY DISTRICT
Notes to Financial Statements
September 30, 2020

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Purpose

The Nevada Special Utility District ("District") was approved by the voters within the District on November 12, 2015. The District has the rights, powers, privileges, functions, and duties provided by general law applicable to a special utility district created under Section 59, Article XVI, Texas Constitution, including those provided by Chapters 49 and 65, Water Code.

The Nevada Water Supply Corporation was dissolved and all assets, liabilities, and equity of organization were transferred to the newly created Nevada Special Utility District. This transfer of ownership took place on January 1, 2016 for financial reporting purposes.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted (GAAP) in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

B. Reporting Entity

The Board of Directors, a five-member body elected by qualified voters of the District, and is responsible for governance of activities for the District. The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. The District has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by GASB in its Statement no. 14, "The Financial Reporting Entity", as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Unites".

Under GASB Statement No. 14, some organizations are included as component units because of their fiscal dependency on the primary government, and all other organizations for which the primary government is not financially accountable, but the organization raises and holds economic resources from the direct benefit of a governmental unit. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. As of September 30, 2020, the District does not have any component units.

In addition, GASB Statement No. 61 considers an organization that does not meet the financial accountability criteria may be included as a component unit if management's professional judgment determines it to be necessary and misleading if omitted. This evaluation includes consideration of whether a financial benefit or burden exists in the relationship between the entities. Management has not identified any additional organizations that fit this criteria.

NEVADA SPECIAL UTILITY DISTRICT

Notes to Financial Statements

September 30, 2020

-continued-

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement focus, basis of accounting, and financial statement presentation

The Proprietary Fund is used to account for the operations of the District that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. Financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. The enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Restricted Assets

Certain resources set aside for customer deposits are classified as restricted assets on the balance sheet because their use is limited. Customer deposits received for establishment of a water account are considered to be restricted assets.

E. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, demand deposits, and short-term investments with a maturity date within three months of the acquisition date.

F. Investments

Investments are stated at fair. There were no investments as of September 30, 2020.

-continued-

NEVADA SPECIAL UTILITY DISTRICT

Notes to Financial Statements

September 30, 2020

-continued-

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Receivables and Inventory

Accounts receivable are for water service. They are reviewed monthly and are either collected or service is discontinued. No allowance for doubtful accounts has been established. Management believes all material receivables will be collected. Inventories are stated at lower of cost or market and consists of maintenance supplies.

H. Capital Assets

Capital assets are recorded at cost and depreciation is computed on the straight-line method. Items with a cost of \$5,000 or greater are capitalized. Estimated useful lives of the various categories of depreciable assets are as follows:

| <u>Asset Class</u> | <u>Life</u> |
|-----------------------------------|---------------|
| Buildings and improvements | 10 - 40 years |
| Vehicles, furniture and equipment | 5 - 10 years |
| Water distribution system | 10 - 40 years |

I. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Budget

The Texas Commission on Environmental Quality, under Rule 293.97(b), requires the district to adopt an operating budget prior to the start of the new fiscal year. The district's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. Any subsequent amendments are prepared by the General Manager of the District and approved by the board.

-continued-

NEVADA SPECIAL UTILITY DISTRICT

Notes to Financial Statements

September 30, 2020

-continued-

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing's used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent bond proceeds. Net position is reported as restricted when there are limitations imposed on its use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

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

(2) CAPITAL ASSETS

The following is a summary of changes in capital assets during the year:

| | Balance September 30, <u>2019</u> | <u>Additions</u> | <u>Deletions</u> | Balance September 30, <u>2020</u> |
|--------------------------------|---|------------------|------------------|---|
| Land | \$ 161,449 | 149,815 | | 311,264 |
| Water distribution system | 3,694,403 | 795,667 | | 4,490,070 |
| Building and improvements | 141,878 | | | 141,878 |
| Equipment and furniture | 208,318 | | | 208,318 |
| Vehicles | 118,124 | | | 118,124 |
| Intangible assets | <u>45,678</u> | | | <u>45,678</u> |
| Total | 4,369,850 | 945,482 | | 5,315,332 |
| Less: accumulated depreciation | (1,723,492) | (172,301) | | (1,895,794) |
| Less: accumulated amortization | <u>(11,419)</u> | <u>(3,045)</u> | | <u>(14,464)</u> |
| Net | \$ <u>2,634,939</u> | <u>770,135</u> | | <u>3,405,074</u> |

Organizational costs are capitalized and amortized over 15 years by the straight-line method.

-continued-

NEVADA SPECIAL UTILITY DISTRICT

Notes to Financial Statements

September 30, 2020

-continued-

(3) COMPENSATED ABSENCES

Under terms of the District's personnel policy, employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated unused vacation, but not sick leave. There was no material accrual as of September 30, 2020.

(4) LONG-TERM DEBT

The following table summarizes the changes in notes and bonds payable during the year ended September 30, 2020:

| | Balance September 30, <u>2019</u> | <u>Additions</u> | <u>Deletions</u> | Balance September 30, <u>2020</u> | <u>Current Portion</u> |
|---------------------------------|---|-------------------|------------------|---|----------------------------|
| Improvement Revenue Series 2020 | \$ 1,425,000 | | (65,000) | 1,360,000 | 65,000 |
| Revenue Refunding Series 2020 | <u>384,000</u> | <u> </u> | <u>(55,250)</u> | <u>328,750</u> | <u>57,000</u> |
| Total notes/bonds payable | \$ <u>1,809,000</u> | <u> </u> | <u>(120,250)</u> | <u>1,688,750</u> | <u>122,000</u> |

Debt service requirements, until maturities, are as follows:

Nevada SUD Improvement Revenue Bonds, Series 2020

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------------|---------------------|-----------------|------------------|
| 09/30/21 | 65,000 | 27,944 | 92,944 |
| 09/30/22 | 65,000 | 27,112 | 92,112 |
| 09/30/23 | 65,000 | 26,189 | 91,189 |
| 09/30/24 | 65,000 | 24,064 | 89,064 |
| 09/30/25 | 70,000 | 24,064 | 94,064 |
| Thereafter | <u>1,030,000</u> | <u>175,115</u> | <u>1,205,115</u> |
| Total | \$ <u>1,360,000</u> | <u>304,488</u> | <u>1,664,488</u> |

Nevada SUD Revenue Refunding Bonds, Series 2020

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------------|-------------------|-----------------|----------------|
| 09/30/21 | 57,000 | 10,289 | 67,289 |
| 09/30/22 | 59,500 | 8,319 | 67,819 |
| 09/30/23 | 61,250 | 6,274 | 67,524 |
| 09/30/24 | 63,000 | 4,152 | 67,152 |
| 09/30/25 | 66,000 | 1,964 | 67,964 |
| Thereafter | <u>22,000</u> | <u>156</u> | <u>22,156</u> |
| Total | \$ <u>328,750</u> | <u>31,154</u> | <u>359,904</u> |

-continued-

NEVADA SPECIAL UTILITY DISTRICT

Notes to Financial Statements

September 30, 2020

-continued-

(4) LONG-TERM DEBT (continued)

Nevada SUD Revenue Refunding Bonds, Series 2020

On February 15, 2020, The Nevada Special Utility District issued The Nevada Special Utility District Revenue Refunding Bonds, Series 2020 to refund, pursuant to an escrow deposit agreement between the district and the American National Bank of Texas, Terrell, Texas, the district's outstanding promissory note issued on January 24, 2005, and to pay the cost of issuing the bonds and of refunding the refunded obligations. The principal amount of the bonds is \$463,750 bearing interest at a rate of 3.40% per annum. The bonds mature on September 30, 2026.

Nevada SUD Improvement Revenue Bonds, Series 2020

On May 15, 2020, The Nevada Special Utility District issued The Nevada Special Utility District Improvement Revenue Bonds, Series 2020 to fund improvement projects for the district's water distribution system. The bonds were issued through the Texas Water Development Board with the approved resolution on April 5, 2020. The principal amount of the bonds is \$1,490,000 with a variable interest rate per section 3.2(b) of the certified order authorizing issuance of the bonds. The bonds mature on September 30, 2038.

(5) DEBT ISSUANCE COSTS

Debt issuance costs are required by ASU 2015-03 to be reported in the balance sheet as a direct reduction from the related liability rather than as an asset. Amortization of the cost is reported as interest expense.

(6) DEPOSITS AND INVESTMENTS

The District may invest in obligations of the U. S. Treasury or the State of Texas, certain U. S. Agencies, certificates of deposit, money market savings accounts, certain municipal securities, repurchase agreements, common trust funds and other investments specifically allowed by the Public Funds Investment Act of 1987 (Article 842a-2 Vernon's Civil Statutes).

At September 30, 2020, the District's carrying amount of deposits was \$427,578 and the bank balance was \$429,507. Of the bank balance, \$250,000 was covered by federal depository insurance and \$179,507 was secured by marketable securities pledged by the financial institution holding the District's depository contract.

In compliance with the Public Funds Investment Act, the District has adopted a deposit and investment policy. That policy addresses the following risks:

- a. *Custodial Credit Risk - Deposits:* In the case of deposits this is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District's policy regarding types of deposits allowed and collateral requirements is: the Depository may be a state bank authorized and regulated under Texas law; a national bank, savings and loan association, or savings bank authorized and regulated by federal law, or a savings and loan association or savings bank organized under Texas law; but shall not be any bank the deposits of which are not insured by the Federal Deposit Insurance Corporation (FDIC). The District is not exposed to custodial credit risk for its deposits, as all are covered by depository insurance.

-continued-

NEVADA SPECIAL UTILITY DISTRICT

Notes to Financial Statements

September 30, 2020

-continued-

(6) DEPOSITS AND INVESTMENTS (continued)

- b. *Custodial Credit Risk* - Investments: For an investment, this is the risk that, in the event of the failure of the counter party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.
- c. *Credit Risk* - This is the risk that an issuer of an investment will be unable to fulfill its obligations. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk.
- d. *Interest Rate Risk* - This is the risk that changes in interest rates will adversely affect the fair value of an investment.
- e. *Foreign Currency Risk* - This is the risk that exchange rates will adversely affect the fair value of an investment. The District is not exposed to foreign currency risk.
- f. *Concentration of Credit Risk* - This is the risk of loss attributed to the magnitude of the District's investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer.

(7) RETIREMENT PLAN

The District does not provide retirement benefits for its employees.

(8) RISK MANAGEMENT

General

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District's risk management program mainly encompasses obtaining property and liability insurance through commercial insurance carriers. During the year ended September 30, 2020, the District paid premiums to commercial insurance carriers for provisions of various liability, property, casualty, and workers compensation insurance. There were no significant reductions in commercial insurance coverage in the past fiscal year and the District estimates that the amount of actual or potential claims against it as of September 30, 2020 will not materially affect the financial condition of the District. Therefore, the accompanying financial statements do not contain a provision for any such claims.

Health Care Coverage

During the year ended September 30, 2020, the employees of the District were covered by a health insurance plan. The District contributed \$1,217 per month per employee for the year ended September 30, 2020. Contributions were paid to Blue Cross Blue Shield for October through November and to Medova Financial Group the remainder of the year. The Plan is authorized by article 3.51-2, Texas Insurance Code and documented by contractual agreement.

(9) EVALUATION OF SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events through November 10, 2020 the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

NEVADA SPECIAL UTILITY DISTRICT
Proprietary Fund
Budget and Actual
For The Year Ended September 30, 2020

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|------------------|-------------------|--|
| OPERATING REVENUES | | | | |
| Water sales, fees and service charges | \$ 1,213,746 | 1,193,668 | 1,184,218 | (9,450) |
| Other income | <u>26,946</u> | <u>28,960</u> | <u>28,657</u> | <u>(303)</u> |
| Total operating revenues | <u>1,240,692</u> | <u>1,222,628</u> | <u>1,212,875</u> | <u>(9,753)</u> |
| OPERATING EXPENSES | | | | |
| Personnel and benefits expenses | 274,774 | 287,368 | 312,208 | (29,840) |
| Water purchases | 359,376 | 357,936 | 358,529 | (593) |
| Vehicle and equipment expenses | 14,400 | 14,225 | 25,565 | (11,340) |
| Utilities | 34,592 | 36,663 | 37,905 | (1,242) |
| Repairs and maintenance | 35,400 | 37,976 | 134,824 | (96,848) |
| Professional fees | 30,000 | 30,000 | 38,472 | (8,472) |
| Insurance | 28,640 | 28,640 | 34,719 | (6,079) |
| Other operating expenses | 217,326 | 247,365 | 82,608 | 164,757 |
| Depreciation and amortization | | | <u>183,270</u> | <u>(183,270)</u> |
| Total operating expenses | <u>994,508</u> | <u>1,040,173</u> | <u>1,213,100</u> | <u>(172,927)</u> |
| Operating income (loss) | <u>246,184</u> | <u>182,455</u> | <u>(225)</u> | <u>(182,680)</u> |
| NONOPERATING REVENUE (EXPENSE) | | | | |
| Investment income | 3,216 | 3,371 | 4,379 | 1,008 |
| Interest expense | <u>(40,860)</u> | <u>(40,860)</u> | <u>(40,860)</u> | <u>_____</u> |
| Total nonoperating revenue (expense) | <u>(37,489)</u> | <u>(37,489)</u> | <u>(36,481)</u> | <u>1,008</u> |
| Change in net position | 208,695 | 144,966 | (36,706) | (181,672) |
| Net position - beginning | <u>2,300,721</u> | <u>2,300,721</u> | <u>2,300,721</u> | <u>_____</u> |
| Net position - ending | <u>\$ 2,509,416</u> | <u>2,445,687</u> | <u>2,254,015</u> | <u>(181,672)</u> |

SUPPLEMENTAL SCHEDULES

NEVADA SPECIAL UTILITY DISTRICT

Services and Rates

For The Year Ended September 30, 2020

1. Services Provided by the District:

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

2. Retail Rates Based on 3/4" Meter: ☐ Retail Rates Not Applicable

Most prevalent type of meter: 3/4"

| | Minimum Charge | Minimum Usage | Flat Rate Y/N | Rate Per 1,000 Gallons Over Minimum | Usage Levels |
|-------|----------------|---------------|---------------|-------------------------------------|--------------------------|
| WATER | \$ 30.00 | - | N | \$ 7.75 | 0 to 10,000 gallons |
| | | | | \$ 8.29 | 10,001 to 15,000 gallons |
| | | | | \$ 8.77 | 15,001 to 20,000 gallons |
| | | | | \$ 9.30 | 20,001 to 25,000 gallons |
| | | | | \$ 9.80 | Over 25,000 gallons |

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

Total charges per 10,000 gallons usage (including surcharges) \$ 107.89

Water Retail Connections: Active 1,087 Inactive 95 Total 1,182

| Meter Size | Total Connections | Active Connections | ESFC Factor | Active ESFCs |
|--------------|-------------------|--------------------|-------------|--------------|
| Unmetered | - | - | x 1.0 | - |
| 3/4" | 1,172 | 1,077 | x 1.0 | 1,077 |
| 1" | 5 | 5 | x 2.5 | 13 |
| 1 1/2" | - | - | x 5.0 | - |
| 2" | 1 | 1 | x 8.0 | 8 |
| 3" | 4 | 4 | x 15.0 | 60 |
| 4" | - | - | x 25.0 | - |
| Total Meters | 1,182 | 1,087 | | 1,158 |

3. District does not levy standby fees.

4. Total water consumption (rounded to the nearest 1,000) during the fiscal year:

| | |
|----------------------------------|-------------------|
| Gallons pumped into system: | <u>99,238,000</u> |
| Gallons billed to customers: | <u>86,956,500</u> |
| Gallons for fire and flushing: | <u>9,330,500</u> |
| Gallons water loss: | <u>2,951,000</u> |
| Water Accountability Water Loss: | <u>3 %</u> |

NEVADA SPECIAL UTILITY DISTRICT

Services and Rates

For The Year Ended September 30, 2020

-continued-

5. Anticipated sources of funds to be used for debt service payments in the District's following years:

| | |
|------------------------------------|---------------------|
| a. Water Revenue | \$ 691,571 |
| b. Service Fees | 388,970 |
| c. Interest Income | 4,379 |
| d. Penalties | 15,988 |
| e. Reconnect Fees | 1,650 |
| f. Customer Service Inspections | 2,250 |
| g. Connection Fees | 79,389 |
| h. Tower Rent | 23,100 |
| i. Backflow Inspections | 4,400 |
| j. System Reimbursements | 5558 |
| TOTAL ANTICIPATED FUNDS TO BE USED | <u>\$ 1,217,254</u> |

6. Location of District:

| | |
|---|---|
| County(ies) in which District is located. | <u>Collin, Rockwall</u> |
| Is the District located entirely within one county? | <u>No</u> |
| Is the District located within a city? | <u>Partly</u> |
| City(ies) in which District is located. | <u>Nevada, Fate</u> |
| Is the District located within a city's extraterritorial jurisdiction (ETJ)? | <u>Partly</u> |
| ETJ's in which District is located: | <u>Nevada, Royce City, Lavon, Fate,</u> |
| Is the general membership of the Board appointed by an office outside the District? | <u>No</u> |
| If Yes, by whom? | <u>N/A</u> |

NEVADA SPECIAL UTILITY DISTRICT
Schedule of Expenditures
Proprietary Fund
For the Year Ended September 30, 2020

| | |
|--|---------------------|
| Personnel Expenditures (including benefits) | \$ 317,208 |
| Professional Fees: | |
| Auditing | 8,250 |
| Legal | 6,526 |
| Engineering | 11,664 |
| IT Services | 3,332 |
| Board of directors | 8,700 |
| Purchased Services For Resale: | |
| Water Purchases | 358,529 |
| Utilities | 37,905 |
| Repairs and Maintenance | 134,824 |
| Administrative Expenditures: | |
| Insurance | 34,719 |
| Dues & permits | 16,048 |
| Depreciation and amortization | 183,270 |
| Other Operating Expenditures | <u>92,125</u> |
| TOTAL EXPENDITURES | \$ <u>1,213,100</u> |

Number of persons employed by the District: 5 Full Time 1 Part Time

NEVADA SPECIAL UTILITY DISTRICT
Long-Term Debt Service Requirements by Years
For the Year Ended September 30, 2020

| <u>Due During</u> <u>Year Ending</u> | <u>Annual Requirements for All Series</u> | | |
|---|---|-----------------|------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2021 | 122,000 | 38,233 | 160,233 |
| 2022 | 124,500 | 35,431 | 159,931 |
| 2023 | 126,250 | 32,463 | 158,713 |
| 2024 | 128,000 | 29,321 | 157,321 |
| 2025 | 136,000 | 26,027 | 162,027 |
| 2026 | 92,000 | 22,980 | 114,980 |
| 2027 | 70,000 | 21,529 | 91,529 |
| 2028 | 75,000 | 20,192 | 95,192 |
| 2029 | 75,000 | 18,708 | 93,708 |
| 2030 | 75,000 | 17,170 | 92,170 |
| 2031 | 75,000 | 15,588 | 90,588 |
| 2032 | 80,000 | 13,960 | 93,960 |
| 2033 | 80,000 | 12,176 | 92,176 |
| 2034 | 80,000 | 10,344 | 90,344 |
| 2035 | 85,000 | 8,464 | 93,464 |
| 2036 | 85,000 | 6,441 | 91,441 |
| 2037 | 90,000 | 4,401 | 94,401 |
| 2038 | 90,000 | 2,214 | 92,214 |
| Total | \$ <u>1,688,750</u> | <u>335,642</u> | <u>2,024,492</u> |

NEVADA SPECIAL UTILITY DISTRICT
Changes in Long-Term Bonded Debt
For the Year Ended September 30, 2020

| Bond Issues: | <u>Refunding Bonds Series 2020</u> | <u>Total</u> |
|--|------------------------------------|-----------------|
| Interest Rate | 3.40% | |
| Date Interest Payable | Monthly | |
| Maturity Date | 09/30/26 | |
| Bonds Outstanding at Beginning of Current Year | \$ 384,000 | 384,000 |
| Bonds Sold During Current Year | | |
| Retirements: | | |
| Principle | <u>(55,250)</u> | <u>(55,250)</u> |
| Bonds Outstanding at End of Current Year | <u>328,750</u> | <u>328,750</u> |
| Interest Paid During the Fiscal Year | \$ 12,207 | 12,207 |
| Paying Agent's Name and Address: | | |
| The American National Bank of Texas | | |
| 102 W. Moore Ave. | | |
| Terrell, TX 75160 | | |
| (Series 2020) | | |
| Bond Authority: | | |
| Amount Authorized | \$ 463,750 | |
| Amount Issued | \$ 463,750 | |

NEVADA SPECIAL UTILITY DISTRICT

Changes in Long-Term Bonded Debt
For the Year Ended September 30, 2020

Bond Issues:

| | <u>Improvement Bonds Series 2020</u> | <u>Total</u> |
|--|--------------------------------------|------------------|
| Interest Rate | 0.87% | |
| Date Interest Payable | 5/15; 11/15 | |
| Maturity Date | 05/15/38 | |
| Bonds Outstanding at Beginning of Current Year | \$ 1,425,000 | 1,425,000 |
| Bonds Sold During Current Year | | |
| Retirements: Principle | <u>(65,000)</u> | <u>(65,000)</u> |
| Bonds Outstanding at End of Current Year | <u>1,360,000</u> | <u>1,360,000</u> |
| Interest Paid During the Fiscal Year | \$ 28,653 | 28,653 |

Paying Agent's Name and Address:

UMB Bank, N.A.
5910 N. Central Expressway
Suite 1900
Dallas, TX 75206
(Series 2020)

Bond Authority:

Amount Authorized \$ 1,490,000
Amount Issued \$ 1,490,000

NEVADA SPECIAL UTILITY DISTRICT
Comparative Schedule of Revenues and Expenses - Enterprise Fund
For the Five Years Ended September 30, 2020

| | <u>Fiscal year ended September 30</u> | | | | |
|---------------------------------------|---------------------------------------|-------------------|-------------------|-------------------|----------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| Operating Revenues: | | | | | |
| Water Sales | 691,571 | 583,647 | 652,962 | 544,667 | 378,074 |
| Customer Charges/Fees | 498,204 | 540,816 | 482,523 | 545,734 | 484,764 |
| Rental Income | <u>23,100</u> | <u>24,900</u> | <u>22,700</u> | <u>20,300</u> | <u>15,750</u> |
| Total Operating Revenues | <u>1,212,875</u> | <u>1,149,363</u> | <u>1,158,185</u> | <u>1,110,701</u> | <u>878,588</u> |
| Operating Expenses: | | | | | |
| Payroll and Benefits | 317,208 | 286,195 | 257,028 | 217,946 | 149,933 |
| Water Purchases | 358,529 | 349,569 | 331,942 | 302,500 | 184,344 |
| Other Operating Costs | 280,902 | 146,068 | 162,287 | 157,171 | 129,924 |
| Professional and Legal Fees | 38,472 | 47,512 | 42,743 | 38,318 | 26,820 |
| Insurance | 34,719 | 34,112 | 29,629 | 21,135 | 22,770 |
| Amortization | 10,969 | 10,969 | 3,045 | 3,045 | 2,284 |
| Depreciation | <u>172,301</u> | <u>144,129</u> | <u>127,528</u> | <u>123,680</u> | <u>113,161</u> |
| Total Operating Expenses | <u>1,213,100</u> | <u>1,018,554</u> | <u>954,202</u> | <u>863,795</u> | <u>629,236</u> |
| Operating Income | <u>(225)</u> | <u>130,809</u> | <u>203,983</u> | <u>246,906</u> | <u>249,352</u> |
| Non-Operating Revenue (Expenses): | | | | | |
| Interest Revenue | 4,379 | 3,396 | 2,709 | 3,734 | 2,519 |
| Interest Expense | (40,860) | (42,533) | (22,841) | (22,413) | (16,933) |
| Transfers | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u>268,258</u> |
| Total Non-Operating Revenue (Expense) | <u>(36,481)</u> | <u>(39,137)</u> | <u>(20,132)</u> | <u>(18,679)</u> | <u>253,844</u> |
| Net Income | <u>(36,706)</u> | <u>91,672</u> | <u>183,851</u> | <u>228,227</u> | <u>503,196</u> |

NEVADA SPECIAL UTILITY DISTRICT
Comparative Schedule of Revenues and Expenses - Enterprise Fund
For the Five Years Ended September 30, 2020
-continued-

| | <u>Percent of Fund Total Revenues</u> | | | | |
|---------------------------------------|---------------------------------------|-------------------|-------------------|-------------------|----------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| Operating Revenues: | | | | | |
| Water Sales | 57.02% | 50.78% | 56.37% | 49.03% | 43.03% |
| Customer Charges/Fees | 41.07% | 47.05% | 41.66% | 49.13% | 55.17% |
| Rental Income | <u>1.91%</u> | <u>2.17%</u> | <u>1.97%</u> | <u>1.84%</u> | <u>1.80%</u> |
| Total Operating Revenues | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> | <u>100.00%</u> |
| Operating Expenses: | | | | | |
| Payroll and Benefits | 26.15 % | 24.90 % | 22.19 % | 19.62 % | 17.06 % |
| Water Purchases | 29.56 % | 30.41 % | 28.66 % | 27.23 % | 20.98 % |
| Other Operating Costs | 23.16 % | 12.71 % | 14.01 % | 14.15 % | 14.78 % |
| Professional and Legal Fees | 3.17 % | 4.13 % | 3.69 % | 3.45 % | 3.05 % |
| Insurance | 2.86 % | 2.96 % | 2.55 % | 1.90 % | 2.59 % |
| Amortization | 0.90 % | 0.95 % | 0.26 % | 0.27 % | 0.26 % |
| Depreciation | <u>14.21 %</u> | <u>12.54 %</u> | <u>11.01 %</u> | <u>11.13 %</u> | <u>12.87 %</u> |
| Total Operating Expenses | <u>100.01 %</u> | <u>88.60 %</u> | <u>82.37 %</u> | <u>77.75 %</u> | <u>71.59 %</u> |
| Operating Income | <u>(.01)%</u> | <u>11.40 %</u> | <u>17.63 %</u> | <u>22.25 %</u> | <u>28.41 %</u> |
| Non-Operating Revenue (Expenses): | | | | | |
| Interest Revenue | 0.36 % | 0.29 % | 0.23 % | 0.33 % | 0.28 % |
| Interest Expense | (3.37)% | (3.70)% | (1.97)% | (2.01)% | (1.92)% |
| Transfers | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u>30.53 %</u> |
| Total Non-Operating Revenue (Expense) | <u>(3.01)%</u> | <u>(3.41)%</u> | <u>(1.74)%</u> | <u>(1.68)%</u> | <u>28.89 %</u> |
| Net Income | <u>(3.02)%</u> | <u>7.99 %</u> | <u>15.89 %</u> | <u>20.57 %</u> | <u>57.30 %</u> |

NEVADA SPECIAL UTILITY DISTRICT

Board of Directors

For the Year Ended September 30, 2020

Nevada Special Utility District
108 N. Warren Street
Nevada, TX 75173
(972) 843-2608

| <u>Name and Address</u> | <u>Term of Office Elected/Expires Or Date Hired</u> | <u>Fees & Expense Reim- bursement</u> | <u>Title at End of Year</u> | <u>Resident of District</u> |
|---|---|---|---------------------------------|---------------------------------|
| <u>Board Members:</u> | | | | |
| Debra Caldwell 138 Center Street Nevada, TX 75173 | 10/09 - 5/21 | \$ 1,650 | President | Yes |
| Ben Ponce 102 Center Street Nevada, TX 75173 | 5/08 - 5/22 | 1,650 | Vice-President | Yes |
| Robert Taylor 225 Maple Circle Nevada, TX 75173 | 5/12 - 5/23 | 1,800 | Secretary/ Treasurer | Yes |
| Debra Strickland 211 E FM 6 Nevada, TX 75173 | 8/13 - 5/21 | 1,800 | Director | Yes |
| Rebecca Norman 1104 Savannah Drive Nevada, TX 75173 | 10/16 - 5/23 | 1,800 | Director | Yes |

Note: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developer or with any of the District's consultants.

NEVADA SPECIAL UTILITY DISTRICT
Key Personnel and Consultants
For the Year Ended September 30, 2020

Nevada Special Utility District
108 N. Warren Street
Nevada, TX 75173
(972) 843-2608

| <u>Name and Address</u> | <u>Term of Office Elected/Expires Or Date Hired</u> | <u>Fees & Expense Reim- bursement</u> | <u>Title at End of Year</u> | <u>Resident of District</u> |
|---|---|---|---------------------------------|---------------------------------|
| <u>Key Administrative Personnel:</u> | | | | |
| Johnny Rudisill 6231 Bridle Trail Caddo Mills, TX 75135 | 3/2/09 | \$ 75 | General Manager | No |
| <u>Consultants:</u> | | | | |
| Daniel & Brown PO Box 606 Farmersville, TX 75442 | 11/14/16 | 95,879 | Engineer | No |
| Nabors CPA Services, PC 8765 Stockard Drive, Suite 404 Frisco, TX 75034 | 8/23/12 | 8,250 | Auditor | No |
| James W. Wilson & Associates, PLLC 103 W. Main Street Allen, TX 75013 | 6/27/18 | \$ 6,526 | Attorney | No |