

To: Grant Rabon <grabon@newgenstrategies.net>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

works for me

[Quoted text hidden]

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**Patricia Gerino** <pgerino@gmail.com>

Tue, Apr 28, 2020 at 10:18 AM

Reply-To: pgerino@gmail.com

To: Grant Rabon <grabon@newgenstrategies.net>

Cc: Joe Gimenez <1129jgg@gmail.com>, Patricia Gerino <patriciag@aerophoto.com>

Does for me.



Click For A Quick Video Of Our Work

*Patricia Gerino*

*888-542-0231*

*4000 16th Street North*

*St. Petersburg, FL 33703*

Visit our website

On Tue, Apr 28, 2020 at 10:16 AM Grant Rabon <grabon@newgenstrategies.net> wrote:

[Quoted text hidden]



joe gimenez <1129jgg@gmail.com>

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## NewGen Strategies

1 message

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**Joe Gimenez** <1129jgg@gmail.com>  
To: Patricia Gerino <patriciag@aerophoto.com>

Mon, Apr 27, 2020 at 1:44 PM

Patricia,  
Per the note earlier that I sent to Grant Rabon, NewGen Strategies is basically a financial consulting group specifically assisting water companies.

I met Grant at the March 2019 annual conference for the Texas Rural Water Association and we had him visit with the Board in May 2019, I believe. I've attached the presentation he provided at the time.

I hope we can talk together with Grant at some point this week.

Let me know your availability. Thursday morning is out for me.  
Otherwise good availability for me.

Best regards,  
Joe

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### 2 attachments

 **General NewGen.pdf**  
638K

 **TRWA Presentation.pptx**  
680K





## NEWGEN STRATEGIES AND SOLUTIONS, LLC

### Company Overview

NewGen Strategies and Solutions, LLC (NewGen) is a management and economic consulting firm specializing in serving the utility industry and market. We provide financial, due diligence, valuation, strategy, expert witness, stakeholder, and sustainability consulting services to public utility clients across the country. Our expertise includes litigation support in state and federal regulatory proceedings, utility business and financial planning, and sustainability strategy for electric, water, wastewater, solid waste, and natural gas utilities.

NewGen was created by consultants who are dedicated to our client's mission and recognized as experts in our respective fields of service. Our assistance to clients is provided with a keen insight to the growing role of stakeholders, resource availability, cost of providing utility services, and economic conditions, ensuring an integrated approach to utility operations and services.

We apply our expertise to deliver high impact solutions through our diverse and integrated market perspective; resulting in effective decision-making and implementation.

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**WE EXCEL AT TACKLING COMPLICATED ISSUES TO DELIVER A CLEAR  
AND ENDURING PATH FORWARD FOR OUR CLIENTS**

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### Core Competencies

The increasing pace of customer, regulatory, and market related changes are amplifying uncertainty, demand destruction, capital investment, and stakeholder issues for utilities. To succeed in this new reality, our team provides deep, diverse, and integrated perspectives on strategy, technology, stakeholder engagement, and analytics.

The rapidly evolving utility market requires robust financial tools, interactive dashboards, and market analytics to quickly evaluate, inform, and defend decision-making.

The convergence of regulatory, environmental, resource, market, and customer demands often results in multiple fragmented plans. A single integrated roadmap provides a guide for decision-making while aligning the organization.



## NewGen Service Offerings

### Appraisal and Valuation

NewGen's team consists of appraisal professionals certified by the American Society of Appraisers. We regularly value utility property in support of buy / sell transactions, financial transactions, insurance assessments, and property tax valuations.

### Contract Negotiations and Support

We provide assistance in development and negotiation of wholesale water and wastewater contracts recognizing the unique contractual relationships with a number of legal advisors, working closely with them to develop contracts which protect our client's interests while recognizing regulatory precedent.

### Cost of Service and Rate Design

NewGen has vast retail and wholesale cost of service and rate design experience, including alternative rates to meet emerging customer demands and market trends. Several of our consultants routinely provide expert cost of service testimony before state utility commissions representing municipal utilities, cities, or larger IOU customers.

### Depreciation Studies

With over 30 years of experience performing depreciation studies for public and consumer owned utilities, the NewGen team understands the effects of physical, functional, and economic obsolescence on plant lives and timely recovery of capital investment.

### Feasibility Studies

NewGen leverages our financial, appraisal, stakeholder, and regulatory expertise on each feasibility study we perform thus providing a more comprehensive review that ensures broader stakeholder support as a project or asset related initiative proceeds.

### Financial Planning

NewGen provides financial planning, modeling, and advisory services and tools to reduce risks, evaluate alternatives, ensure stable financial performance, and optimize available financial mechanisms.

### Litigation

NewGen works intimately with our clients and legal counsels through the litigation process to make certain our clients' positions are clearly communicated and understood. We ensure our clients a reliable, qualified, and defensible approach.

### Municipal Franchise

NewGen has extensive experience assisting municipal clients in negotiating utility franchise fee agreements, conducting studies to determine utility compliance with franchise terms, and identifying direct and indirect costs incurred by clients due to utility operations within right-of-way.

### Pole Attachment Fees

NewGen develops pole attachment rates and negotiates agreements on behalf of municipalities and consumer-owned electric utilities. We can calculate pole attachment rates using alternative methods, such as the FCC and APPA methods. NewGen works closely with our clients to assure pole costs are allocated in a fair and equitable manner between the electric utility and cable and telecommunications providers.

### Power Supply and Integrated Resource Planning

The NewGen team includes highly experienced individuals well versed in wholesale power marketing, power supply planning, and power procurement. We regularly incorporate renewable energy, distributed energy, and a variety of demand side management options into our analyses.

### Revenue Bond Financing

NewGen supports due diligence and financial planning efforts surrounding the issuance of Utility Revenue Bonds for water, wastewater, solid waste, electric, telecommunications and natural gas utilities. Our team works closely with cities, attorneys, underwriters and rating agencies to provide an independent assessment of project or system viability.

### Stakeholder Engagement

The NewGen approach encompasses both external and internal stakeholder change management based on an underlying belief that "the soft stuff is really the hard stuff." Efforts have resulted in a high degree of customer alignment, with and support for, utility strategic directions.

### Strategic Planning

Using a proven and flexible strategic planning process that taps into knowledge at all levels in the organization, NewGen consultants conduct research and assessments using a variety of tools, expertly facilitated planning sessions, and develop a prioritized, actionable, and metrics-driven plan.

### Sustainability

NewGen's sustainability services provide an integrated strategy and plan to optimize our client's infrastructure and business decision making by integrating proper consideration for natural resources, energy, water, and waste.

### Transmission Planning

NewGen consultants perform technical analyses pertaining to generation interconnection and transmission service requests. These technical analyses include system impact/facilities studies that evaluate power flow, short circuit, and stability system impacts to determine upgrades required to provide service.

**Grant Rabon**

Executive Consultant  
grabon@newgenstrategies.net  
Office: (512) 900-8232



Colorado | Florida | Michigan | Tennessee | Texas | Washington

**Dave Yanke**

President, Environmental Practice  
dyanke@newgenstrategies.net  
Office: (512) 649-1254

# Financial Management & Fiduciary Responsibilities

Texas Rural Water Association  
2019 Annual RuralWaterCon Conference  
March 29, 2019

## Agenda



Fiduciary Responsibility



Importance of Financial Policies



Financial Policy Overview



Capital Planning



Possible Misconceptions



# Fiduciary Responsibility

- ▶ Ethical and Legal
- ▶ Make many important decisions, including hiring, overseeing and evaluating the manager, monitoring financial reports, and reviewing annual audits
- ▶ Abide by the following general duties:
  - ▶ Duty of care - same care and concern regarding responsibilities as any prudent and ordinary person would (e.g., actively working with other board members to advance the organization's mission and goals)
  - ▶ Duty of loyalty - place the interests of the organization ahead of your own interests at all times (e.g., disclose conflicts of interest and no personal gain at the expense of organization)
  - ▶ Duty of obedience - make sure the organization is abiding by all applicable laws and regulations and doesn't engage in illegal or unauthorized activities
- ▶ Essentially, required to act in the best interest of the organization

# Importance of Financial Policies

- ▶ Financial policies ensure the integrity and sustainability of the utility system in a dynamic business environment
  - ▶ Well designed financial policies:
    - ▶ Take a long-term view of utility financial health and stability
    - ▶ Are reviewed and updated periodically to reflect changing business operating conditions
    - ▶ Provide the financial resources to execute the utility business plan
  - ▶ Well designed financial policies offer:
    - ▶ Rate stability
    - ▶ Risk management
    - ▶ Lower cost of capital
    - ▶ Justification of utility cost structure and rates when challenged by stakeholders

# Financial Policy Overview

- ▶ Establish financial policies which identify and prescribe key characteristics of financial health and sustainability
- ▶ Common utility financial policies include
  - ▶ Debt Service Coverage
    - ▶ Measure of financial flexibility (e.g., 1.5x DSCR)
  - ▶ Reserves
    - ▶ Measure of liquidity (e.g., 60 days working capital, additional as required by covenants)
  - ▶ Equity
    - ▶ Measure of leverage (e.g., equity funding at least 20% of major capital projects is desirable)
  - ▶ Credit Rating (if appropriate)
    - ▶ Overall measure of financial health

# Financial Policy Overview

- ▶ Other rate related policies might include
  - ▶ Rate Stabilization Policies
    - ▶ Cap rate increases/decreases (e.g., no class receives more than 10% increase in any year)
  - ▶ Social Programs
    - ▶ Low/Fixed Income or Disabled
- ▶ Examples of other financial policies
  - ▶ Term of debt not to exceed useful life of asset
  - ▶ Capitalized interest shall only be considered during construction and not to exceed 7 years
  - ▶ Ongoing routine preventive maintenance should be funded on a pay-as-you-go basis
  - ▶ Utility shall maintain a minimum quick ratio of 1.50
    - ▶  $(\text{current assets less inventory}) / \text{current liabilities}$
  - ▶ Rates shall be set to generate sufficient revenues to support the full cost of operations and debt, provide adequate debt service coverage and meet other bond covenants, and ensure adequate levels of working capital



# Leverage

- ▶ Leverage is a double-edged sword
  - ▶ Borrowing lowers near term costs and spreads them over time, thereby keeping rates low

However,

- ▶ Heavy borrowing minimizes flexibility to react to financial stress without adjusting rates
- ▶ When to use debt?
  - ▶ To levelize large fluctuations in capital plans that would otherwise significantly draw down reserves and/or result in rate volatility if paid with cash
  - ▶ To match the cost of infrastructure with the useful life given tolerance for debt



# Reserves

- ▶ Reserves levelize normal and abnormal fluctuations in operating costs and revenues that strain cash resources
  - ▶ Normal seasonal variations in water sales
  - ▶ Unexpected spike in costs or emergency events
  - ▶ Self insurance
  - ▶ Fluctuating capital plan
- ▶ Because public utilities do not have accesses to equity markets, reserves are an important source of capital and play an important risk management role
- ▶ Reserves are an indicator of financial strength, liquidity (ability to meet financial obligations), and sustainable leverage (equity as a percent of total assets)
- ▶ May link level of emergency reserve to depreciation to ensure system is being recapitalized even during unplanned events
  - ▶ Letter of credit could also serve this purpose

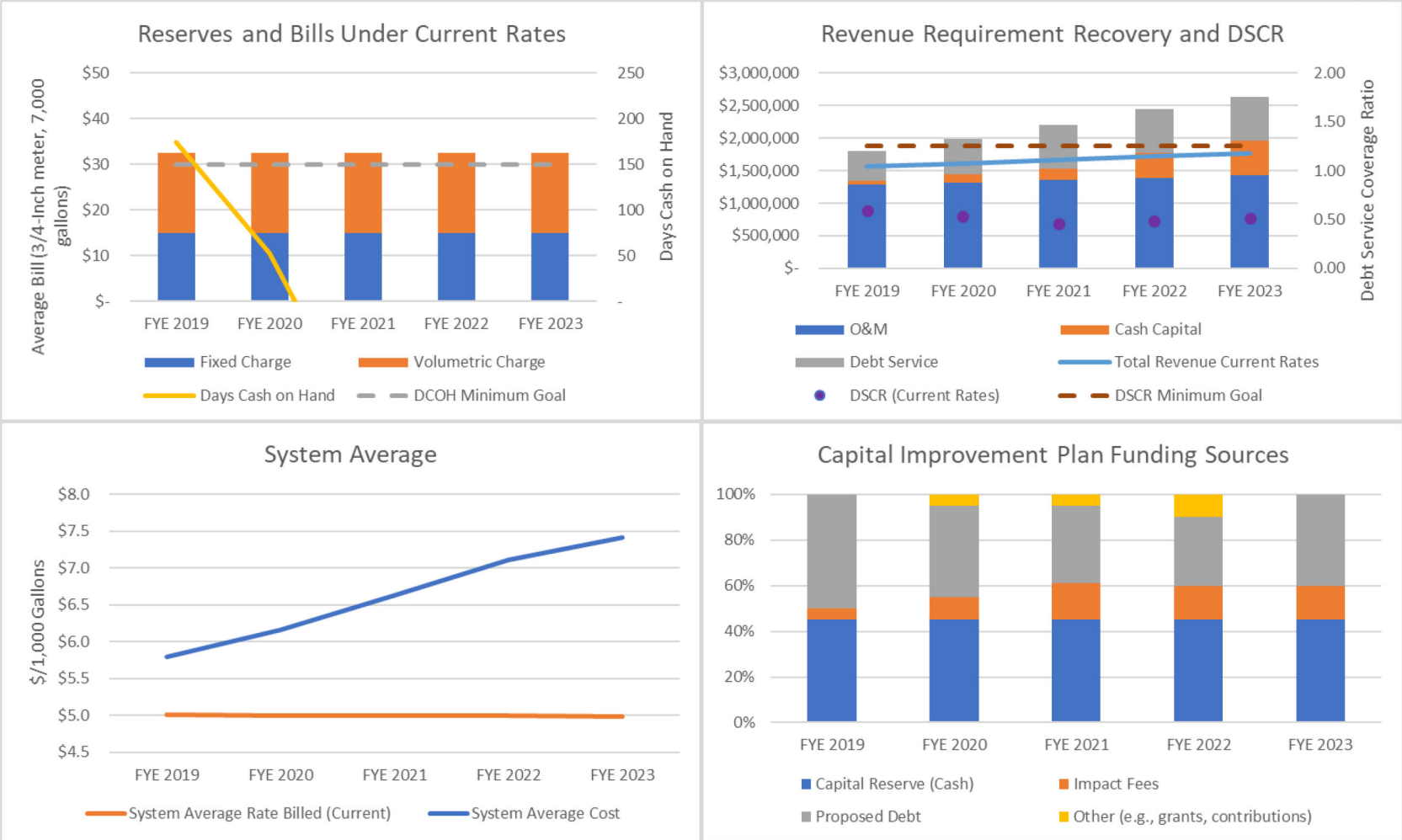
## Establishing Effective Financial Policies

1. Take a long-term view
2. Periodically revisit policies to verify effectiveness and relevance
3. Routinely educate stakeholders as to the rationale, costs and benefits associated with the various policies
4. Include key policy metrics in your financial reporting, planning, and budgeting
5. Create reserves that are well defined, reflective of financial risks, and effectively manage your utility's cash flow and balance sheet

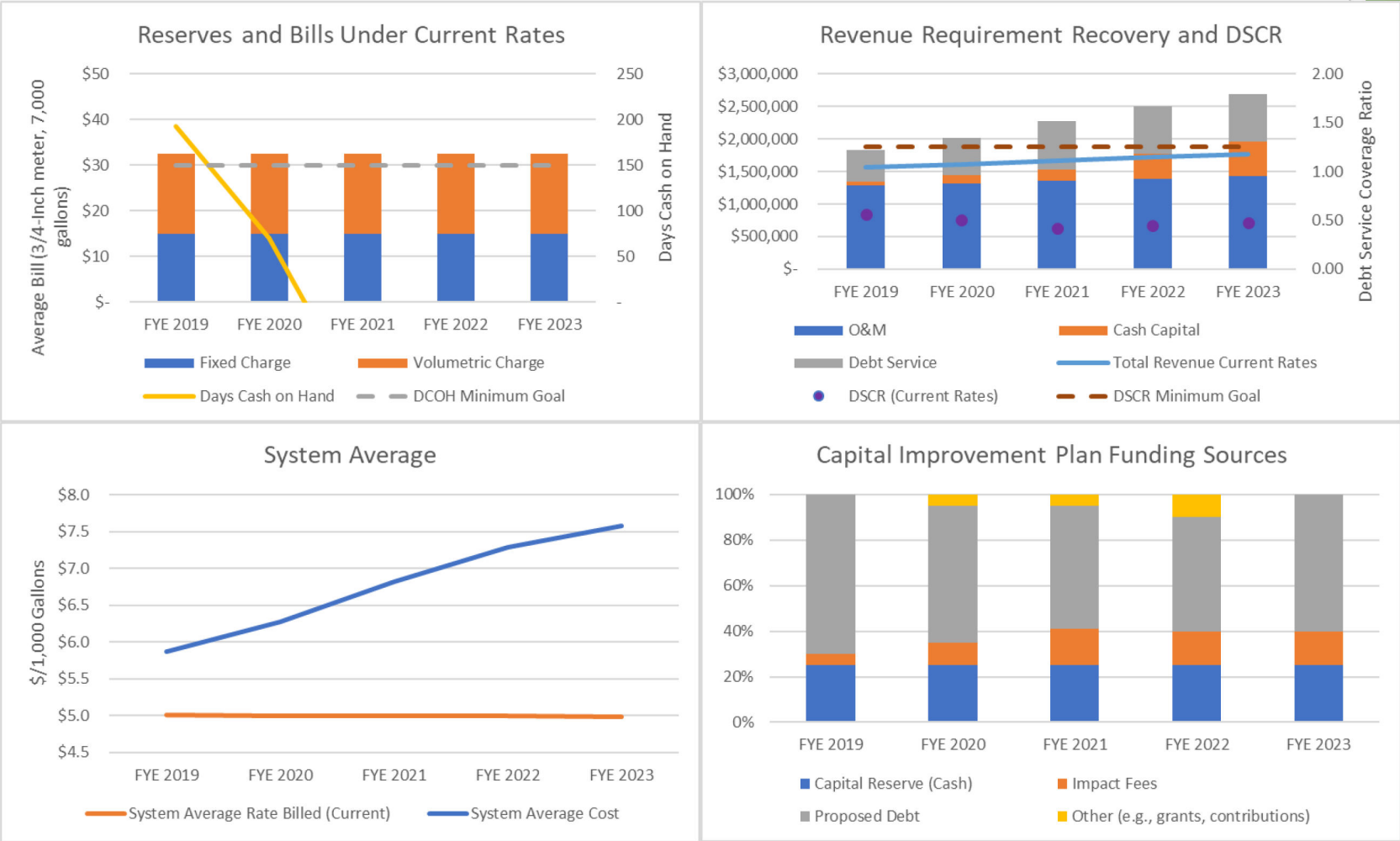
# Capital Planning

1. Engineer to develop master plan with multi-year capital improvement plan (CIP)
2. Evaluate possible funding sources, including grants, loans, and existing cash
  - ▶ Are impact fees or equity buy-in fees appropriate?
3. Develop financial plan to fund the CIP (and all other costs of the utility)
4. Evaluate rate impacts based on different scenarios of funding

# More Cash Capital Funding - Current Rates

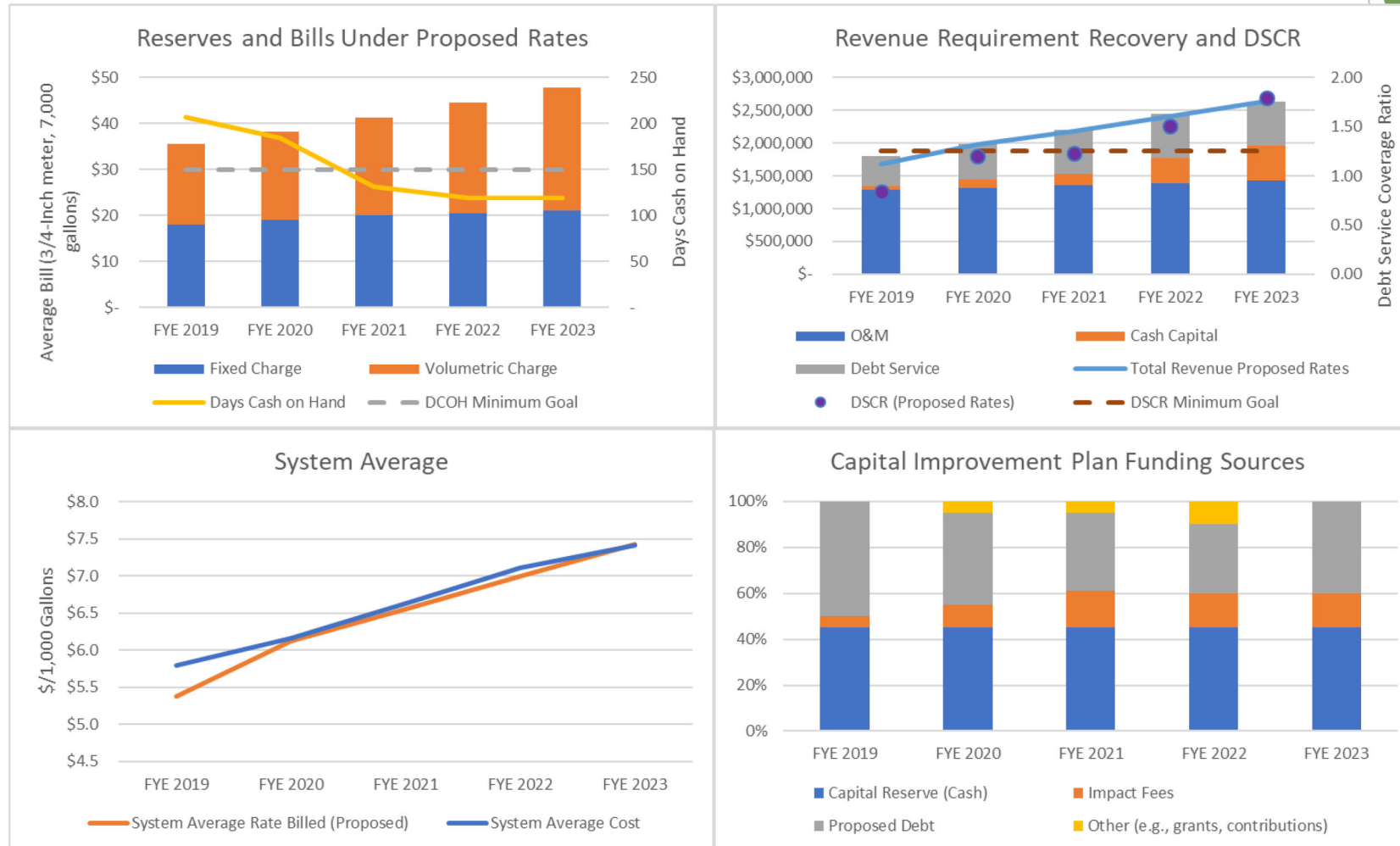


# More Debt Capital Funding - Current Rates

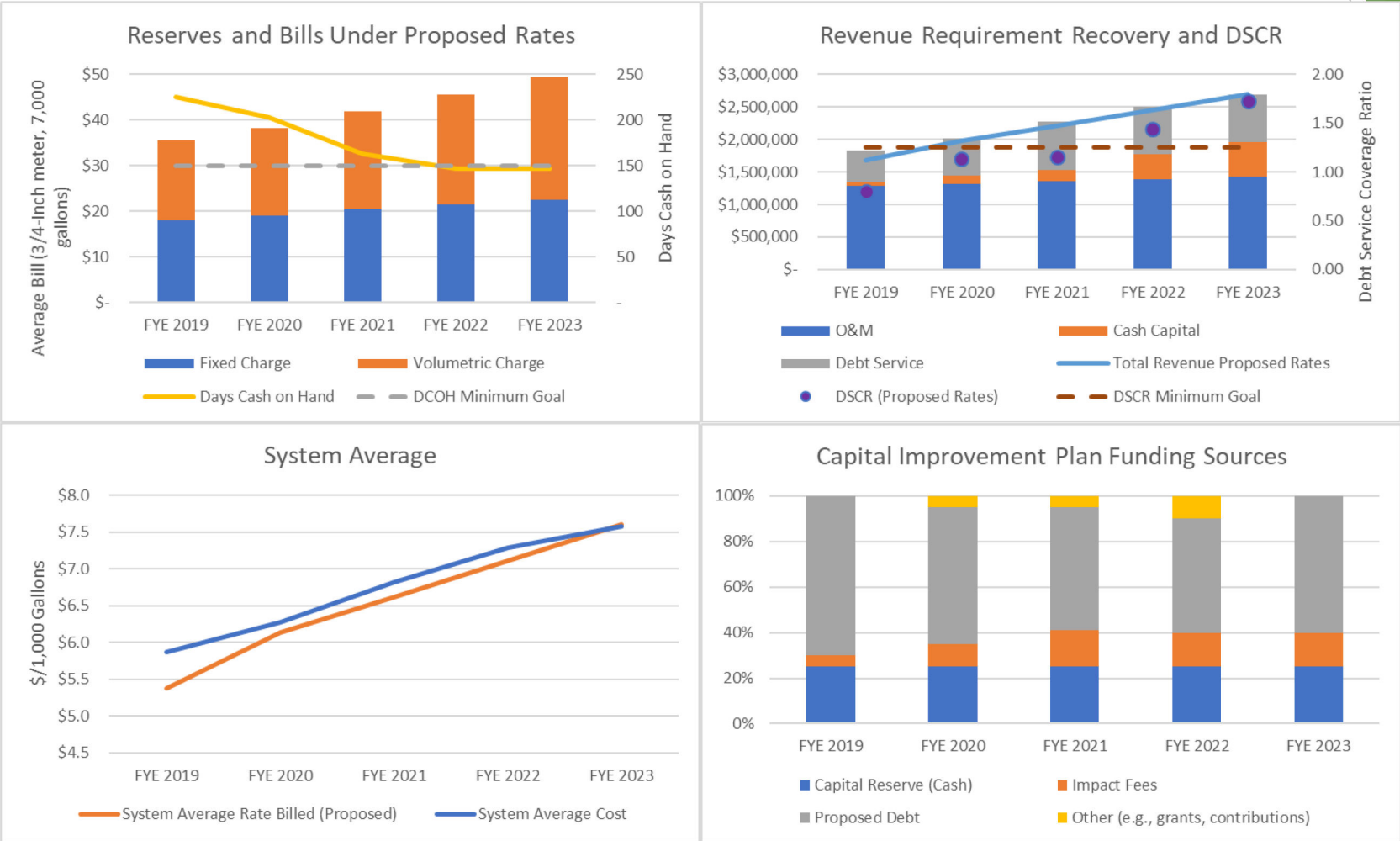




# More Cash Capital Funding - Proposed Rates



# More Debt Capital Funding - Proposed Rates





## Possible Misconceptions

- ▶ Eliminating all debt is in the best long-term interests of the utility and its customers (or, alternatively, we should use debt for everything)
- ▶ The Board's job is to minimize rate increases (maintain the existing rates)
- ▶ Our utility cannot charge more than the neighboring utility
- ▶ Changing auditors will look like something is wrong

## Questions?

**Grant Rabon**

Executive Consultant

NewGen Strategies & Solutions

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Mobile: (512) 565-0123

[grabon@newgenstrategies.net](mailto:grabon@newgenstrategies.net)

3420 Executive Center Drive

Suite 165

Austin, TX 78731

**Hunter Hook**

Vice President

CoBank

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Mobile: (303) 330-6475

[hhook@cobank.com](mailto:hhook@cobank.com)

6340 S. Fiddlers Green Circle

Greenwood Village, CO 80111





joe.gimenez <1129jgg@gmail.com>

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## On the agenda...

12 messages

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**Joe Gimenez** <1129jgg@gmail.com>

Mon, May 18, 2020 at 3:36 PM

To: Grant Rabon <grabon@newgenstrategies.net>

Cc: Patricia Gerino <patriciag@aerophoto.com>

Grant,

We have placed NewGen on the AGenda for our meeting tomorrow night. I think Patricia and I are prepared to discuss, but if you would like to attend the zoom call please do. We won't get to that item until 7:45 p.m. or so.

Agenda is attached, along with financial history report I've created and will present.

Best regards,  
Joe

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### 2 attachments

 **Final May 19 AGenda WOWSC.pdf**  
199K

 **2019-20 Financial Hlstory.pdf**  
402K

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**Grant Rabon** <grabon@newgenstrategies.net>

Mon, May 18, 2020 at 4:03 PM

To: Joe Gimenez <1129jgg@gmail.com>

Cc: Patricia Gerino <patriciag@aerophoto.com>

I should be able to attend via Zoom. Thanks for the reference materials.

---

### Grant Rabon | NewGen Strategies & Solutions

Executive Consultant

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Office: (512) 900-8232 | Cellular: (512) 565-0123

grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



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**Grant Rabon** <grabon@newgenstrategies.net>

Thu, May 21, 2020 at 4:59 PM

To: Joe Gimenez <1129jgg@gmail.com>

Cc: Patricia Gerino <patriciag@aerophoto.com>

Joe,

Based on the portion of the Board meeting I attended, I assume you and I should follow-up regarding a contract that would facilitate me assisting with different tasks, as requested by the Board. I have attached our standard professional services contract as well as a sample task authorization form. The professional services contract outlines the terms for services provided and the task authorization form would be completed when a specific scope or task has been requested by the Board. The task authorization also establishes the timeframe and budget for the scope.

Subject to your approval, we could execute the professional services contract now and then anytime thereafter the Board could engage me for any number of tasks that could be executed in the future.

Let me know your thoughts.

Thanks and have a great holiday weekend!

---

**Grant Rabon | NewGen Strategies & Solutions**

Executive Consultant

3420 Executive Center Drive | Suite 165 | Austin, TX 78731

Office: (512) 900-8232 | Cellular: (512) 565-0123

grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



**From:** Joe Gimenez <1129jgg@gmail.com>  
**Sent:** Monday, May 18, 2020 3:37 PM  
**To:** Grant Rabon <grabon@newgenstrategies.net>  
**Cc:** Patricia Gerino <patriciag@aerophoto.com>  
**Subject:** On the agenda...

Grant,

[Quoted text hidden]

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**2 attachments**



**Master\_MSA-NewGen.docx**  
44K

 **Sample Task Authorization\_NewGen.docx**  
38K

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**Patricia Gerino** <pgerino@gmail.com>  
Reply-To: pgerino@gmail.com  
To: Joe Gimenez <1129jjg@gmail.com>

Tue, May 26, 2020 at 11:11 AM

Am I missing something? I don't see a fee rate anywhere on these documents.



Click For A Quick Video Of Our Work

*Patricia Gerino*  
888-542-0231  
4000 16th Street North  
St. Petersburg, FL 33703  
Visit our website

[Quoted text hidden]

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**Joe Gimenez** <1129jjg@gmail.com>  
To: Patricia Gerino <pgerino@gmail.com>

Tue, May 26, 2020 at 11:58 AM

You are right. It says 'hourly' rates. Let's ask for a schedule.

Also, we should ask him, based on what he's already seen and learned about our situation, which services would be most useful to us right now and what that might cost.  
Thoughts?

[Quoted text hidden]

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**Patricia Gerino** <pgerino@gmail.com>  
Reply-To: pgerino@gmail.com  
To: Joe Gimenez <1129jjg@gmail.com>

Tue, May 26, 2020 at 3:10 PM

I am in total agreement.



Click For A Quick Video Of Our Work

*Patricia Gerino*  
888-542-0231  
4000 16th Street North  
St. Petersburg, FL 33703  
Visit our website

[Quoted text hidden]

---

**Joe Gimenez** <1129jjg@gmail.com>  
To: Grant Rabon <grabon@newgenstrategies.net>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Fri, Jun 12, 2020 at 11:23 AM

Grant,  
Good news. Co-Bank approved us for three loans:

- \$150k for immediate projects
- \$230k for Balloon note payoff
- \$300k for pre-treatment facility

The \$300k is there for us, for the next year, when we are ready to initiate the project. We just won't have to go through the loan approval process again.

That said, we therefore would like to discuss further engagement with you all. We received the contract and it looks good. What are your hourly rates?

And what would be the likely cost for some sort of workshop and recommendation development effort?

We have a Board meeting Tuesday night and I would like to move this for approval.

thanks,  
Joe

[Quoted text hidden]

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**Grant Rabon** <grabon@newgenstrategies.net>  
To: Joe Gimenez <1129jg@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Fri, Jun 12, 2020 at 5:20 PM

That is great news. That provides you a bit more certainty going forward, which helps.

Our billing rates are summarized in the following table and my specific billing rate is currently \$240 per hour.

NewGen Strategies & Solutions  
2020 Billing Rates

Position	Hourly Billing Rate
President/CEO	\$345
Managing Director (Energy Practice, Environmental Practice)	\$300
Director / Vice President / Executive Consultant	\$215 - \$345
Senior Consultant	\$185 - \$215
Staff Consultant	\$130 - \$185
Analyst	\$125 - \$130

Administrative Assistant

\$100

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Note: Billing rates are subject to change based on annual reviews and salary increases.

Regarding budget, to be honest, I can think of a number of areas you *might* want assistance (e.g., regulatory support for your rate case at the PUCT, financial planning for the utility, asset valuation, etc.), but the question is where best to have me help and in what order of priority. If you think the Board already has a clear understanding of what it wants to do, then my suggested scope would be different than if we need to first have some workshops with the Board to discuss the issues you are facing and your needs. Workshops to discuss your issues might be covered in a task authorization similar to the attached. To be clear, the attached is not required if the Board already knows what it wants. Feel free to call me so we can discuss.

Thanks!

---

**Grant Rabon | NewGen Strategies & Solutions**

Executive Consultant

8140 N. Mopac Expressway | Building 1, Suite 240 | Austin, TX 78759

[Quoted text hidden]



**Task Authorization 1.docx**

39K

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**Grant Rabon** <grabon@newgenstrategies.net>  
To: Joe Gimenez <1129jgg@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Mon, Jun 15, 2020 at 8:22 AM

Joe,

Based on our conversation on Friday, I have developed the attached scope and budget. Note: this has the same file name as the one attached to my last email, but the scope and fees are different. Let me know if you have any questions.

[Quoted text hidden]



**Task Authorization 1.docx**

39K

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**Patricia Gerino** <pgerino@gmail.com>  
Reply-To: pgerino@gmail.com  
To: Grant Rabon <grabon@newgenstrategies.net>  
Cc: Joe Gimenez <1129jgg@gmail.com>, Patricia Gerino <patriciag@aerophoto.com>

Mon, Jun 15, 2020 at 11:34 AM

Joe this all sounds great. I am all for moving forward.



Click For A Quick Video Of Our Work

*Patricia Gerino*

*888-542-0231*

*4000 16th Street North*

*St. Petersburg, FL 33703*

Visit our website

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# WINDERMERE OAKS WATER SUPPLY CORPORATION

424 COVENTRY ROAD, SPICEWOOD, TX 78669

## NOTICE OF REGULAR BOARD MEETING

The Board of Directors of the **Windermere Oaks Water Supply Corporation** will meet  
**Tuesday May 19, 2020 at 6:00 p.m.**

This meeting will be held via Zoom video and telephonic conference call in accordance with the Office of the Governor's March 16, 2020 proclamation temporarily suspending certain open meetings statutes in response to the current COVID-19 pandemic and statewide disaster declaration. No physical meeting space will be available. For convenience and orderly conduct of the meeting, at approximately 6:30 PM the Board will go into executive session and the Zoom video and teleconference will become inactive until the Board reconvenes the public meeting. At 7:30 PM, or as soon as practicable thereafter, the Board will reconvene the public meeting via the Zoom link and number provided below.

**To participate in the Zoom meeting by videoconference, use the following link:**

<https://us02web.zoom.us/j/87985450118>

**To participate in the Zoom meeting by teleconference, dial the following number:**

1-888-992-1129 (toll-free)

Whether you participate by video or teleconference, use the following Meeting ID and password when prompted:

**Meeting ID: 879 8545 0118**

**Password: 658291**

**TAKE NOTICE THAT A MEETING OF THE ABOVE-REFERENCED BOARD OF DIRECTORS OF WINDERMERE OAKS WATER SUPPLY CORPORATION** will commence at the time and location as noted above to consider and act by motion, resolution or otherwise upon any matter in connection with the subjects as listed below. This public meeting is being held pursuant to Texas Government Code § 551.001 et seq. All deliberations of the Board shall be made in Open Meeting unless made in Executive Session pursuant to Government Code, Chapter 551, Subchapter D to discuss an item listed below or under the specified agenda item for Executive Session. In the event of an Executive Session, no action will be taken by the Board until the Board has closed the Executive Session and returned to the noticed Open Meeting. All open and closed meetings shall be recorded if required in accordance with Government Code, Chapter 551, Subchapters B and E, respectively. Members who desire to address the Board regarding an item on the agenda during an open meeting may do so before consideration of the item by the Board during the public comment portion of the agenda. All public comments shall be subject to the Public Comment Policy adopted by the Board on November 20, 2019.


### **AGENDA:**

- 1) Call to Order.
- 2) Roll call.
- 3) Comments from citizens and members who have signed sign-up sheet to speak (3-minute limit per person).<sup>1</sup>
- 4) Approval of Board Meeting minutes
  - a) February 11, 2020
  - b) May 11, 2020

<sup>1</sup> The Board is not allowed to take action on any subject presented that is not on the agenda, nor is the Board required to provide a response; any substantive consideration and action by the Board will be conducted under a specific item on a future agenda.

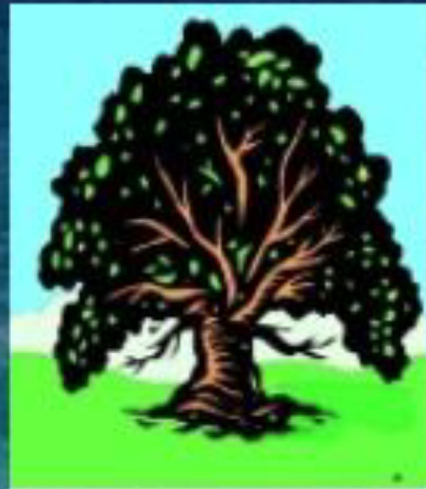
- 5) **MANAGER'S REPORT –**
  - a) **CORONAVIRUS** – Update on any recommendations from public health officials and water associations regarding concerns with water treatment.
  - b) **EASEMENT RELEASE** – Consideration and possible action on easement release on the common lot line between lots 7 & 8, now replated as Lot # 7-A.
  - c) **PRE-TREATMENT FACILITY AND IRRIGATION PROJECT**– Updates on pricing for new clarifier, UV treatment equipment, dispersant field enhancements.
  - d) **SAPA IRRIGATION PLAN** – An update on plans and progress being made by Spicewood Airport Pilots Association for irrigation of 3 acres using WOWSC effluent.
  - e) **SCADA AND SECURITY SYSTEMS** – Update on water control and security systems needed for regulatory compliance.
  - f) **LCRA CONSERVATION PROJECT** – Update on progress of plan to reduce WOWSC use of potable water for backwash processes at wastewater treatment plant.
- 6) **TREASURER'S REPORT**
  - a) Review of Financial statements, April receivables and deposits.
- 7) **LOANS** – Update on status of talks with First United Bank on balloon note and line of credit, as well as talks with CoBank on renewing our application for loan.
- 8) **NEWGEN STRATEGIES** – Consideration and possible action regarding ad hoc services and workshops to be provided by NewGen strategies for financial planning.
- 9) **PUBLIC INFORMATION OFFICER REPORT** – Update on recent increases in public information act inquiries and fulfillment.
- 10) Executive Session under Texas Government Code § 551.071(1) and (2) and § 551.072 regarding:
  - a) Ffrench, et al., Intervenor-plaintiffs and Double F Hangar Operations, LLC, et al. v. Friendship Homes & Hangars, LLC, Windermere Oaks WSC, et al., Cause No. 48292, 33<sup>rd</sup> Jud. Dist., Burnet County Dist. Ct.;
  - b) Attorney consultation regarding Ratepayers Appeal of Water and Sewer Increases by the WOWSC filed with the Public Utility Commission of Texas;
  - c) Deliberations regarding the potential purchase, exchange, lease, or value of real property;
  - d) Discussion of appeal of Attorney General ruling filed in Travis County District Court in the case of WOWSC v The Honorable Ken Paxton, Attorney General of Texas, Cause No. D-1-GN-19-006219, for protection of corporate rights and privileges during ongoing litigation including potential settlement of same;
  - e) Attorney consultation regarding pending Public Information Act requests.
- 11) Consideration and possible action on items discussed in Executive Session.
- 12) New business and discussion and possible action on agenda for next meeting.<sup>1</sup>
- 13) Set date, time, and place for next meeting.
- 14) Adjourn.

The undersigned certifies that this notice has been duly and properly posted at least 72 (seventy-two) hours preceding the scheduled meeting in a place accessible to the public at all times, at the corporation's office located at 424 Coventry, Spicewood, Texas 78669, and this notice has been provided to the Burnet County Clerk or on the corporation's Internet Web site for posting at least 72 (seventy-two) hours preceding the scheduled meeting pursuant to Section 551.054, Texas Government Code.



Joe Gimenez, Board President

# Financial History 2019-2020

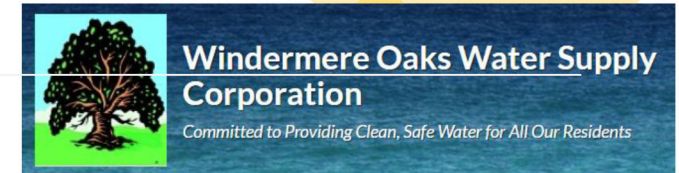


## Windermere Oaks Water Supply Corporation

*Committed to Providing Clean, Safe Water for All Our Residents*

# Income

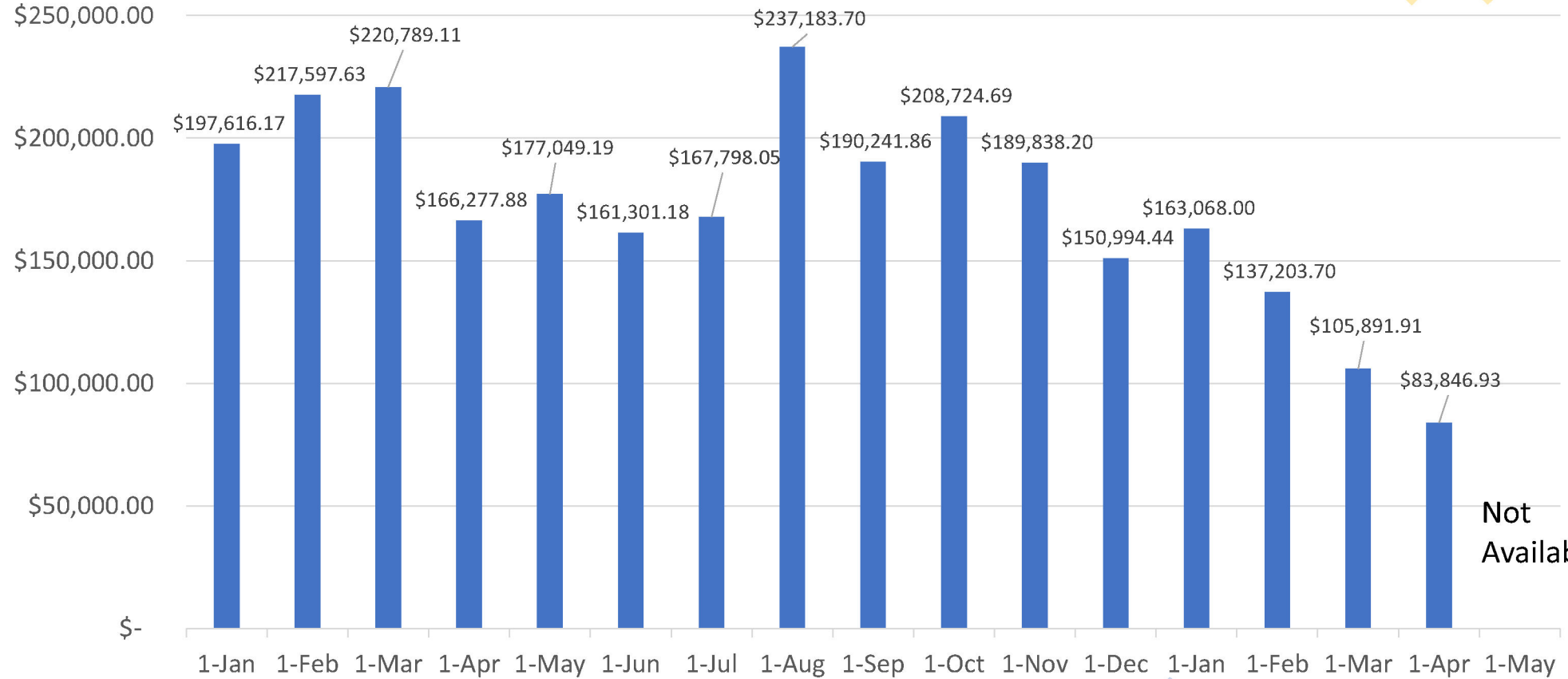
## Jan 2019-May 2020



\* August 2019 income reflects \$59,000 payment from insurance company for barge repairs

\*\* May 2019 income reflects 2020 rate increase, \$6,324 standby, and \$6,374 supply line project

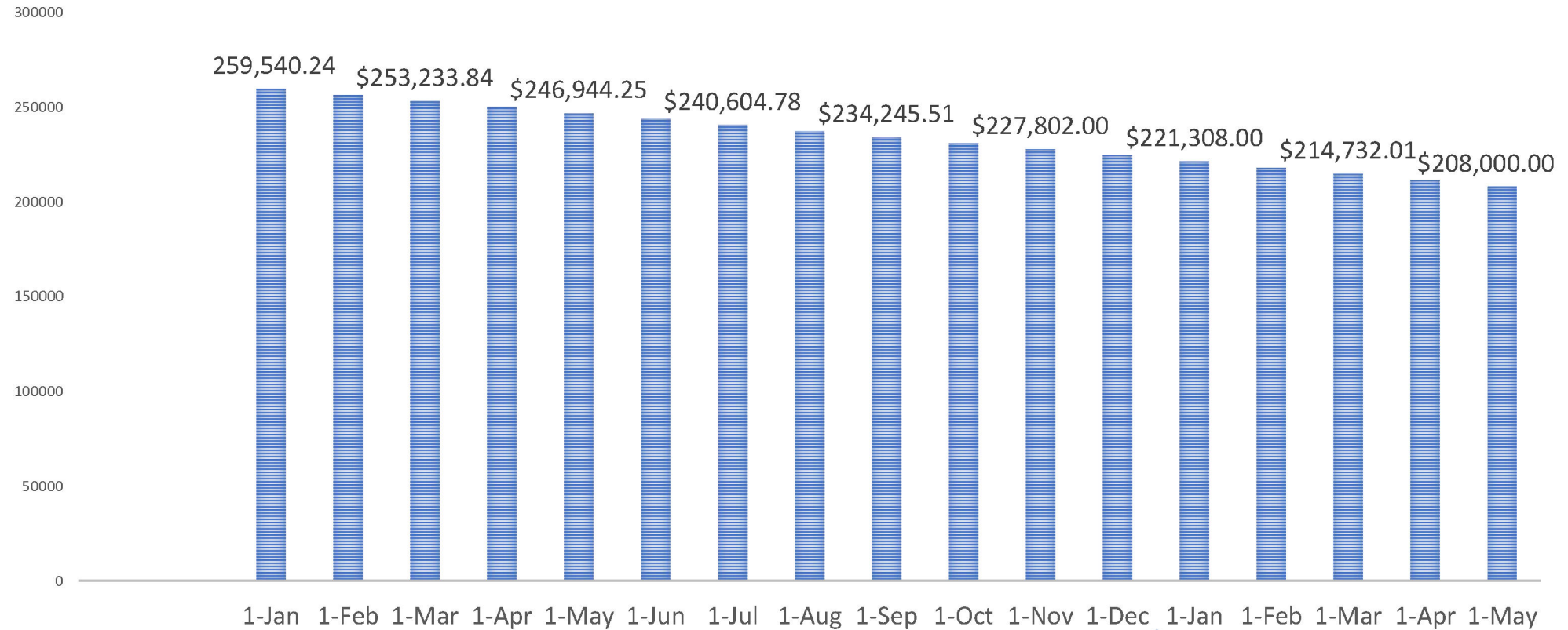
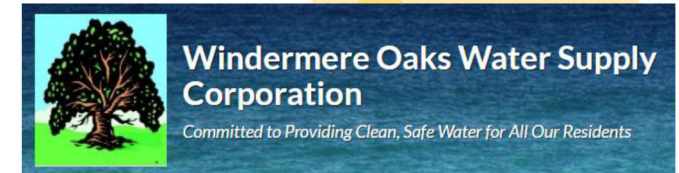
# Bank Balances





# LOAN BALANCE

JAN 2019 - MAY 2020\*



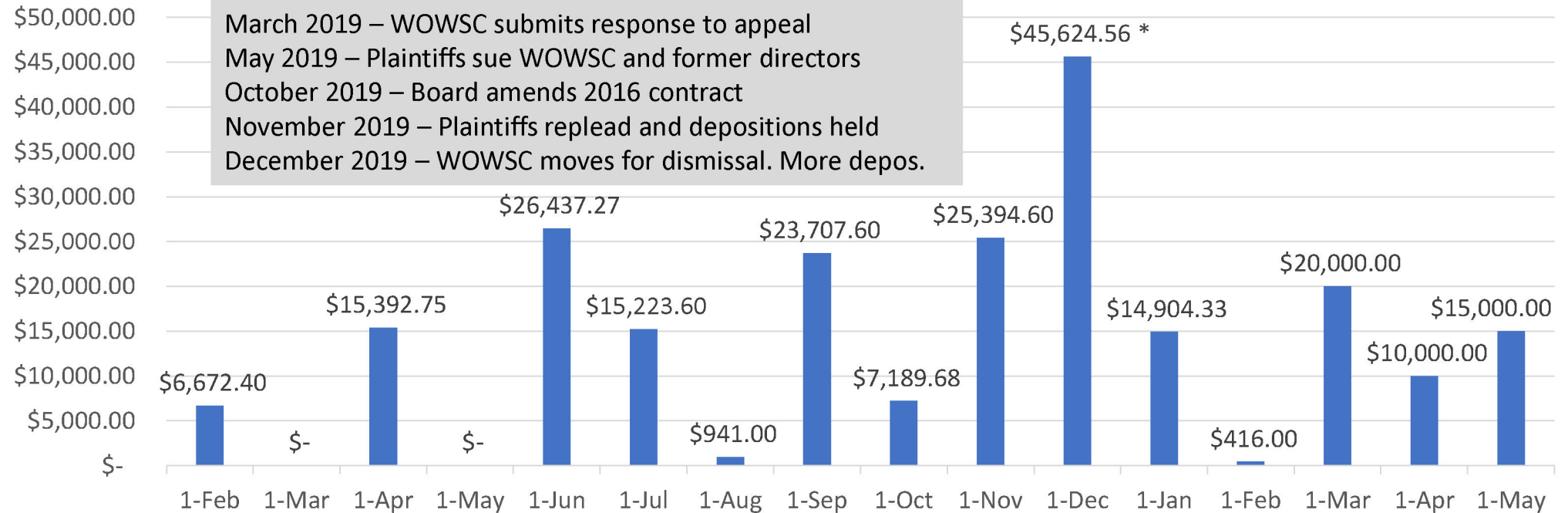
# Days Cash on Hand



Cash on hand is the number of days of operating expenses that a company could pay with its current cash available and assumes no additional income. Most organizations strive for 90+ days of cash on hand.



# Legal Payments



\* Legal payments in 2019 totaled \$166,583

\*\* 2020 payments made total \$60,320

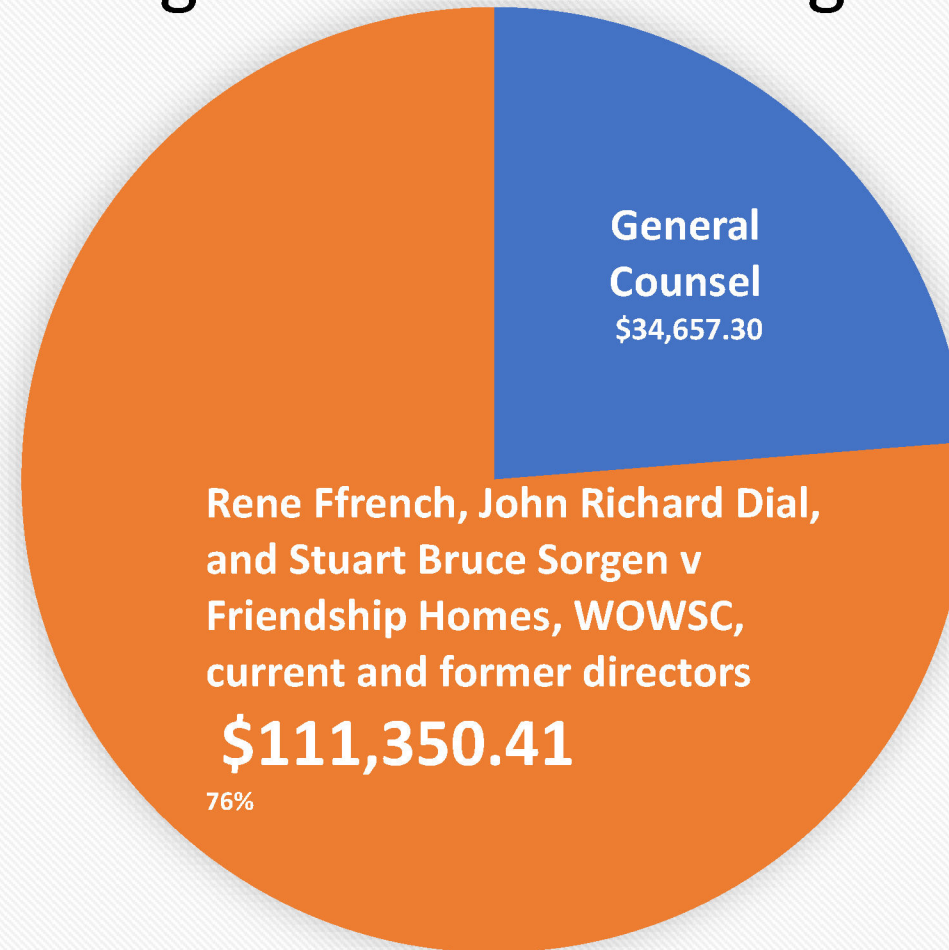
Legal payments include regular operational counsel, costs related to the legal defense of corporation, and public information act requests.



## Legal Bills Outstanding

Total – 146,007.71

Actual will be \$131,007.71  
after firms receive \$15,000  
in May



## Master Services Agreement

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This **PROFESSIONAL SERVICES AGREEMENT** ("Agreement") is dated \_\_\_\_\_ by and between **NewGen Strategies and Solutions, LLC** ("Consultant"), with offices at 8140 N. Mopac Expressway, Suite 240, Austin, Texas 78759 and **Windermere Oaks Water Supply Corporation** ("Client"), with a mailing office at 424 Coventry Road, Spicewood, Texas 78669.

**NOW, THEREFORE** in consideration of the promises herein and for other good and valuable consideration, the parties agree as follows:

1. **Scope of Services:** Consultant and Client agree Consultant will perform services as requested by Client from time to time. The services to be provided by Consultant shall be agreed to by the parties and authorized in a Task Authorization to this Agreement which sets forth the scope of services including the intended purpose of the services, schedule, budget, payment provisions and other special provisions, if any, related to the Scope of Services. Task Authorizations shall be incorporated into this Agreement and subject to its terms.
2. **Independent Contractor:** Consultant is an independent contractor and is not an employee of Client. Services performed by Consultant under this Agreement are solely for the benefit of Client. Nothing contained in this Agreement creates any duties on the part of Consultant toward any person not a party to this Agreement.
3. **Standard of Care:** Consultant will perform services under this Agreement with the degree of skill and diligence normally practiced by professional engineers or consultants performing the same or similar services. No other warranty or guarantee, expressed or implied, is made with respect to the services furnished under this Agreement and all implied warranties are disclaimed.
4. **Changes/Amendments:** This Agreement and its exhibits constitute the entire agreement between the Parties and together with its exhibits supersede any prior written or oral agreements. This Agreement may not be changed except by written amendment signed by both Parties. The estimate of the level of effort, schedule and payment required to complete the Scope of Services, as Consultant understands it, is reflected herein. Services not expressly set forth in this Agreement or its exhibits are excluded. Consultant shall promptly notify Client if changes to the Scope of Services affect the schedule, level of effort or payment to Consultant and the schedule and payment shall be equitably adjusted. If Consultant is delayed in performing its services due to an event beyond its control, including but not limited to fire, flood, earthquake, explosion, strike, transportation or equipment delays, act of war, or act of God, then the schedule or payment under the Agreement shall be equitably adjusted, if necessary, to compensate Consultant for any additional costs due to the delay.
5. **Fee for Services:** The fee for services under a Task Authorization will be based on the

## Master Services Agreement

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actual hours of services furnished multiplied by Consultant's billing rates as of the date of its monthly invoice plus all reasonable expenses directly related to the services furnished under a Task Authorization, or as otherwise set forth in a Task Authorization.

6. **Payment:** Client shall pay Consultant for services furnished under this Agreement upon submission of monthly invoices in an amount equal to actual hours of services furnished multiplied by the current billing rate of the respective consultant. Additionally, Client shall reimburse Consultant monthly for reasonable expenses at cost and at cost plus 10% for the services of any Subconsultant. Client shall pay Consultant in U.S. dollars within thirty (30) days of receipt of invoices less any disputed amounts. If Client disputes any portion of the invoice, the undisputed portion will be paid and Consultant will be notified in writing, within ten (10) days of receipt of the invoice of the exceptions taken. Consultant and Client will attempt to resolve the payment dispute within sixty (60) days or the matter may be submitted to arbitration as provided below. Additional charges for interest shall become due and payable at a rate of one and one-half percent (1-1/2%) per month (or the maximum percentage allowed by law, whichever is lower) on the unpaid, undisputed invoiced amounts. Any interest charges due from Client on past due invoices are outside any amounts otherwise due under this Agreement. If Client fails to pay undisputed invoiced amounts within sixty (60) days after delivery of invoice, Consultant, at its sole discretion, may suspend services hereunder or may initiate collections proceedings, including mandatory binding arbitration, without incurring any liability or waiving any right established hereunder or by law.
7. **Indemnity:** To the extent permitted by law, Consultant agrees to indemnify, defend and hold harmless Client and its directors, officers, shareholders and employees from and against any liability (including without limitation, reasonable costs and attorneys' fees) incurred by Client to the extent caused by Consultant's negligent acts, errors or omissions, including judgments in favor of any third party.

To the extent permitted by law, Client agrees to indemnify, defend and hold harmless Consultant and its directors, officers, shareholders, employees and subconsultants from and against any liability (including, without limitation, reasonable costs and attorney's fees) incurred by Consultant to the extent caused by Client's negligent acts, errors or omissions, including judgments in favor of any third party.

Each party (the "First Party") specifically and expressly waives its immunity under applicable worker's compensation and industrial insurance laws regarding liability against the other party (the "Second Party") for actions brought by any of the First Party's employees against the Second Party, to the extent the liability is caused by the First Party's negligent acts, errors or omissions.

8. **Reperformance of Services:** If Client believes any of the services provided under this Agreement do not comply with the terms of this Agreement, Client shall promptly notify Consultant to permit Consultant an opportunity to investigate. If the services do not meet the applicable standard of care, it will promptly reperform the services at no additional cost to Client, including assisting Client in selecting remedial actions. If Client fails to

## Master Services Agreement

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provide Consultant with prompt notice of non-compliance and an opportunity to investigate and reperform its services, Consultant's total obligation to Client will be limited to the costs Consultant would have incurred to reperform the services.

9. **Insurance:** Consultant shall maintain insurance with the following required coverages and minimum limits and upon request, will provide insurance certificates to Client:

Worker's Compensation	Statutory
Employer's Liability	U.S. \$1,000,000
Commercial General Liability	U.S. \$1,000,000 per occurrence
	U.S. \$1,000,000 aggregate
Comprehensive General Automobile	U.S. \$1,000,000 combined single limit
Professional Liability	U.S. \$1,000,000 per claim and in the aggregate

10. **Work Product:** Client shall have the unrestricted right to use the documents, analyses and other data prepared by Consultant under this Agreement ('Work Products'); provided, however Client shall not rely on or use the Work Products for any purpose other than the purposes under this Agreement and the Work Products shall not be changed without the prior written approval of Consultant. If Client releases the Work Products to a third party without Consultant's prior written consent, or changes or uses the Work Products other than as intended hereunder, (a) Client does so at its sole risk and discretion, (b) Consultant shall not be liable for any claims or damages resulting from the change or use or connected with the release or any third party's use of the Work Products and (c) Client shall indemnify, defend and hold Consultant harmless from any and all claims or damages related to the release, change or reuse.
11. **Limitation of Liability:** No employee of Consultant shall have individual liability to Client. To the extent permitted by law, the total liability of Consultant, its officers, directors, shareholders, employees and subconsultants for any and all claims arising out of this Agreement, including attorneys' fees, and whether caused by negligence, errors, omissions, strict liability, breach of contract or contribution, or indemnity claims based on third party claims, shall not exceed the revenue received by Consultant under this Agreement or one hundred fifty thousand dollars (U.S. \$150,000.00), whichever is greater.
12. **No Consequential Damages:** In no event and under no circumstances shall Consultant be liable to Client for any principal, interest, loss of anticipated revenues, earnings, profits, increased expense of operation or construction, loss by reason of shutdown or non-operation due to late completion or otherwise or for any other economic, consequential, indirect or special damages.
13. **Information Provided by Others:** Client shall provide to Consultant in a timely manner any information Consultant indicates is needed to perform the services hereunder. Consultant may rely on the accuracy of information provided by Client and its representatives.

## Master Services Agreement

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14. **Opinions of Cost:** Consultant does not control the cost of labor, materials, equipment or services furnished by others, nor does it control pricing factors used by others to accommodate inflation, competitive bidding or market conditions. Consultant estimates of operation expenses or construction costs represent its best judgment as an experienced and qualified professional and are not a guarantee of cost. This section does not apply to the cost of Consultant performing the Scope of Services.
15. **Safety and Security:** Consultant has established and maintains programs and procedures for the safety of its employees. Unless specifically included as a service to be provided under this Agreement, Consultant specifically disclaims any authority or responsibility for job site safety and safety of persons other than Consultant's employees. Consultant shall not provide any such services and disclaims any responsibility under this Agreement related to site security or the assessment, evaluation, review, testing, maintenance, operation or safety practices or procedures related to security.
16. **Termination:** Either party may terminate this Agreement upon thirty (30) days prior written notice to the other party. Client shall pay Consultant for all services rendered to the date of termination plus reasonable expenses for winding down the services. If either party defaults in its obligations hereunder, the non-defaulting party, after giving seven (7) days written notice of its intention to terminate or suspend performance under this Agreement, may, if cure of the default is not commenced and diligently continued, terminate this Agreement or suspend performance under this Agreement.
17. **Dispute Resolution:** Consultant and Client shall attempt to resolve conflicts or disputes under this Agreement in a fair and reasonable manner and agree that if resolution cannot be made to attempt to mediate the conflict by a professional mediator (except for payment disputes which may be submitted directly to arbitration). If mediation does not settle any dispute or action which arises under this Agreement or which relates in any way to this Agreement or the subject matter of this Agreement within ninety (90) days after either requests mediation, the dispute or conflict shall be subject to arbitration in English under the rules governing commercial arbitration as promulgated by the American Arbitration Association and arbitrability shall be subject to the Federal Arbitration Act.
18. **Miscellaneous:**
- a. This Agreement is binding upon and will inure to the benefit of Client and Consultant and their respective successors and assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party.
  - b. Any notice required or permitted by this Agreement to be given shall be deemed to have been duly given if in writing and delivered personally or five (5) days after mailing by first-class, registered, or certified mail, return receipt requested, postage prepaid and addressed as follows:

## Master Services Agreement

---

Client: Windermere Oaks Water Supply Corporation  
Attention: Joe Gimenez  
Address: 424 Coventry Rd.  
Spicewood, TX 78669

Consultant: NewGen Strategies & Solutions  
Attention: Grant Rabon  
Address: 8140 N. Mopac Expy, Suite 240  
Austin, TX 78759

- c. Client expressly agrees that all provisions of the Agreement, including the clause limiting the liability of Consultant, were mutually negotiated and that but for the inclusion of the limitation of liability clause in the Agreement, Consultant's compensation for services would otherwise be greater and/or Consultant would not have entered into the Agreement.
- d. If any provision of this Agreement is invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect and the provision declared invalid or unenforceable shall continue as to other circumstances.
- e. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Colorado.
- f. In any action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover, as part of its judgment, reasonable attorneys' fees and costs from the other party.
- g. This Agreement shall not be construed against Consultant only on the basis that Consultant drafted the Agreement.
- h. Notwithstanding any statute to the contrary, the Parties agree that any action to enforce or interpret this Agreement shall be initiated within two (2) years from the time the party knew or should have known of the fact giving rise to its action, and shall not in any case be initiated later than six (6) years after Consultant completes its Scope of Services under this Agreement.
- i. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original instrument, but all of which taken together shall constitute one instrument.

## Master Services Agreement

---

**IN WITNESS WHEREOF**, the Parties have signed this Agreement the date first written above.

**Windermere Oaks Water Supply Corporation**

Signature _____	Signature _____
Name _____	Name _____
Title _____	Title _____
Date _____	Date _____

**NewGen Strategies and Solutions, LLC.**

Signature _____
Name _____
Title _____
Date _____



**TASK AUTHORIZATION NO. \_\_\_\_\_**

**Windermere Oaks Water Supply Corporation**

---

**Effective Date:** XXXXXXXX

**Client Name:** Windermere Oaks Water Supply Corporation

**Task Authorization Description:** xxxxxxxxxxxxxxxxx

Consultant and Client agree that this Task Authorization will be governed by the terms and conditions of the Agreement dated \_\_\_\_\_ as amended, unless specifically modified herein.

**Scope of Services**

[INSERT]

**Schedule**

[INSERT]

**Fee for Services**

[INSERT]

**Additional Services**

[INSERT]

**Windermere Oaks Water Supply Corp**

**NewGen Strategies and Solutions, LLC**

Signature _____	Signature _____
Name _____	Name _____
Title _____	Title _____
Date _____	Date _____



## TASK AUTHORIZATION NO. 1

### Windermere Oaks Water Supply Corporation

---

**Effective Date:** XXXXXXXX

**Client Name:** Windermere Oaks Water Supply Corporation

**Task Authorization Description: Workshops/Meetings**

Consultant and Client agree that this Task Authorization will be governed by the terms and conditions of the Agreement dated \_\_\_\_\_ as amended, unless specifically modified herein.

#### **Scope of Services**

NewGen will facilitate meetings and/or workshops with the Windermere Oaks Water Supply Corporation Board (Board), at the Board's request, to assist the Board in determining how to address the issues currently facing the utility. This would include discussing areas of concern/need, possible means to analyze or address those needs, and prioritizing the needs.

#### **Schedule**

As determined by the Client.

#### **Fee for Services**

The estimated initial budget for this task is not-to-exceed \$2,500. The budget may be increased based on written approval from the Client.

#### **Additional Services**

Any additional services will be furnished at the Client's request based on standard billing rates. If appropriate, a new task authorization will be developed to outline the specific scope of work and estimated budget.

**Windermere Oaks Water Supply Corp**

**NewGen Strategies and Solutions, LLC**

Signature _____	Signature _____
Name _____	Name _____
Title _____	Title _____
Date _____	Date _____



joe.gimenez <1129jjg@gmail.com>

---

## Approval

14 messages

---

**Joe Gimenez** <1129jjg@gmail.com>

Wed, Jun 17, 2020 at 11:46 AM

To: Grant Rabon <grabon@newgenstrategies.net>

Cc: Troupe Brewer <tbrewer@lglawfirm.com>, Patricia Gerino <patriciag@aerophoto.com>

Grant,

Our Board approved, with slight modification, the task authorization for NewGen. I've signed a copy with the modification and attached it to this email. Let's discuss with Patricia how to proceed. Let us know a convenient day/time.

Best regards,  
Joe



**NewGen Task Authorization 2020.pdf**

398K

---

**Grant Rabon** <grabon@newgenstrategies.net>

Wed, Jun 17, 2020 at 12:46 PM

To: Joe Gimenez <1129jjg@gmail.com>

Cc: Troupe Brewer <tbrewer@lglawfirm.com>, Patricia Gerino <patriciag@aerophoto.com>

Thanks Joe. To have the task authorization be meaningful, we also need the attached master services agreement signed to outline the terms and conditions relevant to the task authorization.

Please review the attached and let me know if you have any questions.

After we get the contracting complete, I would like to schedule a time to discuss the scope and the modification to make sure I appreciate what is intended. It should not be a long conversation. Do you want to schedule something for Friday, June 19? I'm pretty open that day.

I look forward to working with you!

---

**Grant Rabon | NewGen Strategies & Solutions**

Executive Consultant

8140 N. Mopac Expressway | Building 1, Suite 240 | Austin, TX 78759

Office: (512) 900-8232 | Cellular: (512) 565-0123

grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



Strategies & Solutions

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**Master\_MSA-NewGen.docx**  
44K

**Joe Gimenez** <1129jgg@gmail.com>  
To: Troupe Brewer <tbrewer@lglawfirm.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 17, 2020 at 1:21 PM

Troupe,  
Please give this a quick glance. Nothing seemed out of the ordinary to me.  
thanks,  
Joe

[Quoted text hidden]



**Master Services Agreement -- WOWSC - NewGen.pdf**  
2548K

**Joe Gimenez** <1129jgg@gmail.com>  
To: Grant Rabon <grabon@newgenstrategies.net>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 17, 2020 at 1:22 PM

Grant,  
I have good availability Friday. Let's see what Patricia says.  
I'm having Troupe glance over the master services agreement. Should be returned later today or tomorrow.  
best regards,  
Joe

On Wed, Jun 17, 2020 at 12:46 PM Grant Rabon <grabon@newgenstrategies.net> wrote:

[Quoted text hidden]

**Patricia Gerino** <pgerino@gmail.com>  
Reply-To: pgerino@gmail.com  
To: Joe Gimenez <1129jgg@gmail.com>  
Cc: Grant Rabon <grabon@newgenstrategies.net>, Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 17, 2020 at 2:03 PM

I am available after 12pm on Friday.

[Quoted text hidden]

--

Patricia Gerino

**Troupe Brewer** <tbrewer@lglawfirm.com>  
To: Joe Gimenez <1129jgg@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 17, 2020 at 2:07 PM

Joe - the only issue, and I think we've raised this with NewGen previously with other clients so hopefully they're agreeable but I can't recall, is the Venue provision – see if they'll allow venue for disputes to be in Texas, not Colorado.



**TROUPE BREWER**  
Principal  
512-322-5858 Direct  
850-525-7447 Cell

Lloyd Gosselink Rochelle & Townsend, P.C.  
816 Congress Ave., Suite 1900, Austin, TX 78701  
www.lglawfirm.com | 512-322-5800  
News | vCard | LinkedIn | Bio

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\*\*\*\*ATTENTION TO PUBLIC OFFICIALS AND OFFICIALS WITH OTHER INSTITUTIONS SUBJECT TO THE OPEN MEETINGS ACT \*\*\*\*

A "REPLY TO ALL" OF THIS EMAIL COULD LEAD TO VIOLATIONS OF THE TEXAS OPEN MEETINGS ACT. PLEASE REPLY ONLY TO LEGAL COUNSEL.

CONFIDENTIALITY NOTICE:

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---

**Troupe Brewer** <tbrewer@lglawfirm.com>  
To: Joe Gimenez <1129jgg@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 17, 2020 at 2:08 PM

Sorry and I should say, it's a Choice of Laws provision, not venue, and its 18.e.

[Quoted text hidden]

---

**Joe Gimenez** <1129jgg@gmail.com>  
To: Troupe Brewer <tbrewer@lglawfirm.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 17, 2020 at 2:19 PM

Troupe,  
Can you draft email to Grant requesting that change?  
thanks,  
Joe

[Quoted text hidden]

---

**Troupe Brewer** <tbrewer@lglawfirm.com>  
To: Grant Rabon <grabon@newgenstrategies.net>, Joe Gimenez <1129jgg@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 17, 2020 at 3:12 PM

Grant,

Thanks for your help in moving the ball forward with our now-shared client! I've reviewed the master and it looks fine to me (and in line with the few other NewGen agreements I've reviewed previously), but I've got one minor request. I think we've vetted this issue before with your folks, but would it be possible to amend the Choice of Law provision in Section 18.e. to apply Texas law rather than Colorado law? With the client and all the assets being here in TX, this seems appropriate to us. Thanks again Grant, looking forward to working with you.

Troupe



**TROUPE BREWER**

Principal  
512-322-5858 Direct  
850-525-7447 Cell  
Lloyd Gosselink Rochelle & Townsend, P.C.  
816 Congress Ave., Suite 1900, Austin, TX 78701  
www.lglawfirm.com | 512-322-5800  
News | vCard | LinkedIn | Bio

**From:** Grant Rabon <grabon@newgenstrategies.net>  
**Sent:** Wednesday, June 17, 2020 12:47 PM  
**To:** Joe Gimenez <1129jjg@gmail.com>

[Quoted text hidden]

[Quoted text hidden]

\*\*\*\*ATTENTION TO PUBLIC OFFICIALS AND OFFICIALS WITH OTHER INSTITUTIONS SUBJECT TO THE OPEN MEETINGS ACT \*\*\*\*

A "REPLY TO ALL" OF THIS EMAIL COULD LEAD TO VIOLATIONS OF THE TEXAS OPEN MEETINGS ACT. PLEASE REPLY ONLY TO LEGAL COUNSEL.

[Quoted text hidden]

---

**Grant Rabon** <grabon@newgenstrategies.net>  
To: Troupe Brewer <tbrewer@lglawfirm.com>, Joe Gimenez <1129jjg@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 17, 2020 at 4:21 PM

Yes, that would be fine Troupe. Would you like to insert the requested change into the Word document (with Tracked Changes) and send it to me? Then, I can provide a version for Joe to sign (without Tracked Changes). Joe could then send me a signed version for NewGen to sign and then I can circulate back to Joe a fully executed version.

Let me know if that plan doesn't work for anyone.

Thanks!

[Quoted text hidden]

---

**Joe Gimenez** <1129jjg@gmail.com>  
To: Grant Rabon <grabon@newgenstrategies.net>

Wed, Jun 17, 2020 at 4:23 PM

Cc: Troupe Brewer <tbrewer@lglawfirm.com>, Patricia Gerino <patriciag@aerophoto.com>

works for me

[Quoted text hidden]

---

**Troupe Brewer** <tbrewer@lglawfirm.com>

Wed, Jun 17, 2020 at 4:50 PM

To: Joe Gimenez <1129jjg@gmail.com>, Grant Rabon <grabon@newgenstrategies.net>

Cc: Patricia Gerino <patriciag@aerophoto.com>

Sounds great. Wrapping up a call and I'll shoot the doc to you shortly thereafter Grant.

Troupe

[Quoted text hidden]

---

**Troupe Brewer** <tbrewer@lglawfirm.com>

Wed, Jun 17, 2020 at 5:24 PM

To: Grant Rabon <grabon@newgenstrategies.net>, Joe Gimenez <1129jjg@gmail.com>

Cc: Patricia Gerino <patriciag@aerophoto.com>

Grant – please see the attached showing my requested change. Let me know if you have any questions, otherwise this is good to go on my end.

Troupe

**From:** Grant Rabon <grabon@newgenstrategies.net>

**Sent:** Wednesday, June 17, 2020 4:21 PM

**To:** Troupe Brewer <tbrewer@lglawfirm.com>; Joe Gimenez <1129jjg@gmail.com>

**Cc:** Patricia Gerino <patriciag@aerophoto.com>

**Subject:** RE: Approval

Yes, that would be fine Troupe. Would you like to insert the requested change into the Word document (with Tracked Changes) and send it to me? Then, I can provide a version for Joe to sign (without Tracked Changes). Joe could then send me a signed version for NewGen to sign and then I can circulate back to Joe a fully executed version.

Let me know if that plan doesn't work for anyone.

Thanks!

---

**Grant Rabon | NewGen Strategies & Solutions**

Executive Consultant

8140 N. Mopac Expressway | Building 1, Suite 240 | Austin, TX 78759

Office: (512) 900-8232 | Cellular: (512) 565-0123

grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



---

**From:** Troupe Brewer <[tbrewer@lglawfirm.com](mailto:tbrewer@lglawfirm.com)>  
**Sent:** Wednesday, June 17, 2020 3:13 PM  
**To:** Grant Rabon <[grabon@newgenstrategies.net](mailto:grabon@newgenstrategies.net)>; Joe Gimenez <[1129jjg@gmail.com](mailto:1129jjg@gmail.com)>  
**Cc:** Patricia Gerino <[patriciag@aerophoto.com](mailto:patriciag@aerophoto.com)>  
**Subject:** RE: Approval

Grant,

Thanks for your help in moving the ball forward with our now-shared client! I've reviewed the master and it looks fine to me (and in line with the few other NewGen agreements I've reviewed previously), but I've got one minor request. I think we've vetted this issue before with your folks, but would it be possible to amend the Choice of Law provision in Section 18.e. to apply Texas law rather than Colorado law? With the client and all the assets being here in TX, this seems appropriate to us. Thanks again Grant, looking forward to working with you.

Troupe

**TROUPE BREWER**  
Principal



512-322-5858 Direct  
850-525-7447 Cell



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[www.lglawfirm.com](http://www.lglawfirm.com) | 512-322-5800

[News](#) | [vCard](#) | [LinkedIn](#) | [Bio](#)

---

**From:** Grant Rabon <[grabon@newgenstrategies.net](mailto:grabon@newgenstrategies.net)>  
**Sent:** Wednesday, June 17, 2020 12:47 PM  
**To:** Joe Gimenez <[1129jjg@gmail.com](mailto:1129jjg@gmail.com)>  
**Cc:** Troupe Brewer <[tbrewer@lglawfirm.com](mailto:tbrewer@lglawfirm.com)>; Patricia Gerino <[patriciag@aerophoto.com](mailto:patriciag@aerophoto.com)>  
**Subject:** RE: Approval



Thanks Joe. To have the task authorization be meaningful, we also need the attached master services agreement signed to outline the terms and conditions relevant to the task authorization.

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I look forward to working with you!

---

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grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



[Quoted text hidden]



---

**NewGen Master Services Agreement (6.17.2020)(jtb edits).DOCX**

43K

---

**Grant Rabon** <grabon@newgenstrategies.net>  
To: Troupe Brewer <tbrewer@lglawfirm.com>, Joe Gimenez <1129jjg@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 17, 2020 at 5:59 PM

As advertised, that was pretty minor. Joe, please sign and return a copy of the attached to me and I will get you a fully executed version. Thanks!

---

**Grant Rabon | NewGen Strategies & Solutions**

Executive Consultant

8140 N. Mopac Expressway | Building 1, Suite 240 | Austin, TX 78759

Office: (512) 900-8232 | Cellular: (512) 565-0123

grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



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**TROUPE BREWER**

Principal



512-322-5858 Direct  
850-525-7447 Cell



Lloyd Gosselink Rochelle & Townsend, P.C.  
**816 Congress Ave., Suite 1900, Austin, TX 78701**  
[www.lglawfirm.com](http://www.lglawfirm.com) | 512-322-5800

[News](#) | [vCard](#) | [LinkedIn](#) | [Bio](#)

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**NewGen Master Services Agreement FINAL.DOCX**  
44K

**TASK AUTHORIZATION NO. 1**  
**Windermere Oaks Water Supply Corporation**

Effective Date:

6/16/20

Client Name:

Windermere Oaks Water Supply Corporation

**Task Authorization Description: Financial Assessment**

Consultant and Client agree that this Task Authorization will be governed by the terms and conditions of the Agreement dated 6/16/20 as amended, unless specifically modified herein.

**Scope of Services**

NewGen will conduct a limited financial assessment of the Windermere Oaks Water Supply Corporation. This will evaluate recent history of financial performance, develop an updated assessment of where the utility stands financially based on recent condition (e.g., new loan from CoBank), and forecast of possible near-term financial needs, including the possibility of additional rate adjustments, based on scenarios that include continued legal expenses and/or adverse outcomes at the Public Utility Commission of Texas. Possible next steps and options will be discussed. The results of this analysis will be summarized in a memo report and, if desired, presented to the Board via web-based conference. Note: This investigation will NOT represent a cost of service study or make rate recommendations.

*AS well AS positive outcomes for legal expenses which might reduce rates.*

**Schedule**

To be determined by mutual agreement.

**Fee for Services**

The estimated budget for this task is not-to-exceed \$5,500.

**Additional Services**

Any additional services will be furnished at the Client's request based on standard billing rates. If appropriate, a new task authorization will be developed to outline the specific scope of work and estimated budget.

**Windermere Oaks Water Supply Corp**

**NewGen Strategies and Solutions, LLC**

Signature

Joseph G. Givner III

Name

Joseph G. Givner III

Title

President

Date

6/16/20

Signature

Name

Title

Date



joe.gimenez <1129jgg@gmail.com>

---

## Master Services Agreement - NewGen WOWSC

5 messages

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**Joe Gimenez** <1129jgg@gmail.com>

Fri, Jun 19, 2020 at 3:17 PM

To: Grant Rabon <grabon@newgenstrategies.net>, Troupe Brewer <tbrewer@lglawfirm.com>

Cc: Patricia Gerino <patriciag@aerophoto.com>

Grant and Troupe,  
Signed agreement attached.  
thanks,  
Joe

---

 **Master Services Agreement - NewGen - WOWSC.pdf**  
2532K

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**Grant Rabon** <grabon@newgenstrategies.net>

Fri, Jun 19, 2020 at 7:22 PM

To: Joe Gimenez <1129jgg@gmail.com>, Troupe Brewer <tbrewer@lglawfirm.com>

Cc: Patricia Gerino <patriciag@aerophoto.com>

I will follow-up with a fully executed contract on Monday. In the meantime, attached is our initial request for information. If any of the items requested will be onerous to provide, please let me know.

Thanks and have a great weekend!

---

### Grant Rabon | NewGen Strategies & Solutions

Executive Consultant

8140 N. Mopac Expressway | Building 1, Suite 240 | Austin, TX 78759

Office: (512) 900-8232 | Cellular: (512) 565-0123

grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



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 **RFI.pdf**  
112K

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**Grant Rabon** <grabon@newgenstrategies.net>

Sat, Jun 20, 2020 at 3:17 PM

To: Joe Gimenez <1129jgg@gmail.com>, Troupe Brewer <tbrewer@lglawfirm.com>

Cc: Patricia Gerino <patriciag@aerophoto.com>

Joe,

Attached is a fully executed contract and task authorization. Let me know if you have questions.

Thanks!

---

**Grant Rabon | NewGen Strategies & Solutions**

Executive Consultant

8140 N. Mopac Expressway | Building 1, Suite 240 | Austin, TX 78759

Office: (512) 900-8232 | Cellular: (512) 565-0123

grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



**From:** Joe Gimenez <1129jgg@gmail.com>

**Sent:** Friday, June 19, 2020 3:17 PM

**To:** Grant Rabon <grabon@newgenstrategies.net>; Troupe Brewer <tbrewer@lglawfirm.com>

**Cc:** Patricia Gerino <patriciag@aerophoto.com>

**Subject:** Master Services Agreement - NewGen WOWSC

Grant and Troupe,

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**2 attachments**

**Windermere Oaks WSC MSA.pdf**  
4625K

**TA1.pdf**  
426K

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**Joe Gimenez** <1129jgg@gmail.com>

To: Troupe Brewer <tbrewer@lglawfirm.com>, Mike Nelson <brownsandniners@aol.com>

Wed, Jun 24, 2020 at 10:58 AM


for record keeping.

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**2 attachments**

 **Windermere Oaks WSC MSA.pdf**  
4625K

 **TA1.pdf**  
426K

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**brownsandniners@aol.com** <brownsandniners@aol.com>

Wed, Jun 24, 2020 at 7:25 PM

Reply-To: brownsandniners@aol.com

To: "watermgmt@yahoo.com" <watermgmt@yahoo.com>, "1129jjg@gmail.com" <1129jjg@gmail.com>, "Brownsandniners@aol.com" <Brownsandniners@aol.com>

Hello George,

Forwarding the signed NewGen task 1 and MSA with WOWSC for hard copy filing at the WTP.

Sorry for the spam if you've already received them for filing.


Thanks,  
Mike

[Quoted text hidden]

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**2 attachments**

 **Windermere Oaks WSC MSA.pdf**  
4625K

 **TA1.pdf**  
426K

## Master Services Agreement

---

This **PROFESSIONAL SERVICES AGREEMENT** ("Agreement") is dated June 16, 2020 by and between **NewGen Strategies and Solutions, LLC** ("Consultant"), with offices at 8140 N. Mopac Expressway, Building 1, Suite 240, Austin, Texas 78759 and **Windermere Oaks Water Supply Corporation** ("Client"), with a mailing office at 424 Coventry Road, Spicewood, Texas 78669.

**NOW, THEREFORE** in consideration of the promises herein and for other good and valuable consideration, the parties agree as follows:

1. **Scope of Services:** Consultant and Client agree Consultant will perform services as requested by Client from time to time. The services to be provided by Consultant shall be agreed to by the parties and authorized in a Task Authorization to this Agreement which sets forth the scope of services including the intended purpose of the services, schedule, budget, payment provisions and other special provisions, if any, related to the Scope of Services. Task Authorizations shall be incorporated into this Agreement and subject to its terms.
2. **Independent Contractor:** Consultant is an independent contractor and is not an employee of Client. Services performed by Consultant under this Agreement are solely for the benefit of Client. Nothing contained in this Agreement creates any duties on the part of Consultant toward any person not a party to this Agreement.
3. **Standard of Care:** Consultant will perform services under this Agreement with the degree of skill and diligence normally practiced by professional engineers or consultants performing the same or similar services. No other warranty or guarantee, expressed or implied, is made with respect to the services furnished under this Agreement and all implied warranties are disclaimed.
4. **Changes/Amendments:** This Agreement and its exhibits constitute the entire agreement between the Parties and together with its exhibits supersede any prior written or oral agreements. This Agreement may not be changed except by written amendment signed by both Parties. The estimate of the level of effort, schedule and payment required to complete the Scope of Services, as Consultant understands it, is reflected herein. Services not expressly set forth in this Agreement or its exhibits are excluded. Consultant shall promptly notify Client if changes to the Scope of Services affect the schedule, level of effort or payment to Consultant and the schedule and payment shall be equitably adjusted. If Consultant is delayed in performing its services due to an event beyond its control, including but not limited to fire, flood, earthquake, explosion, strike, transportation or equipment delays, act of war, or act of God, then the schedule or payment under the Agreement shall be equitably adjusted, if necessary, to compensate Consultant for any additional costs due to the delay.





## Master Services Agreement

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5. **Fee for Services:** The fee for services under a Task Authorization will be based on the actual hours of services furnished multiplied by Consultant's billing rates as of the date of its monthly invoice plus all reasonable expenses directly related to the services furnished under a Task Authorization, or as otherwise set forth in a Task Authorization.
6. **Payment:** Client shall pay Consultant for services furnished under this Agreement upon submission of monthly invoices in an amount equal to actual hours of services furnished multiplied by the current billing rate of the respective consultant. Additionally, Client shall reimburse Consultant monthly for reasonable expenses at cost and at cost plus 10% for the services of any Subconsultant. Client shall pay Consultant in U.S. dollars within thirty (30) days of receipt of invoices less any disputed amounts. If Client disputes any portion of the invoice, the undisputed portion will be paid and Consultant will be notified in writing, within ten (10) days of receipt of the invoice of the exceptions taken. Consultant and Client will attempt to resolve the payment dispute within sixty (60) days or the matter may be submitted to arbitration as provided below. Additional charges for interest shall become due and payable at a rate of one and one-half percent (1-1/2%) per month (or the maximum percentage allowed by law, whichever is lower) on the unpaid, undisputed invoiced amounts. Any interest charges due from Client on past due invoices are outside any amounts otherwise due under this Agreement. If Client fails to pay undisputed invoiced amounts within sixty (60) days after delivery of invoice, Consultant, at its sole discretion, may suspend services hereunder or may initiate collections proceedings, including mandatory binding arbitration, without incurring any liability or waiving any right established hereunder or by law.
7. **Indemnity:** To the extent permitted by law, Consultant agrees to indemnify, defend and hold harmless Client and its directors, officers, shareholders and employees from and against any liability (including without limitation, reasonable costs and attorneys' fees) incurred by Client to the extent caused by Consultant's negligent acts, errors or omissions, including judgments in favor of any third party.

To the extent permitted by law, Client agrees to indemnify, defend and hold harmless Consultant and its directors, officers, shareholders, employees and subconsultants from and against any liability (including, without limitation, reasonable costs and attorney's fees) incurred by Consultant to the extent caused by Client's negligent acts, errors or omissions, including judgments in favor of any third party.

Each party (the "First Party") specifically and expressly waives its immunity under applicable worker's compensation and industrial insurance laws regarding liability against the other party (the "Second Party") for actions brought by any of the First Party's employees against the Second Party, to the extent the liability is caused by the First Party's negligent acts, errors or omissions.

8. **Reperformance of Services:** If Client believes any of the services provided under this Agreement do not comply with the terms of this Agreement, Client shall promptly notify Consultant to permit Consultant an opportunity to investigate. If the services do not meet the applicable standard of care, it will promptly reperform the services at no additional

## Master Services Agreement

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cost to Client, including assisting Client in selecting remedial actions. If Client fails to provide Consultant with prompt notice of non-compliance and an opportunity to investigate and reperform its services, Consultant's total obligation to Client will be limited to the costs Consultant would have incurred to reperform the services.

9. **Insurance:** Consultant shall maintain insurance with the following required coverages and minimum limits and upon request, will provide insurance certificates to Client:

Worker's Compensation	Statutory
Employer's Liability	U.S. \$1,000,000
Commercial General Liability	U.S. \$1,000,000 per occurrence
	U.S. \$1,000,000 aggregate
Comprehensive General Automobile	U.S. \$1,000,000 combined single limit
Professional Liability	U.S. \$1,000,000 per claim and in the aggregate

10. **Work Product:** Client shall have the unrestricted right to use the documents, analyses and other data prepared by Consultant under this Agreement ('Work Products'); provided, however Client shall not rely on or use the Work Products for any purpose other than the purposes under this Agreement and the Work Products shall not be changed without the prior written approval of Consultant. If Client releases the Work Products to a third party without Consultant's prior written consent, or changes or uses the Work Products other than as intended hereunder, (a) Client does so at its sole risk and discretion, (b) Consultant shall not be liable for any claims or damages resulting from the change or use or connected with the release or any third party's use of the Work Products and (c) Client shall indemnify, defend and hold Consultant harmless from any and all claims or damages related to the release, change or reuse.
11. **Limitation of Liability:** No employee of Consultant shall have individual liability to Client. To the extent permitted by law, the total liability of Consultant, its officers, directors, shareholders, employees and subconsultants for any and all claims arising out of this Agreement, including attorneys' fees, and whether caused by negligence, errors, omissions, strict liability, breach of contract or contribution, or indemnity claims based on third party claims, shall not exceed the revenue received by Consultant under this Agreement or one hundred fifty thousand dollars (U.S. \$150,000.00), whichever is greater.
12. **No Consequential Damages:** In no event and under no circumstances shall Consultant be liable to Client for any principal, interest, loss of anticipated revenues, earnings, profits, increased expense of operation or construction, loss by reason of shutdown or non-operation due to late completion or otherwise or for any other economic, consequential, indirect or special damages.
13. **Information Provided by Others:** Client shall provide to Consultant in a timely manner any information Consultant indicates is needed to perform the services hereunder. Consultant may rely on the accuracy of information provided by Client and its representatives.

## Master Services Agreement

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14. **Opinions of Cost:** Consultant does not control the cost of labor, materials, equipment or services furnished by others, nor does it control pricing factors used by others to accommodate inflation, competitive bidding or market conditions. Consultant estimates of operation expenses or construction costs represent its best judgment as an experienced and qualified professional and are not a guarantee of cost. This section does not apply to the cost of Consultant performing the Scope of Services.
15. **Safety and Security:** Consultant has established and maintains programs and procedures for the safety of its employees. Unless specifically included as a service to be provided under this Agreement, Consultant specifically disclaims any authority or responsibility for job site safety and safety of persons other than Consultant's employees. Consultant shall not provide any such services and disclaims any responsibility under this Agreement related to site security or the assessment, evaluation, review, testing, maintenance, operation or safety practices or procedures related to security.
16. **Termination:** Either party may terminate this Agreement upon thirty (30) days prior written notice to the other party. Client shall pay Consultant for all services rendered to the date of termination plus reasonable expenses for winding down the services. If either party defaults in its obligations hereunder, the non-defaulting party, after giving seven (7) days written notice of its intention to terminate or suspend performance under this Agreement, may, if cure of the default is not commenced and diligently continued, terminate this Agreement or suspend performance under this Agreement.
17. **Dispute Resolution:** Consultant and Client shall attempt to resolve conflicts or disputes under this Agreement in a fair and reasonable manner and agree that if resolution cannot be made to attempt to mediate the conflict by a professional mediator (except for payment disputes which may be submitted directly to arbitration). If mediation does not settle any dispute or action which arises under this Agreement or which relates in any way to this Agreement or the subject matter of this Agreement within ninety (90) days after either requests mediation, the dispute or conflict shall be subject to arbitration in English under the rules governing commercial arbitration as promulgated by the American Arbitration Association and arbitrability shall be subject to the Federal Arbitration Act.
18. **Miscellaneous:**
- a. This Agreement is binding upon and will inure to the benefit of Client and Consultant and their respective successors and assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party.
  - b. Any notice required or permitted by this Agreement to be given shall be deemed to have been duly given if in writing and delivered personally or five (5) days after mailing by first-class, registered, or certified mail, return receipt requested, postage prepaid and addressed as follows:



## Master Services Agreement

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Client: Windermere Oaks Water Supply Corporation  
Attention: Joe Gimenez  
Address: 424 Coventry Rd.  
Spicewood, TX 78669

Consultant: NewGen Strategies & Solutions  
Attention: Grant Rabon  
Address: 8140 N. Mopac Expy, Building 1, Suite 240  
Austin, TX 78759

- c. Client expressly agrees that all provisions of the Agreement, including the clause limiting the liability of Consultant, were mutually negotiated and that but for the inclusion of the limitation of liability clause in the Agreement, Consultant's compensation for services would otherwise be greater and/or Consultant would not have entered into the Agreement.
- d. If any provision of this Agreement is invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect and the provision declared invalid or unenforceable shall continue as to other circumstances.
- e. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas.
- f. In any action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover, as part of its judgment, reasonable attorneys' fees and costs from the other party.
- g. This Agreement shall not be construed against Consultant only on the basis that Consultant drafted the Agreement.
- h. Notwithstanding any statute to the contrary, the Parties agree that any action to enforce or interpret this Agreement shall be initiated within two (2) years from the time the party knew or should have known of the fact giving rise to its action, and shall not in any case be initiated later than six (6) years after Consultant completes its Scope of Services under this Agreement.
- i. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original instrument, but all of which taken together shall constitute one instrument.

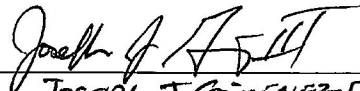


## Master Services Agreement

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IN WITNESS WHEREOF, the Parties have signed this Agreement the date first written above.

### Windermere Oaks Water Supply Corporation

Signature		Signature	_____
Name	<u>Joseph J. Gimenez III</u>	Name	_____
Title	<u>President</u>	Title	_____
Date	<u>6/19/20</u>	Date	_____

### NewGen Strategies and Solutions, LLC.

Signature	_____
Name	_____
Title	_____
Date	_____

## Master Services Agreement

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This **PROFESSIONAL SERVICES AGREEMENT** ("Agreement") is dated June 16, 2020 by and between **NewGen Strategies and Solutions, LLC** ("Consultant"), with offices at 8140 N. Mopac Expressway, Building 1, Suite 240, Austin, Texas 78759 and **Windermere Oaks Water Supply Corporation** ("Client"), with a mailing office at 424 Coventry Road, Spicewood, Texas 78669.

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2. **Independent Contractor:** Consultant is an independent contractor and is not an employee of Client. Services performed by Consultant under this Agreement are solely for the benefit of Client. Nothing contained in this Agreement creates any duties on the part of Consultant toward any person not a party to this Agreement.
3. **Standard of Care:** Consultant will perform services under this Agreement with the degree of skill and diligence normally practiced by professional engineers or consultants performing the same or similar services. No other warranty or guarantee, expressed or implied, is made with respect to the services furnished under this Agreement and all implied warranties are disclaimed.
4. **Changes/Amendments:** This Agreement and its exhibits constitute the entire agreement between the Parties and together with its exhibits supersede any prior written or oral agreements. This Agreement may not be changed except by written amendment signed by both Parties. The estimate of the level of effort, schedule and payment required to complete the Scope of Services, as Consultant understands it, is reflected herein. Services not expressly set forth in this Agreement or its exhibits are excluded. Consultant shall promptly notify Client if changes to the Scope of Services affect the schedule, level of effort or payment to Consultant and the schedule and payment shall be equitably adjusted. If Consultant is delayed in performing its services due to an event beyond its control, including but not limited to fire, flood, earthquake, explosion, strike, transportation or equipment delays, act of war, or act of God, then the schedule or payment under the Agreement shall be equitably adjusted, if necessary, to compensate Consultant for any additional costs due to the delay.



## Master Services Agreement

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7. **Indemnity:** To the extent permitted by law, Consultant agrees to indemnify, defend and hold harmless Client and its directors, officers, shareholders and employees from and against any liability (including without limitation, reasonable costs and attorneys' fees) incurred by Client to the extent caused by Consultant's negligent acts, errors or omissions, including judgments in favor of any third party.

To the extent permitted by law, Client agrees to indemnify, defend and hold harmless Consultant and its directors, officers, shareholders, employees and subconsultants from and against any liability (including, without limitation, reasonable costs and attorney's fees) incurred by Consultant to the extent caused by Client's negligent acts, errors or omissions, including judgments in favor of any third party.

Each party (the "First Party") specifically and expressly waives its immunity under applicable worker's compensation and industrial insurance laws regarding liability against the other party (the "Second Party") for actions brought by any of the First Party's employees against the Second Party, to the extent the liability is caused by the First Party's negligent acts, errors or omissions.

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## Master Services Agreement

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	U.S. \$1,000,000 aggregate
Comprehensive General Automobile	U.S. \$1,000,000 combined single limit
Professional Liability	U.S. \$1,000,000 per claim and in the aggregate

10. **Work Product:** Client shall have the unrestricted right to use the documents, analyses and other data prepared by Consultant under this Agreement ('Work Products'); provided, however Client shall not rely on or use the Work Products for any purpose other than the purposes under this Agreement and the Work Products shall not be changed without the prior written approval of Consultant. If Client releases the Work Products to a third party without Consultant's prior written consent, or changes or uses the Work Products other than as intended hereunder, (a) Client does so at its sole risk and discretion, (b) Consultant shall not be liable for any claims or damages resulting from the change or use or connected with the release or any third party's use of the Work Products and (c) Client shall indemnify, defend and hold Consultant harmless from any and all claims or damages related to the release, change or reuse.
11. **Limitation of Liability:** No employee of Consultant shall have individual liability to Client. To the extent permitted by law, the total liability of Consultant, its officers, directors, shareholders, employees and subconsultants for any and all claims arising out of this Agreement, including attorneys' fees, and whether caused by negligence, errors, omissions, strict liability, breach of contract or contribution, or indemnity claims based on third party claims, shall not exceed the revenue received by Consultant under this Agreement or one hundred fifty thousand dollars (U.S. \$150,000.00), whichever is greater.
12. **No Consequential Damages:** In no event and under no circumstances shall Consultant be liable to Client for any principal, interest, loss of anticipated revenues, earnings, profits, increased expense of operation or construction, loss by reason of shutdown or non-operation due to late completion or otherwise or for any other economic, consequential, indirect or special damages.
13. **Information Provided by Others:** Client shall provide to Consultant in a timely manner any information Consultant indicates is needed to perform the services hereunder. Consultant may rely on the accuracy of information provided by Client and its representatives.

## Master Services Agreement

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14. **Opinions of Cost:** Consultant does not control the cost of labor, materials, equipment or services furnished by others, nor does it control pricing factors used by others to accommodate inflation, competitive bidding or market conditions. Consultant estimates of operation expenses or construction costs represent its best judgment as an experienced and qualified professional and are not a guarantee of cost. This section does not apply to the cost of Consultant performing the Scope of Services.
15. **Safety and Security:** Consultant has established and maintains programs and procedures for the safety of its employees. Unless specifically included as a service to be provided under this Agreement, Consultant specifically disclaims any authority or responsibility for job site safety and safety of persons other than Consultant's employees. Consultant shall not provide any such services and disclaims any responsibility under this Agreement related to site security or the assessment, evaluation, review, testing, maintenance, operation or safety practices or procedures related to security.
16. **Termination:** Either party may terminate this Agreement upon thirty (30) days prior written notice to the other party. Client shall pay Consultant for all services rendered to the date of termination plus reasonable expenses for winding down the services. If either party defaults in its obligations hereunder, the non-defaulting party, after giving seven (7) days written notice of its intention to terminate or suspend performance under this Agreement, may, if cure of the default is not commenced and diligently continued, terminate this Agreement or suspend performance under this Agreement.
17. **Dispute Resolution:** Consultant and Client shall attempt to resolve conflicts or disputes under this Agreement in a fair and reasonable manner and agree that if resolution cannot be made to attempt to mediate the conflict by a professional mediator (except for payment disputes which may be submitted directly to arbitration). If mediation does not settle any dispute or action which arises under this Agreement or which relates in any way to this Agreement or the subject matter of this Agreement within ninety (90) days after either requests mediation, the dispute or conflict shall be subject to arbitration in English under the rules governing commercial arbitration as promulgated by the American Arbitration Association and arbitrability shall be subject to the Federal Arbitration Act.
18. **Miscellaneous:**
- a. This Agreement is binding upon and will inure to the benefit of Client and Consultant and their respective successors and assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party.
  - b. Any notice required or permitted by this Agreement to be given shall be deemed to have been duly given if in writing and delivered personally or five (5) days after mailing by first-class, registered, or certified mail, return receipt requested, postage prepaid and addressed as follows:

## Master Services Agreement

---

Client: Windermere Oaks Water Supply Corporation  
Attention: Joe Gimenez  
Address: 424 Coventry Rd.  
Spicewood, TX 78669

Consultant: NewGen Strategies & Solutions  
Attention: Grant Rabon  
Address: 8140 N. Mopac Expy, Building 1, Suite 240  
Austin, TX 78759

- c. Client expressly agrees that all provisions of the Agreement, including the clause limiting the liability of Consultant, were mutually negotiated and that but for the inclusion of the limitation of liability clause in the Agreement, Consultant's compensation for services would otherwise be greater and/or Consultant would not have entered into the Agreement.
- d. If any provision of this Agreement is invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect and the provision declared invalid or unenforceable shall continue as to other circumstances.
- e. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas.
- f. In any action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover, as part of its judgment, reasonable attorneys' fees and costs from the other party.
- g. This Agreement shall not be construed against Consultant only on the basis that Consultant drafted the Agreement.
- h. Notwithstanding any statute to the contrary, the Parties agree that any action to enforce or interpret this Agreement shall be initiated within two (2) years from the time the party knew or should have known of the fact giving rise to its action, and shall not in any case be initiated later than six (6) years after Consultant completes its Scope of Services under this Agreement.
- i. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original instrument, but all of which taken together shall constitute one instrument.

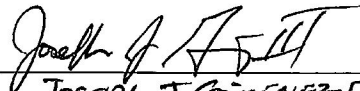


## Master Services Agreement

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IN WITNESS WHEREOF, the Parties have signed this Agreement the date first written above.

### Windermere Oaks Water Supply Corporation

Signature		Signature	_____
Name	<u>Joseph J. GIMENEZ III</u>	Name	_____
Title	<u>President</u>	Title	_____
Date	<u>6/19/20</u>	Date	_____

### NewGen Strategies and Solutions, LLC.

Signature	_____
Name	_____
Title	_____
Date	_____



275 W.Campbell Road, Suite 440

Richardson, TX 75080

Tel: 972-680-2000 Fax: 972-680-2007

**Invoice****Invoice Date:** Sep 16, 2020**Invoice Num:** 10131**Billing Through:** Sep 15, 2020

Mr. Joe Gimenez  
Windemere Oaks WSC  
424 Coventry Road  
Spicewood, TX 78669

**Windemere Oaks WSC Financial Assessment** (Windemere Oaks WSC Financial Assessment TX-ER2075:) - Managed by  
(Rabon, Grant)

<b>Contract Amount:</b> \$5,500.00	<b>Amount Billed:</b> \$5,500.00	<b>Amount Remaining:</b> \$0.00
------------------------------------	----------------------------------	---------------------------------

**Professional Services**

<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Grant S. Rabon	Professional Fees	23.00	\$240.00	\$5,520.00
<b>Total Service Amount:</b>				<b>\$5,520.00</b>
<b>Write-Off Applied:</b>				(\$20.00)
<b>Amount Due This Invoice:</b>				<b>\$5,500.00</b>

This invoice is due on 10/16/2020

**Account Summary**

Services BTD	Expenses BTD	Last Inv Num	Last Inv Date	Last Inv Amt	Last Pay Amt	Prev Unpaid Amt
\$5,500.00	\$0.00	--	--	\$0.00	\$0.00	\$0.00

Electronic Copy

Economics

Strategy

Stakeholders

Sustainability

www.newgenstrategies.net

## TASK AUTHORIZATION NO. 1

### Windermere Oaks Water Supply Corporation

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**Effective Date:** XXXXXXXX

**Client Name:** Windermere Oaks Water Supply Corporation

**Task Authorization Description: Workshops/Meetings**

Consultant and Client agree that this Task Authorization will be governed by the terms and conditions of the Agreement dated \_\_\_\_\_ as amended, unless specifically modified herein.

#### **Scope of Services**

NewGen will facilitate meetings and/or workshops with the Windermere Oaks Water Supply Corporation Board (Board), at the Board's request, to assist the Board in determining how to address the issues currently facing the utility. This would include discussing areas of concern/need, possible means to analyze or address those needs, and prioritizing the needs.

#### **Schedule**

As determined by the Client.

#### **Fee for Services**

The estimated initial budget for this task is not-to-exceed \$2,500. The budget may be increased based on written approval from the Client.

#### **Additional Services**

Any additional services will be furnished at the Client's request based on standard billing rates. If appropriate, a new task authorization will be developed to outline the specific scope of work and estimated budget.

**Windermere Oaks Water Supply Corp**

**NewGen Strategies and Solutions, LLC**

Signature _____	Signature _____
Name _____	Name _____
Title _____	Title _____
Date _____	Date _____



8140 N Mopac Expressway  
 Building 1, Suite 240  
 Austin, TX 78759  
 Phone: (512) 479-7900

## Memorandum

**To:** Joe Gimenez  
**From:** Grant Rabon  
**Date:** June 19, 2020  
**Re:** Initial Request for Information

---

The following is our initial request for information to conduct the water and wastewater financial assessment. It should be noted that some of our initial requests are general in nature and not necessarily specific to Windermere Oaks WSC, therefore, some of these requests may not be applicable. In addition, you may be unable to provide some of the information requested. In your response to our request for information, please note those items that are not applicable or not available.

**Where possible, please provide the requested information in electronic format.**

We look forward to working with you in this engagement. Should you have any questions, please do not hesitate to contact me at (512) 900-8232 or via e-mail at [grabon@newgenstrategies.net](mailto:grabon@newgenstrategies.net).

### Information Requests:

1. Line-item budget for water and wastewater utilities for 2020 and any year-to-date amount
2. Line-item budget vs. actuals for water and wastewater utilities for 2017 through 2019
3. Current water and wastewater capital improvements plan
4. Specific information regarding planned funding sources related to the capital improvements plan (i.e., Cash, Debt, Reserves, etc.)
5. Water and/or wastewater master plans and/or engineering studies conducted within the last five (5) years
6. For **all outstanding debt issues** please provide the information listed below. Please also provide the information listed below for **any planned or projected future water and/or wastewater debt issuance**.
  - total issue amount
  - month and year of issuance
  - debt service schedule (i.e., principal and interest payments)
  - detailed use of funds



**Memorandum**

Page 2

- copies of applicable bond covenants
- 7. Current water and wastewater reserve account balances (restricted and unrestricted)
- 8. Any historically applicable water and/or wastewater rate ordinances since 2017, including the effective date of rate changes
- 9. Please provide a copy of any contracts, and any contract amendments, related to the operation or provision of water and/or wastewater service (including operating contracts or contracts to buy or sell water or provide wastewater treatment)
- 10. Please provide the active customer count for water and wastewater service either by month or at the end of each year for the last three years
- 11. Please provide the estimated water produced and water sold since 2017, preferably by month



joe.gimenez <1129jjg@gmail.com>

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## Zoom Meeting Link

2 messages

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**Joe Gimenez** <1129jjg@gmail.com>

Fri, Jun 19, 2020 at 3:08 PM

To: Grant Rabon <grabon@newgenstrategies.net>

Cc: Patricia Gerino <patriciag@aerophoto.com>

Grant,

Here is the link to the Zoom meeting video, discussing projects, loan, engagement with NewGen, "financial history".

Video of Zoom meeting for WOWSC Board on 6/16.

Managers report starts at about 8 minutes

Treasurers report starts at 19:50

My 'financial history' report starts at 21:30 (document attached)

Loan discussion report commences at 33 minutes

newGen strategies discussion starts at 1 hour 1 minute

I hope this helps. Next email will be master services agreement.

jjg

---

 **2019-20 Financial History June 16 report.pdf**  
383K

---

**Grant Rabon** <grabon@newgenstrategies.net>

Fri, Jun 19, 2020 at 4:05 PM

To: Joe Gimenez <1129jjg@gmail.com>

Cc: Patricia Gerino <patriciag@aerophoto.com>

Thanks Joe!

---

### Grant Rabon | NewGen Strategies & Solutions

Executive Consultant

8140 N. Mopac Expressway | Building 1, Suite 240 | Austin, TX 78759

Office: (512) 900-8232 | Cellular: (512) 565-0123

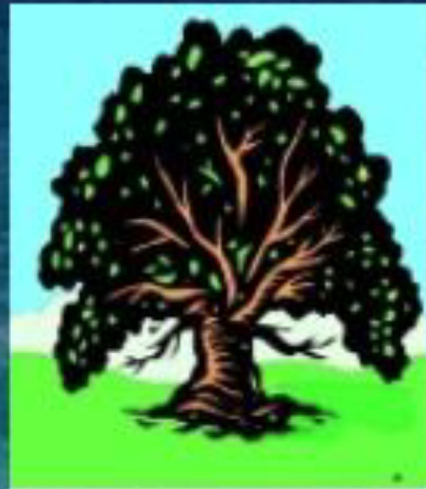
grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



[Quoted text hidden]

# Financial History 2019-2020

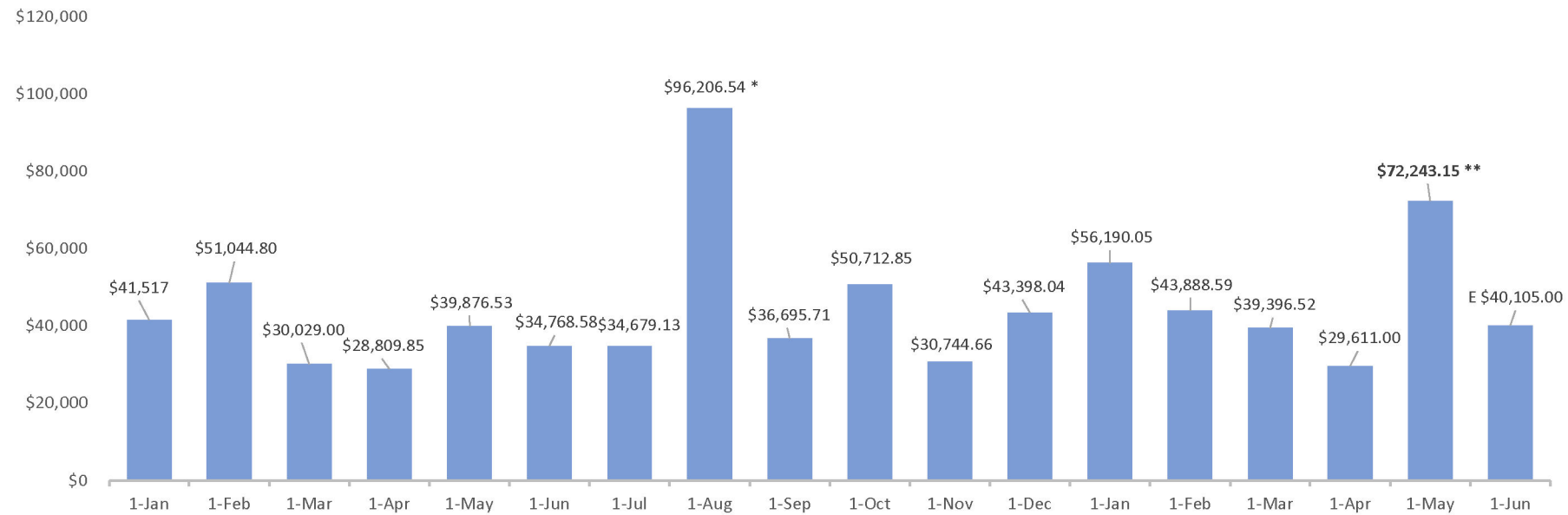


## Windermere Oaks Water Supply Corporation

*Committed to Providing Clean, Safe Water for All Our Residents*



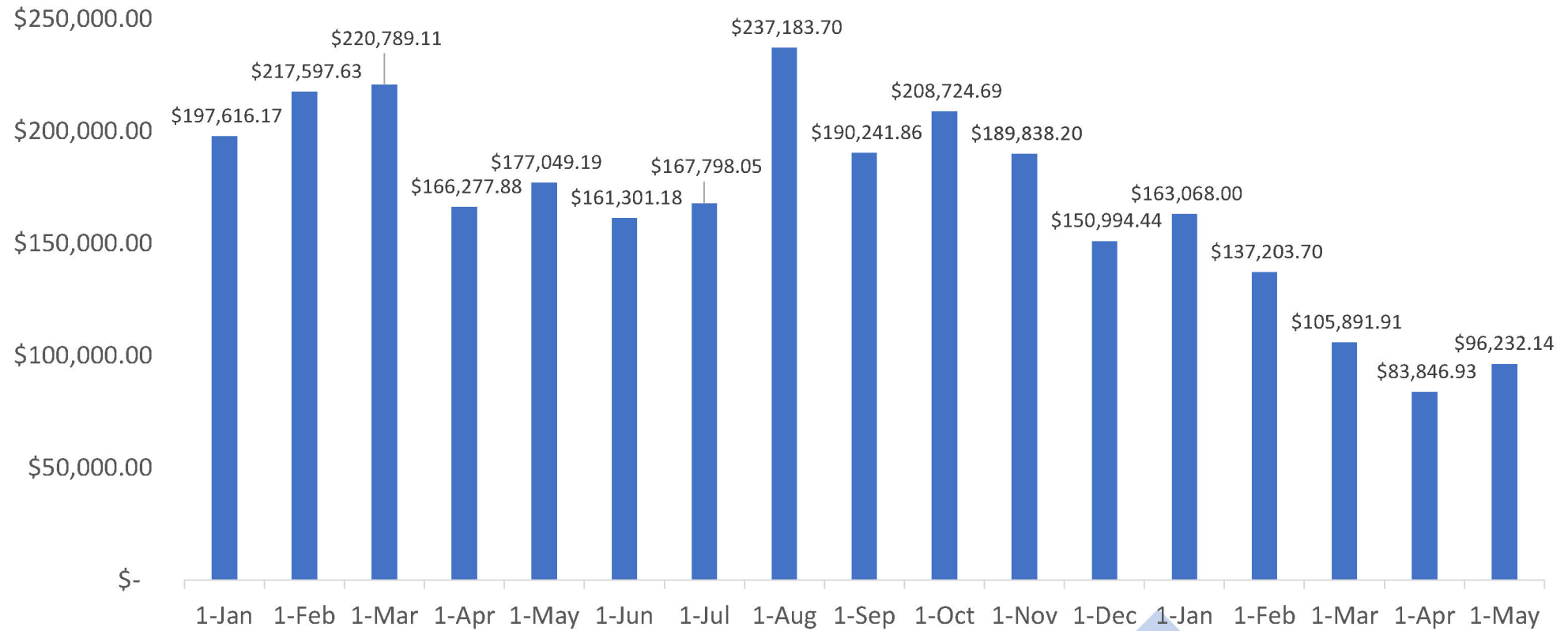
# INCOME



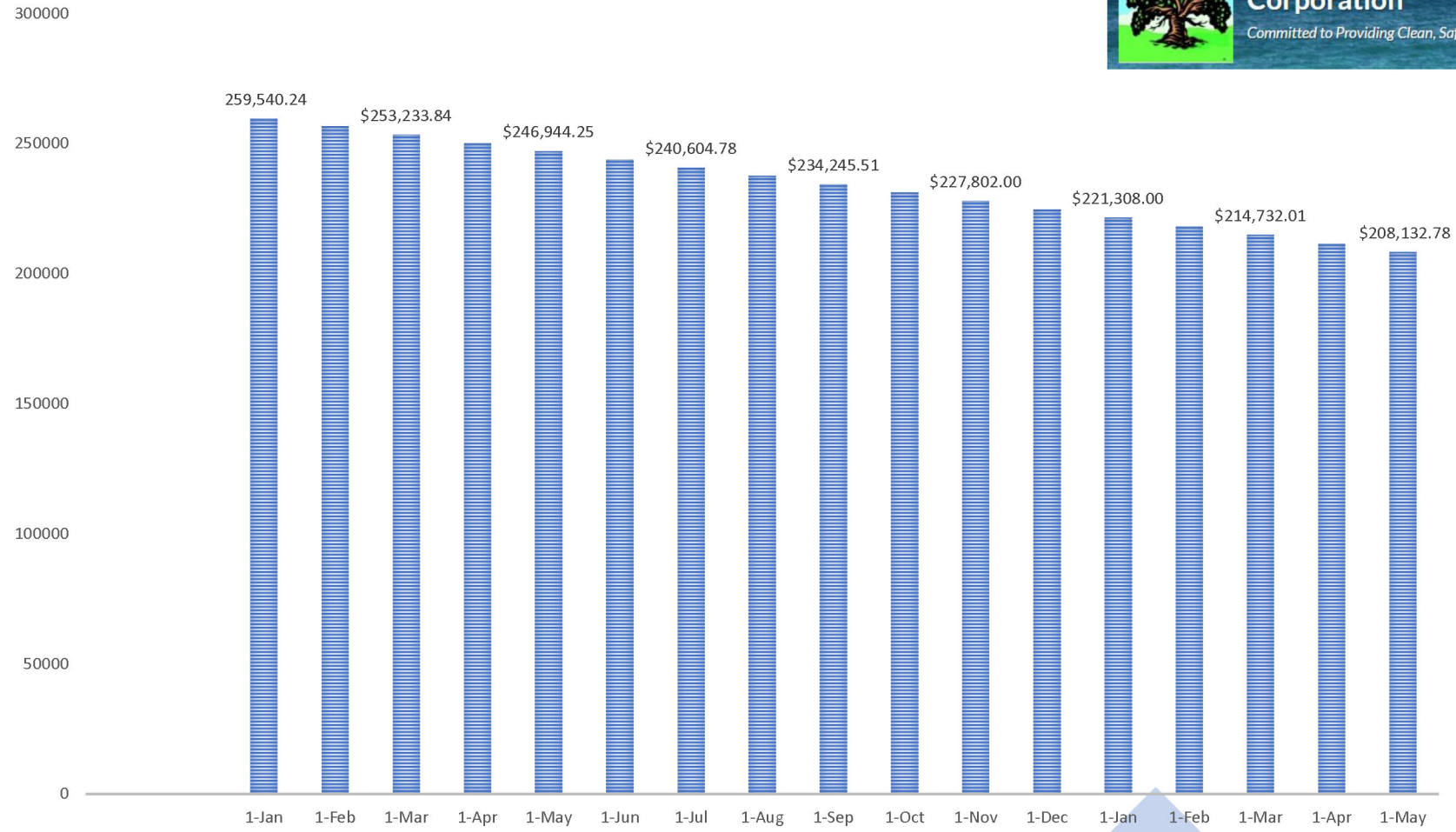
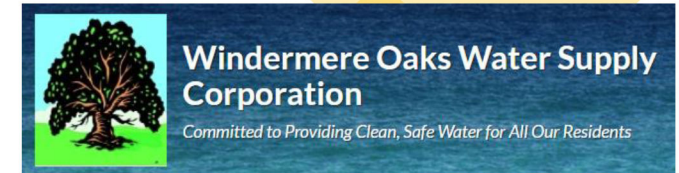
\* August 2019 income reflects \$59,000 payment from insurance company for barge repairs

\*\* May 2019 income reflects 2020 rate increase, \$6,324 standby, and \$6,374 supply line project

# Bank Balances



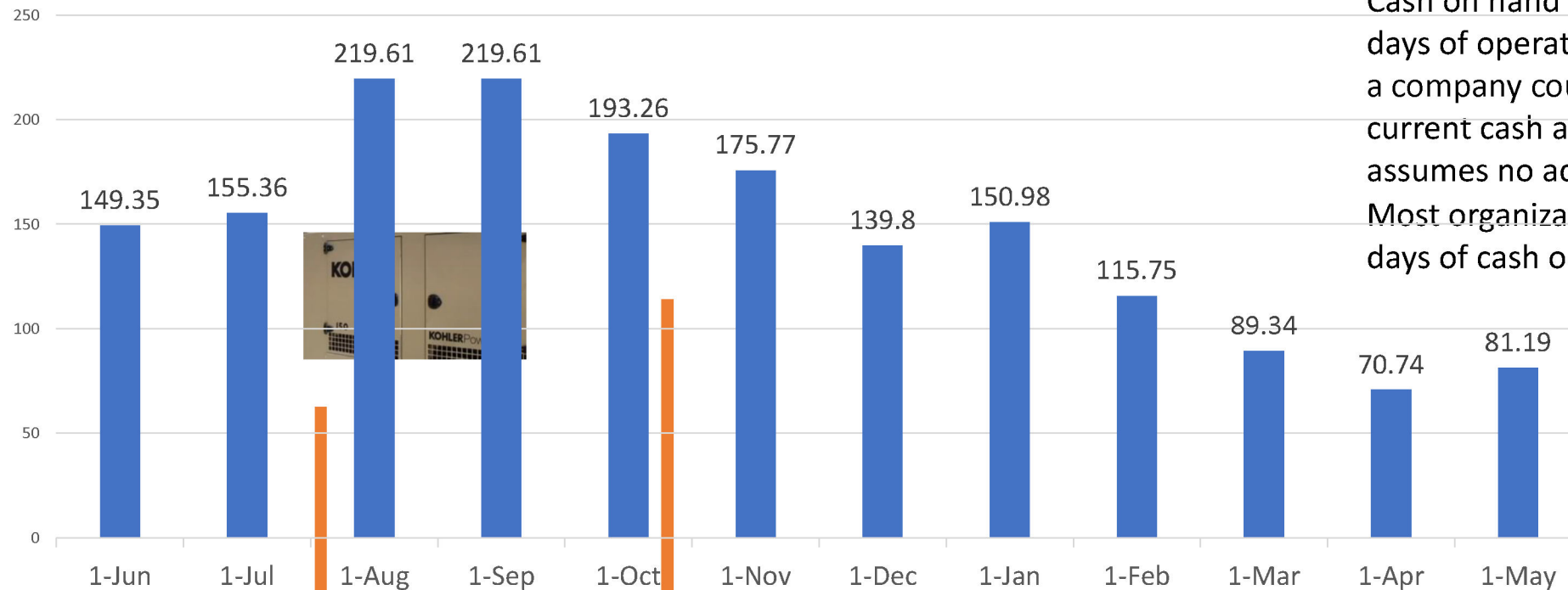
## WOWSC LOAN BALANCE JAN 2019 - MAY 2020\*







## Days Cash on Hand

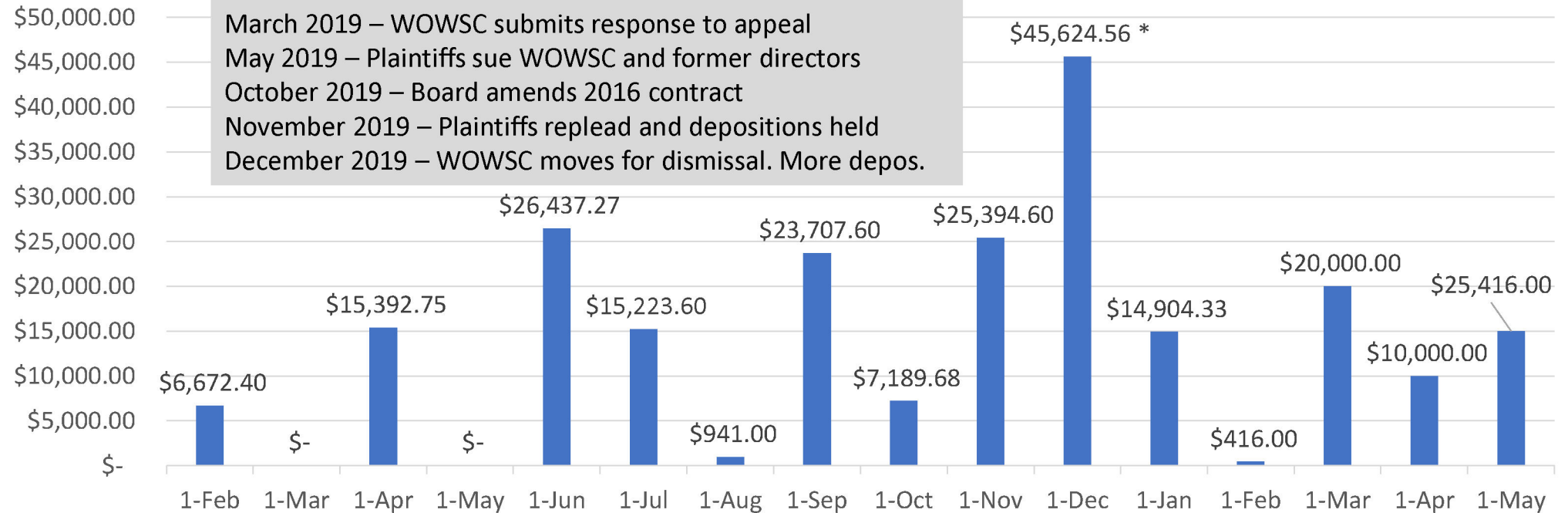


Board approves purchase  
of \$80k generator

Board approves LCRA project, commits  
\$32k to receive \$14k grant

Cash on hand is the number of days of operating expenses that a company could pay with its current cash available and assumes no additional income. Most organizations strive for 90+ days of cash on hand.

# Legal Payments



\* Legal payments in 2019 totaled \$166,583

\*\* 2020 payments made total \$60,320

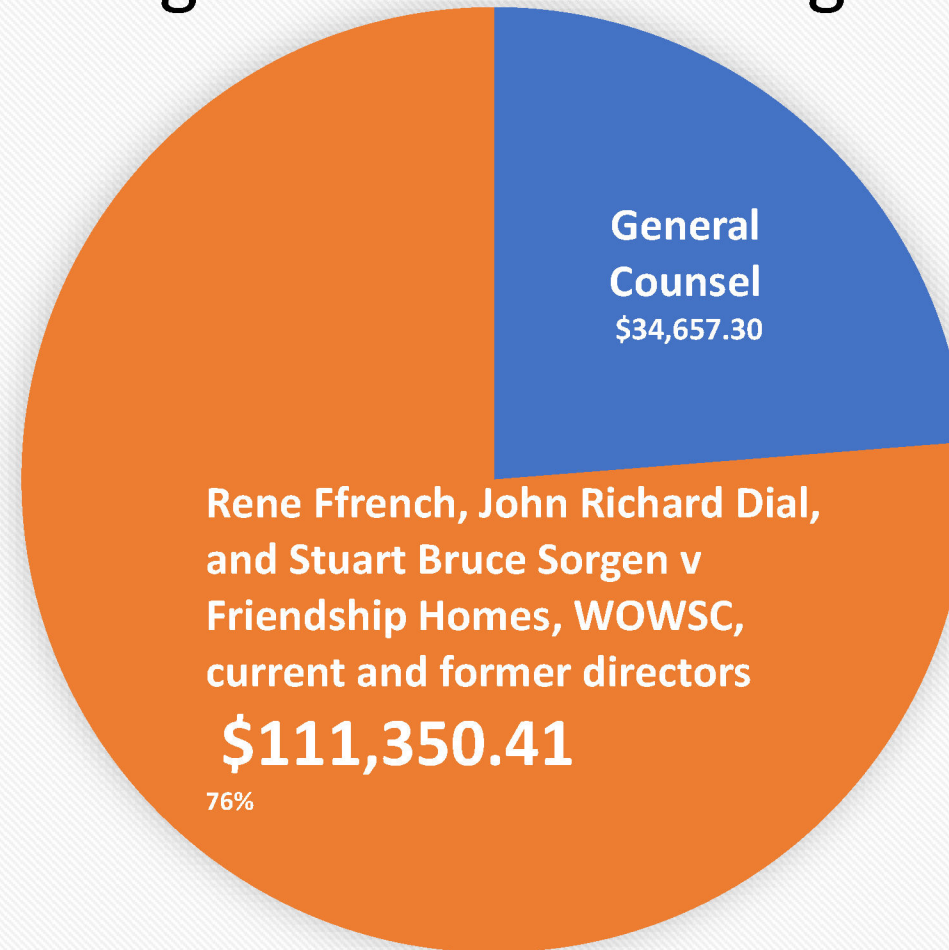
Legal payments include regular operational counsel, costs related to the legal defense of corporation, and public information act requests.



## Legal Bills Outstanding

Total – 146,007.71

Actual will be \$131,007.71  
after firms receive \$15,000  
in May





joe.gimenez &lt;1129jjg@gmail.com&gt;

---

## Response to Request for Information

8 messages

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**Joe Gimenez** <1129jjg@gmail.com>

Wed, Jun 24, 2020 at 10:49 AM

To: Grant Rabon &lt;grabon@newgenstrategies.net&gt;

Cc: Patricia Gerino &lt;patriciag@aerophoto.com&gt;

Grant,

I've attached some documents per your request, but I will need some help from our manager for others. I will put down my understanding of the projects but he will provide us more or corrected details as needed. He is in the process of moving so we will need to be patient with some of the items.

Here's what I've got so far:

1. I've attached our May financial reports, including our billing report, balance sheet, income statement, and budget compared to actuals. I've also included a zip file containing our 2019 finals.

2. Attached.

3. water/wwater capital improvement plans

Dispersant Field expansion -- We are going to expand our dispersant field, adding 20 acres of available capacity, for approximately \$50k.

SCADA system/Computer -- We have already purchased and installed this system to replace one which began to have reliability issues earlier this year. Price was in \$17-20k range. We were going to pay from operational revenues but now that we have the loan from CoBank we are going to use proceeds from that to decrease this cost on 2020 operational budget.

LCRA Conservation Project - We have committed \$34k to a water conservation project. We received a \$14k grant from LCRA, which was deposited in May. I've attached the application.

Security System -- another project we were going to pay with operational budget, but for which we will use loan proceeds. This system cost \$7-10k. I'm not sure where that is in the payment process but that is the rough amount.

Clarifier -- we were approved for \$300k from CoBank, for a treatment tank project. Our current one is beyond its recommended life. We have several moving parts on this and the cost may exceed \$300k, possibly to \$450k.

4. Planned funding sources -- I've attached our tariff which includes our rates and other fees. Our budgets include projections for standby and other fees. As I mentioned, builders have added 30-40 homes over last three years in the neighborhood and there are currently about 70-100 lots for additional build-out. I can gain greater insight into that number in the covid-era if needed. My guess is 10 per year is a conservative number.

5. I'm not familiar with engineering studies, but I have attached a 5-year plan. We're addressing several items on the plan but others are needing to be pushed because of legal bills.

6. Outstanding debt

- \$205k @ 4.75% at First United Bank. This is a balloon note expiring in 2021. We are using CoBank loan proceeds to defease. I don't know month and year of issuance. We pay approx \$50k/year on this loan currently. This loan was taken out to pay for the wastewater treatment plant commissioned in 2015 or so.
- approx \$110k is owed to Lloyd Gosselink for out standing legal bills.
- approx \$13.5k owed to Enoch Kever for outstanding legal bills
- We don't have any bond issuances.

7. Reserve account amounts in the May financial statement

8. I've attached the 2020 tariff sheet. There was another rate change in 2018 but I don't have that. I will get it.

9. We have contract with LCRA. I will get that for you from George. Also, we have contract with George and through him, Corix. George's and corix contracts are attached.

10. Current customer count info contained in May 2020 EOM report. I will need to get historic data.











11. Water produced and sold since 2017 -- I will need to get this.

This gets us started at least.

thanks,  
JG

---

## 10 attachments

-  **wowsc2020annualmeetingfinancialhandouts.zip**  
2940K
-  **5.2020 monthly report.pdf**  
110K
-  **MAY2020\_WOWSC\_EOM.pdf**  
422K
-  **WOWSC 2018 Balance sheet 12\_31\_18.pdf**  
576K
-  **Dec 31 2017 WOWSC financials Scan\_0112 (1).pdf**  
1490K
-  **Conservation-Cost-Share-Application 2019.pdf**  
416K
-  **Lloyd Gosselink Outstanding Invoice amount.pdf**  
86K
-  **Notice to WOWSC members re Rate Tariff change 2.11.2020 final.pdf**  
407K
-  **Corix Contract with Water Management Inc..pdf**  
3477K
-  **WOWSC Manager Contract - Redacted (1).pdf**  
446K

---

**Joe Gimenez** <1129jgg@gmail.com>  
To: Grant Rabon <grabon@newgenstrategies.net>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 24, 2020 at 10:56 AM

One more project we've planned for 2019 -- an audit for \$10k. We pushed that from the beginning of the year because of our outstanding bills. But we will probably initiate in August for payment in September or so.

[Quoted text hidden]

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**Joe Gimenez** <1129jgg@gmail.com>  
To: George Burris <watermgmt@yahoo.com>

Wed, Jun 24, 2020 at 11:05 AM

George,  
I know you are busy with your move, so I fully do not expect any sort of immediate response to this email and I certainly don't want you to feel obligated to produce response this week or even next week as you get your move taken care of. In fact, let me know if I can help you in any way.

So, taking your time, please review my correspondence below with Grant and correct as needed. I've asked Lori for some info.

Thank you,

Joe

[Quoted text hidden]

---

**Joe Gimenez** <1129jgg@gmail.com>  
To: Grant Rabon <grabon@newgenstrategies.net>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 24, 2020 at 11:11 AM

oops -- here is the five year plan.

The first item, generator, was paid for out of 2019 operating budget funds. Truly it should have been a candidate for loan proceed funds given its life span. That was approx \$80-85k.

As mentioned, the water company's financial plan has always been to try to pay for most improvements with current operating money, not debt, by seeing how much money the company had after the end of the year. pay as you go.

We are shifting that philosophy given current legal situation and other improvement needs which have been put aside while previous boards focused on the legal situation.

[Quoted text hidden]

---

 **fiveyearplanreview.zip**  
42K

---

**Grant Rabon** <grabon@newgenstrategies.net>  
To: Joe Gimenez <1129jgg@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 24, 2020 at 11:25 AM

Joe,

I received three emails from you today. I will review this data and let you know if I have questions.

Thanks!

---

**Grant Rabon | NewGen Strategies & Solutions**

Executive Consultant

8140 N. Mopac Expressway | Building 1, Suite 240 | Austin, TX 78759

Office: (512) 900-8232 | Cellular: (512) 565-0123

grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



**From:** Joe Gimenez <1129jig@gmail.com>  
**Sent:** Wednesday, June 24, 2020 11:11 AM  
**To:** Grant Rabon <grabon@newgenstrategies.net>  
**Cc:** Patricia Gerino <patriciag@aerophoto.com>  
**Subject:** Re: Response to Request for Information

oops -- here is the five year plan.

[Quoted text hidden]  
[Quoted text hidden]

---

**Grant Rabon** <grabon@newgenstrategies.net>  
To: Joe Gimenez <1129jig@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 24, 2020 at 11:53 AM

Joe,

I did not see a 2018 P&L (only the balance sheet). Did I miss this somewhere?

---

**Grant Rabon | NewGen Strategies & Solutions**

Executive Consultant

8140 N. Mopac Expressway | Building 1, Suite 240 | Austin, TX 78759

Office: (512) 900-8232 | Cellular: (512) 565-0123

grabon@newgenstrategies.net

Please visit our website at [www.newgenstrategies.net](http://www.newgenstrategies.net)



**From:** Joe Gimenez <1129jig@gmail.com>  
**Sent:** Wednesday, June 24, 2020 10:50 AM  
**To:** Grant Rabon <grabon@newgenstrategies.net>  
**Cc:** Patricia Gerino <patriciag@aerophoto.com>

[Quoted text hidden]  
[Quoted text hidden]

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**Joe Gimenez** <1129jig@gmail.com>

Wed, Jun 24, 2020 at 12:00 PM  
582

To: Grant Rabon <grabon@newgenstrategies.net>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

on page 4 of the attached.

[Quoted text hidden]



**WOWSC 2018 December Financials (1).pdf**  
1501K

---

**Grant Rabon** <grabon@newgenstrategies.net>  
To: Joe Gimenez <1129jgg@gmail.com>  
Cc: Patricia Gerino <patriciag@aerophoto.com>

Wed, Jun 24, 2020 at 12:03 PM

Thanks!

[Quoted text hidden]

**Windermere Oaks WSC**  
**Summary of Income/Expense**  
**December 31, 2018**

Income	\$38,188.50
Expenses	<u>(\$41,681.16)</u>
<b>Net Income/Loss</b>	<b>(\$3,492.66)</b>
<b>Bank Account Balances</b>	
Checking	\$66,740.66
MM+	59,818.42
Capital Expenditures Reserve	<u>41,982.58</u>
<b>Total:</b>	<b>\$168,541.66</b>
<b>WWTP Loan Balance</b>	<b>\$262,623.74</b>

## Capital Expenditures Reserves

December 31, 2018

<b>Project</b>	<b>Budget</b>	<b>Paid to Date</b>	<b>Balance</b>	<b>Comments</b>
Tennis Village lift station	53,000.00	9,888.34		
Tennis Village lift station Final	7,666.52			BOD approved 8/30/17
1st Draw Water Mmgt. Pumps and tanks		27,416.52		
2nd Draw Water Mmgt.		12,500.00		
3rd Draw Water Mmgt.		10,000.00		
<b>Total Expenses</b>	<b>60,666.52</b>	<b>59,804.86</b>	<b>861.66</b>	
<b>Beginning C/E Reserve Income Balance</b>			<b>50,000.00</b>	
<b>Monthly Transfers from Checking (12/31/18)</b>			<b>66,000.00</b>	
<b>Expenses (2017/2018)</b>			<b>-55,341.90</b>	
<b>Barge Damage Expenses/Transfers</b>			<b>-18,675.52</b>	
<b>Grand Total Reserve Income Balance</b>			<b>41,982.58</b>	



8:40 AM

## Windermere Oaks W.S.C.

## Balance Sheet

01/03/19

Cash Basis

As of December 31, 2018

	Dec 31, 18
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
10200 Cash in Bank-2100725	66,740.66
10205 Capital Expenditures Reserve	41,982.58
10400 MM/Contingency Funds-128546	59,818.42
Total Checking/Savings	168,541.66
Total Current Assets	168,541.66
Fixed Assets	
15402 Water Plant Generator (New Generator)	680.00
15401 Tennis Village Lift Station (Replace Lift Station)	59,804.86
15000 Furniture & Fixtures	2,572.62
15100 Equipment	109,418.15
15200 Fence	19,017.66
15300 Water Treatment Facility	191,994.20
15310 2004 Water Plant Expansion	6,500.00
15340 3-Phase Electrical Upgrade	8,699.00
15350 2004 Water Storage Tank	70,649.95
15400 Improvements	34,888.96
15500 Building	3,377.58
15600 Sewer Plant	125,233.87
15650 Barge Replacement	652.27
15700 Hydrotank Foundation	9,599.19
15750 Boat	4,000.00
15800 Decant Lagoon	18,475.51
15850 2014 WW Treatment Plant (Expenditures for WWTP)	788,648.35
15851 Total Land	
16800 Lot 253	6,403.75
16900 Land	54,705.69
Total 15851 Total Land	61,109.44
15900 Sewer Plant Bldg new	18,277.70
15950 2007 Water Treatment Plant	679,210.33
17000 Accumulated Depreciation	-848,935.83
Total Fixed Assets	1,363,873.81
Other Assets	
19300 Standby Fees Delinquent	6,008.00
Total Other Assets	6,008.00
<b>TOTAL ASSETS</b>	<b>1,538,423.47</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
25000 Water & Sewer Taxes Payable	1,675.97
Total Other Current Liabilities	1,675.97
Total Current Liabilities	1,675.97
Long Term Liabilities	
27500 Membership Fees Refundabl	94,925.00
27750 Loan ABT WWTP April 4 2014 (This is first loan for WWTP)	262,623.74
Total Long Term Liabilities	357,548.74
Total Liabilities	359,224.71
Equity	
39005 Retained Earnings	1,100,915.83
Net Income	78,282.93
Total Equity	1,179,198.76
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,538,423.47</b>

8:51 AM

01/03/19

# Windermere Oaks W.S.C. Profit & Loss Budget Performance

Cash Basis

December 2018

	Dec 18	Budget	Jan - Dec 18	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
40000 - Standby Fees					
40000-5 - Standby Fees - Water	3,090.76	1,666.63	19,663.22	20,000.00	20,000.00
40000-6 - Standby Fees - Sewer	3,021.64	1,666.63	19,296.18	20,000.00	20,000.00
Total 40000 - Standby Fees	6,112.40	3,333.26	38,959.40	40,000.00	40,000.00
40200 - Water & Sewer Services					
40200-5 - Water Services	18,765.25	16,030.13	209,159.72	192,362.00	192,362.00
40200-6 - Sewer Services	12,509.70	10,100.38	131,848.52	121,205.00	121,205.00
40200 - Water & Sewer Services - Other	0.00		58.19		
Total 40200 - Water & Sewer Services	31,274.95	26,130.51	341,066.43	313,567.00	313,567.00
40300 - Late Charges					
40300-5 - Late Charges - Water	451.51	250.00	5,104.15	3,000.00	3,000.00
40300-6 - Late Charges - Sewer	314.31	166.63	3,471.26	2,000.00	2,000.00
Total 40300 - Late Charges	765.82	416.63	8,575.41	5,000.00	5,000.00
40410 - Membership Transfer Fees					
40410-5 - Membership Transfer Fees-Water	0.00	4.13	177.45	50.00	50.00
40410-6 - Membership Transfer Fees-Sewer	0.00	4.13	172.55	50.00	50.00
Total 40410 - Membership Transfer Fees	0.00	8.26	350.00	100.00	100.00
40500 - Equity Buy-in Fees					
40500-5 - Equity Buy-in Fees - Water	0.00	1,291.63	20,900.00	15,500.00	15,500.00
40500-6 - Equity Buy-in Fees - Sewer	0.00	1,291.63	20,900.00	15,500.00	15,500.00
Total 40500 - Equity Buy-in Fees	0.00	2,583.26	41,800.00	31,000.00	31,000.00
40600 - Water & Sewer Taps					
40600-5 - Water Taps	0.00	484.32	8,587.50	5,812.50	5,812.50
40600-6 - Sewer Taps	0.00	484.32	7,837.50	5,812.50	5,812.50
Total 40600 - Water & Sewer Taps	0.00	968.64	16,425.00	11,625.00	11,625.00
40700-6 - Sewer Line Damage Repair (103 Kendall Dr. sewer line ...	0.00		2,030.25		
46400 - Reconnect fee					
46400-5 - Reconnect Fee - Water	0.00	12.50	0.00	150.00	150.00
46400-6 - Reconnect Fee - Sewer	0.00	12.50	0.00	150.00	150.00
Total 46400 - Reconnect fee	0.00	25.00	0.00	300.00	300.00
48000 - Miscellaneous Income	0.00		5.00		
Total Income	38,153.17	33,465.56	449,211.49	401,592.00	401,592.00
Cost of Goods Sold					
50000 - COS-Operator					
50000-5 - COS Operator - Water	6,343.75	6,370.00	75,675.00	76,440.00	76,440.00
50000-6 - COS Operator - Sewer	3,456.25	3,430.00	41,150.00	41,160.00	41,160.00
Total 50000 - COS-Operator	9,800.00	9,800.00	116,825.00	117,600.00	117,600.00
57000 - COS-Chemicals					
57000-5 - COS Chemicals - Water	592.84	898.37	8,789.01	10,780.00	10,780.00
57000-6 - COS Chemicals - Sewer	308.17	18.37	1,813.40	220.00	220.00
Total 57000 - COS-Chemicals	901.01	916.74	10,602.41	11,000.00	11,000.00
57500 - COS-Electricity					
57500-5 - COS Electricity -Water	760.00	1,063.37	11,498.09	12,760.00	12,760.00
57500-6 - COS Electricity -Sewer	834.67	770.00	10,086.92	9,240.00	9,240.00
Total 57500 - COS-Electricity	1,594.67	1,833.37	21,585.01	22,000.00	22,000.00
58000 - COS-Sludge Removal					
58000-5 - COS-Sludge Removal - Water	0.00	345.00	0.00	4,140.00	4,140.00
58000-6 - COS-Sludge Removal - Sewer	90.00	405.00	4,521.25	4,860.00	4,860.00
Total 58000 - COS-Sludge Removal	90.00	750.00	4,521.25	9,000.00	9,000.00
58500 - LCRA - Raw Water Fee					
58500-5 - COS-LCRA Raw Water Fee - Water	362.72	600.00	5,162.42	7,200.00	7,200.00
58500-6 - COS-LCRA Raw Water Fee - Sewer	241.82	400.00	3,305.52	4,800.00	4,800.00
Total 58500 - LCRA - Raw Water Fee	604.54	1,000.00	8,467.94	12,000.00	12,000.00
59000 - COS-Lab Fees					
59000-5 - COS Lab Fees- Water	62.50	303.37	3,670.24	3,640.00	3,640.00
59000-6 - COS Lab Fees- Sewer	62.50	280.00	3,295.68	3,360.00	3,360.00
Total 59000 - COS-Lab Fees	125.00	583.37	7,165.92	7,000.00	7,000.00
Total COGS	13,115.22	14,883.48	169,167.53	178,600.00	178,600.00
Gross Profit	25,037.95	18,582.08	280,043.96	222,992.00	222,992.00
Expense					
77600 - Website					
77600-5 - Website - Water	0.00	16.63	178.75	200.00	200.00
77600-6 - Website - Sewer	0.00	16.63	178.75	200.00	200.00

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Cash Basis

# Windermere Oaks W.S.C. Profit & Loss Budget Performance

December 2018

	Dec 18	Budget	Jan - Dec 18	YTD Budget	Annual Budget
Total 77600 - Website	0.00	33.26	357.50	400.00	400.00
59610 - Install New Service Taps					
59610-5 - Install New Service Taps-Water	0.00	437.50	5,413.94	5,250.00	5,250.00
59610-6 - Install New Service Taps-Sewer	675.00	437.50	5,047.79	5,250.00	5,250.00
Total 59610 - Install New Service Taps	675.00	875.00	10,461.73	10,500.00	10,500.00
62000 - Bank Charges					
62000-5 - Bank Charges - Water	15.69	25.00	205.65	300.00	300.00
62000-6 - Bank Charges - Sewer	15.69	25.00	205.64	300.00	300.00
Total 62000 - Bank Charges	31.38	50.00	411.29	600.00	600.00
62500 - Accounting					
62500-5 - Accounting - Water	210.00	312.50	3,232.50	3,750.00	3,750.00
62500-6 - Accounting - Sewer	210.00	312.50	3,232.50	3,750.00	3,750.00
Total 62500 - Accounting	420.00	625.00	6,465.00	7,500.00	7,500.00
62600 - Billing Services					
62600-5 - Billing - Water	550.00	666.63	7,212.50	8,000.00	8,000.00
62600-6 - Billing - Sewer	550.00	666.63	7,137.50	8,000.00	8,000.00
Total 62600 - Billing Services	1,100.00	1,333.26	14,350.00	16,000.00	16,000.00
62800 - Total Contract Services					
62804-5 - Professional Engineer - Water	0.00	104.13	0.00	1,250.00	1,250.00
62804-6 - Professional Engineer - Sewer	0.00	104.13	500.00	1,250.00	1,250.00
62806-5 - Consulting Fees - Water	0.00	104.13	2,453.75	1,250.00	1,250.00
62806-6 - Consulting Fees - Sewer	0.00	104.13	1,828.75	1,250.00	1,250.00
Total 62800 - Total Contract Services	0.00	416.52	4,782.50	5,000.00	5,000.00
63000 - Legal/Appraisal					
63000-5 - Legal/Appraisal - Water	-54.50	104.13	6,250.71	1,250.00	1,250.00
63000-6 - Legal/Appraisal - Sewer	-54.50	104.13	6,250.71	1,250.00	1,250.00
63100-5 - Lawsuit 2017/18-Water (2017/18 Lawsuit)	2,066.20		12,739.95		
63100-6 - Lawsuit 2017/18-Sewer	2,066.20		12,739.95		
Total 63000 - Legal/Appraisal	4,023.40	208.26	37,981.32	2,500.00	2,500.00
63500 - Dues & Subscriptions					
63500-5 - Dues/Subscriptions - Water	202.50	25.00	917.73	300.00	300.00
63500-6 - Dues/Subscriptions - Sewer	202.50	25.00	917.72	300.00	300.00
63501 - CTWC Subscription	0.00	166.63	0.00	2,000.00	2,000.00
Total 63500 - Dues & Subscriptions	405.00	216.63	1,835.45	2,600.00	2,600.00
64000 - Regulatory System Fee					
64010-6 - TCEQ Annual Fee - Sewer	0.00	125.00	1,250.00	1,500.00	1,500.00
64020-5 - TCEQ Annual Water System Fee	0.00	62.50	566.95	750.00	750.00
Total 64000 - Regulatory System Fee	0.00	187.50	1,815.95	2,250.00	2,250.00
65500 - Insurance					
65500-5 - Insurance - Water	0.00	583.37	7,041.50	7,000.00	7,000.00
65500-6 - Insurance - Sewer	0.00	583.37	7,041.50	7,000.00	7,000.00
Total 65500 - Insurance	0.00	1,166.74	14,083.00	14,000.00	14,000.00
65900 - Meals & Entertainment	0.00	41.63	130.94	500.00	500.00
66000 - Office Supplies					
66000-5 - Office Supplies - Water	0.00	208.37	818.06	2,500.00	2,500.00
66000-6 - Office Supplies - Sewer	0.00	208.37	464.46	2,500.00	2,500.00
Total 66000 - Office Supplies	0.00	416.74	1,282.52	5,000.00	5,000.00
66500 - Telephone and Internet					
66500-5 - Telephone/Internet - Water	565.55	208.37	2,301.67	2,500.00	2,500.00
66500-6 - Telephone/Internet - Sewer	218.16	208.37	2,224.54	2,500.00	2,500.00
Total 66500 - Telephone and Internet	783.71	416.74	4,526.21	5,000.00	5,000.00
67000 - Postage & Shipping Expense					
67000-5 - Postage & Shipping - Water	40.00	208.37	1,051.21	2,500.00	2,500.00
67000-6 - Postage & Shipping - Sewer	40.00	208.37	1,042.29	2,500.00	2,500.00
Total 67000 - Postage & Shipping Expense	80.00	416.74	2,093.50	5,000.00	5,000.00
68000 - Equipment Rental Expense	0.00	83.37	0.00	1,000.00	1,000.00
68500 - Repairs & Maintenance					
68500-5 - Repairs & Maintenance - Water	1,827.50	2,866.63	39,546.77	32,000.00	32,000.00
68500-6 - Repairs & Maintenance - Sewer	525.00	666.63	7,847.98	8,000.00	8,000.00
68510-6 - Sewer Line Damage Repair	0.00		2,030.25		
68520-5 - WTP PEC Power Failure 9/11/18 (2018 Lightning stor...	382.50		2,519.12		
68521-5 - WTP PEC Power Failure 10/22/18 (Lake Travis Flood)	2,268.96		6,203.87		
68522-5 - Barge Storm Damage 10/16/18 (Barge only storm da...	11,490.34		18,675.52		
Total 68500 - Repairs & Maintenance	16,494.30	3,333.26	76,823.51	40,000.00	40,000.00
68600 - Repair Parts					
68600-5 - Repair Parts - Water	0.00	933.37	4,504.53	11,200.00	11,200.00
68600-6 - Repair Parts - Sewer	395.44	400.00	3,018.13	4,800.00	4,800.00

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Cash Basis

**Windermere Oaks W.S.C.  
Profit & Loss Budget Performance**

December 2018

	Dec 18	Budget	Jan - Dec 18	YTD Budget	Annual Budget
Total 68600 - Repair Parts	395.44	1,333.37	7,522.66	16,000.00	16,000.00
69000 - Printing Expense					
69000-5 - Printing Expense - Water	0.00	20.87	1,092.20	250.00	250.00
69000-6 - Printing Expense - Sewer	0.00	20.87	1,092.20	250.00	250.00
Total 69000 - Printing Expense	0.00	41.74	2,184.40	500.00	500.00
71500 - Interest Expense					
71500-6 - Interest Expense - Sewer	1,052.25	1,333.37	13,602.56	16,000.00	16,000.00
Total 71500 - Interest Expense	1,052.25	1,333.37	13,602.56	16,000.00	16,000.00
72100 - Taxes-Property	0.00	3.37	0.00	40.00	40.00
77500 - Meetings/Conferences					
77500-5 - Meetings/Conferences-Water	0.00	104.13	691.19	1,250.00	1,250.00
77500-6 - Meetings/Conferences-Sewer	0.00	104.13	691.19	1,250.00	1,250.00
Total 77500 - Meetings/Conferences	0.00	208.26	1,382.38	2,500.00	2,500.00
Total Expense	25,460.48	12,740.76	202,092.42	152,890.00	152,890.00
Net Ordinary Income	-422.53	5,841.32	77,951.54	70,102.00	70,102.00
Other Income/Expense					
Other Income					
41000 - Interest Income	35.33	29.13	331.39	350.00	350.00
Total Other Income	35.33	29.13	331.39	350.00	350.00
Other Expense					
72500 - Depreciation Expense	0.00	4,666.63	0.00	56,000.00	56,000.00
Total Other Expense	0.00	4,666.63	0.00	56,000.00	56,000.00
Net Other Income	35.33	-4,637.50	331.39	-55,650.00	-55,650.00
Net Income	-387.20	1,203.82	78,282.93	14,452.00	14,452.00

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## Windermere Oaks W.S.C.

## Balance Sheet

As of December 31, 2019

01/10/20

Cash Basis

	Dec 31, 19
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
10200 Cash in Bank-2100725	48,712.43
10205 Capital Expenditures Reserve	41,982.58
10400 MM/Contingency Funds-128546	60,299.43
<b>Total Checking/Savings</b>	<b>150,994.44</b>
<b>Total Current Assets</b>	<b>150,994.44</b>
<b>Fixed Assets</b>	
15402 Water Plant Generator (New Generator)	35,680.00
15401 Tennis Village Lift Station (Replace Lift Station)	59,804.86
15000 Furniture & Fixtures	2,572.62
15100 Equipment	109,418.15
15200 Fence	19,017.66
15300 Water Treatment Facility	191,994.20
15310 2004 Water Plant Expansion	6,500.00
15340 3-Phase Electrical Upgrade	8,699.00
15350 2004 Water Storage Tank	70,649.95
15400 Improvements	34,888.96
15500 Building	3,377.58
15600 Sewer Plant	125,233.87
15650 Barge Replacement	652.27
15700 Hydrotank Foundation	9,599.19
15750 Boat	4,000.00
15800 Decant Lagoon	18,475.51
15850 2014 WW Treatment Plant (Expenditures for WWTP)	788,648.35
15851 Total Land	
16800 Lot 253	6,403.75
16900 Land	54,705.69
<b>Total 15851 Total Land</b>	<b>61,109.44</b>
15900 Sewer Plant Bldg.new	18,277.70
15950 2007 Water Treatment Plant	679,210.33
17000 Accumulated Depreciation	-848,935.83
<b>Total Fixed Assets</b>	<b>1,398,873.81</b>
<b>Other Assets</b>	
19300 Standby Fees Delinquent	6,008.00
<b>Total Other Assets</b>	<b>6,008.00</b>
<b>TOTAL ASSETS</b>	<b>1,555,876.25</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
25000 Water & Sewer Taxes Payable	3,529.84
<b>Total Other Current Liabilities</b>	<b>3,529.84</b>
<b>Total Current Liabilities</b>	<b>3,529.84</b>
<b>Long Term Liabilities</b>	
27500 Membership Fees Refundabl	107,442.75
27750 Loan ABT WWTP April 4 2014 (This is first loan for WWTP)	224,546.24
<b>Total Long Term Liabilities</b>	<b>331,988.99</b>
<b>Total Liabilities</b>	<b>335,518.83</b>
<b>Equity</b>	
39005 Retained Earnings	1,179,198.76
Net Income	41,158.66

**Windermere Oaks W.S.C.**  
**Profit & Loss Budget Performance**  
**December 2019**

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Cash Basis

	Dec 19	Budget	Jan - Dec 19	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
40000 · Standby Fees					
40000-5 · Standby Fees - Water	4,098.40	1,375.00	20,730.74	16,500.00	16,500.00
40000-6 · Standby Fees - Sewer	4,098.40	1,375.00	20,730.74	16,500.00	16,500.00
Total 40000 · Standby Fees	8,196.80	2,750.00	41,461.48	33,000.00	33,000.00
40200 · Water & Sewer Services					
40200-5 · Water Services	17,287.35	17,916.66	228,199.16	215,000.00	215,000.00
40200-6 · Sewer Services	11,212.40	11,666.67	141,469.38	140,000.03	140,000.03
40200 · Water & Sewer Services - Other	0.00	0.00	-127.42		
Total 40200 · Water & Sewer Services	28,499.75	29,583.33	369,541.10	355,000.03	355,000.03
40300 · Late Charges					
40300-5 · Late Charges - Water	183.80	375.00	3,120.41	4,500.00	4,500.00
40300-6 · Late Charges - Sewer	124.35	250.00	1,972.01	3,000.00	3,000.00
Total 40300 · Late Charges	308.15	625.00	5,092.42	7,500.00	7,500.00
40400 · Membership Fees					
40410 · Membership Transfer Fees	0.00		-1,780.32		
40410-5 · Membership Transfer Fees-Water	0.00	12.50	-160.99	150.00	150.00
40410-6 · Membership Transfer Fees-Sewer	0.00	12.50	-161.01	150.00	150.00
40410 · Membership Transfer Fees - Other	0.00		120.75		
Total 40410 · Membership Transfer Fees	0.00	25.00	-201.25	300.00	300.00
40500 · Equity Buy-In Fees					
40600 · Water & Sewer Taps					
40600-5 · Water Taps	4,600.00	2,300.00	50,600.00	27,600.00	27,600.00
40600-6 · Sewer Taps					
40600-5 · Water Taps	862.50	431.25	10,350.00	5,175.00	5,175.00
40600-6 · Sewer Taps	862.50	431.25	10,350.00	5,175.00	5,175.00
Total 40600 · Water & Sewer Taps	1,725.00	862.50	20,700.00	10,350.00	10,350.00
42000 · Insurance Claim Settlements					
44000 · Regulatory Assessment fee refund					
44000-5 · Regulatory Assess Fee Ref-Sewer	0.00		59,855.84		
44000-6 · Regulatory Assess Fee Ref - Wat	0.00		-660.13		
44000-5 · Regulatory Assess Fee Ref - Wat	0.00		-1,048.69		
Total 44000 · Regulatory Assessment fee refund	0.00		-1,706.82		
46400 · Reconnect fee					
46400-5 · Reconnect Fee - Water	0.00	16.66	0.00	200.00	200.00
46400-6 · Reconnect Fee - Sewer	0.00	16.66	0.00	200.00	200.00
Total 46400 · Reconnect fee	0.00	33.32	0.00	400.00	400.00
49200 · Airport Irrigation Project					
49200 · Airport Irrigation Project	0.00		1,000.00		
Total Income	43,329.70	36,179.15	544,562.45	434,150.03	434,150.03
Cost of Goods Sold					
50000 · COS-Operator					
50000-5 · COS Operator - Water	6,475.00	6,682.84	76,346.25	80,194.00	80,194.00
50000-6 · COS Operator - Sewer	3,500.00	3,598.41	41,518.75	43,181.00	43,181.00

**Windermere Oaks W.S.C.**  
**Profit & Loss Budget Performance**  
**December 2019**

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Cash Basis

	Dec 19	Budget	Jan - Dec 19	YTD Budget	Annual Budget
Total 50000 · COS-Operator	9,975.00	10,281.25	117,865.00	123,375.00	123,375.00
57000 · COS-Chemicals					
57000-5 · COS Chemicals - Water	3,273.99	943.25	11,724.07	11,319.00	11,319.00
57000-6 · COS Chemicals - Sewer	311.17	19.25	311.17	231.00	231.00
Total 57000 · COS-Chemicals	3,585.16	962.50	12,035.24	11,550.00	11,550.00
57500 · COS-Electricity					
57500-5 · COS Electricity -Water	824.78	1,116.50	10,576.17	13,398.00	13,398.00
57500-6 · COS Electricity -Sewer	864.02	808.50	10,346.07	9,702.00	9,702.00
Total 57500 · COS-Electricity	1,688.80	1,925.00	20,922.24	23,100.00	23,100.00
58000 · COS-Sludge Removal					
58000-5 · COS-Sludge Removal - Water	277.50	345.00	972.50	4,140.00	4,140.00
58000-6 · COS-Sludge Removal - Sewer	0.00	405.00	1,390.00	4,860.00	4,860.00
Total 58000 · COS-Sludge Removal	277.50	750.00	2,362.50	9,000.00	9,000.00
58500 · LCRA - Raw Water Fee					
58500-5 · COS-LCRA Raw Water Fee - Water	952.13	600.00	4,780.29	7,200.00	7,200.00
58500-6 · COS-LCRA Raw Water Fee - Sewer	634.75	400.00	3,709.41	4,800.00	4,800.00
Total 58500 · LCRA - Raw Water Fee	1,586.88	1,000.00	8,489.70	12,000.00	12,000.00
59000 · COS-Lab Fees					
59000-5 · COS Lab Fees-Water	190.12	346.66	3,206.68	4,160.00	4,160.00
59000-6 · COS Lab Fees-Sewer	416.00		4,947.08		
59000 · COS-Lab Fees - Other	305.00		305.00		
Total 59000 · COS-Lab Fees	911.12	346.66	8,458.76	4,160.00	4,160.00
Total COGS	18,024.46	15,266.41	170,133.44	183,185.00	183,185.00
Gross Profit	25,305.24	20,913.74	374,429.01	250,965.03	250,965.03
Expense					
77600 · Website					
77600-3 · Website - Water	0.00	16.66	0.00	200.00	200.00
77600-6 · Website - Sewer	0.00	16.66	0.00	200.00	200.00
Total 77600 · Website	0.00	33.32	0.00	400.00	400.00
59610 · Install New Service Taps					
59610-5 · Install New Service Taps-Water	760.00	375.00	10,531.06	4,500.00	4,500.00
59610-6 · Install New Service Taps-Sewer	2,632.22	375.00	10,453.90	4,500.00	4,500.00
Total 59610 · Install New Service Taps	3,393.22	750.00	20,984.96	9,000.00	9,000.00
62000 · Bank Charges					
62000-5 · Bank Charges - Water	7.50	25.00	110.92	300.00	300.00
62000-6 · Bank Charges - Sewer	7.50	25.00	103.42	300.00	300.00
62000 · Bank Charges - Other	0.00		7.50		
Total 62000 · Bank Charges	15.00	50.00	221.84	600.00	600.00
62400 · Bookkeeping					
62400-6 · Bookkeeping - Sewer	429.04		2,081.54		

**Windermere Oaks W.S.C.**  
**Profit & Loss Budget Performance**  
**December 2019**

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Cash Basis

	Dec 19	Budget	Jan - Dec 19	YTD Budget	Annual Budget
62400-5 · Bookkeeping - Water	429.04		2,081.54		
Total 62400 · Bookkeeping	858.08		4,163.08		
62500 · Accounting					
62500-5 · Accounting - Water	0.00	416.66	915.00	5,000.00	5,000.00
62500-5 · Accounting - Sewer	0.00	416.66	770.00	5,000.00	5,000.00
Total 62500 · Accounting	0.00	833.32	1,685.00	10,000.00	10,000.00
62600 · Billing Services					
62600-5 · Billing - Water	900.00	700.00	7,839.62	8,400.00	8,400.00
62600-5 · Billing - Sewer	900.00	700.00	7,839.61	8,400.00	8,400.00
Total 62600 · Billing Services	1,800.00	1,400.00	15,679.23	16,800.00	16,800.00
62800 · Total Contract Services					
62804-5 · Professional Engineer - Water	0.00	208.34	0.00	2,500.00	2,500.00
62804-5 · Professional Engineer - Sewer	0.00	291.66	3,069.00	3,500.00	3,500.00
62806-5 · Consulting Fees - Water	0.00	166.66	0.00	2,000.00	2,000.00
62806-5 · Consulting Fees - Sewer	0.00	83.34	0.00	1,000.00	1,000.00
Total 62800 · Total Contract Services	0.00	750.00	3,069.00	9,000.00	9,000.00
63000 · Legal/Appraisal					
63000-5 · Legal/Appraisal - Water	0.00	600.00	3,707.83	7,200.00	7,200.00
63000-5 · Legal/Appraisal - Sewer	0.00	600.00	3,702.82	7,200.00	7,200.00
63100-5 · Lawsuit 2017/18-Water (2017/18 Lawsuit)	22,812.28	983.34	79,586.41	11,800.00	11,800.00
63100-5 · Lawsuit 2017/18-Sewer	22,812.28	983.34	79,586.40	11,800.00	11,800.00
Total 63000 · Legal/Appraisal	45,624.56	3,166.68	166,583.46	38,000.00	38,000.00
63500 · Dues & Subscriptions					
63500-5 · Dues/Subscriptions - Water	0.00	77.09	89.23	925.00	925.00
63500-5 · Dues/Subscriptions - Sewer	0.00	77.09	89.22	925.00	925.00
63501 · CTWC Subscription	0.00	166.66	0.00	2,000.00	2,000.00
Total 63500 · Dues & Subscriptions	0.00	320.84	178.45	3,850.00	3,850.00
64000 · Regulatory System Fee					
64010-5 · TCEQ Annual Fee - Sewer	0.00	125.00	1,250.00	1,500.00	1,500.00
64020-5 · TCEQ Annual Water System Fee	565.95	62.50	565.95	750.00	750.00
Total 64000 · Regulatory System Fee	565.95	187.50	1,815.95	2,250.00	2,250.00
65500 · Insurance					
65500-5 · Insurance - Water	0.00	666.66	7,080.28	8,000.00	8,000.00
65500-5 · Insurance - Sewer	0.00	666.66	7,080.27	8,000.00	8,000.00
Total 65500 · Insurance	0.00	1,333.32	14,160.55	16,000.00	16,000.00
66000 · Office Supplies					
66000-5 · Office Supplies - Water	970.86	125.00	2,354.62	1,500.00	1,500.00
66000-5 · Office Supplies - Sewer	1,165.78	125.00	2,352.37	1,500.00	1,500.00
Total 66000 · Office Supplies	2,136.64	250.00	4,706.99	3,000.00	3,000.00
66500 · Telephone and Internet					
66500-5 · Telephone/Internet - Water	538.26	250.00	3,355.70	3,000.00	3,000.00



**Windermere Oaks W.S.C.**  
**Profit & Loss Budget Performance**  
**December 2019**

5:03 PM

01/10/20

Cash Basis

	Dec 19	Budget	Jan - Dec 19	YTD Budget	Annual Budget
66500-S · Telephone/Internet - Sewer	165.24	250.00	2,903.54	3,000.00	3,000.00
66500 · Telephone and Internet - Other	0.00		289.20		
<b>Total 66500 · Telephone and Internet</b>	<b>703.50</b>	<b>500.00</b>	<b>6,549.44</b>	<b>6,000.00</b>	<b>6,000.00</b>
67000 · Postage & Shipping Expense	270.40	166.66	1,327.29	2,000.00	2,000.00
67000-S · Postage & Shipping - Water	270.40	166.66	1,362.86	2,000.00	2,000.00
67000-S · Postage & Shipping - Sewer					
<b>Total 67000 · Postage &amp; Shipping Expense</b>	<b>540.80</b>	<b>333.32</b>	<b>2,709.97</b>	<b>4,000.00</b>	<b>4,000.00</b>
68000 · Equipment Rental Expense					
68500 · Repairs & Maintenance	0.00	83.34	250.00	1,000.00	1,000.00
68500-S · Repairs & Maintenance - Water	3,258.84	2,916.66	21,389.26	35,000.00	35,000.00
68500-S · Repairs & Maintenance - Sewer	1,165.92	833.34	6,923.19	10,000.00	10,000.00
68522-S · Barge Storm Damage 10/16/18 (Barge only storm damage)	0.00	500.00	42,747.78	6,000.00	6,000.00
<b>Total 68500 · Repairs &amp; Maintenance</b>	<b>4,424.76</b>	<b>4,250.00</b>	<b>71,060.23</b>	<b>51,000.00</b>	<b>51,000.00</b>
68550 · Sludge Removal			80.00		
68600 · Repair Parts	0.00	933.34	6,218.26	11,200.00	11,200.00
68600-S · Repair Parts - Water	139.00	400.00	511.93	4,800.00	4,800.00
68600-S · Repair Parts - Sewer					
<b>Total 68600 · Repair Parts</b>	<b>139.00</b>	<b>1,333.34</b>	<b>6,730.19</b>	<b>16,000.00</b>	<b>16,000.00</b>
69000 · Printing Expense					
69000-S · Printing Expense - Water	0.00	62.50	84.00	750.00	750.00
69000-S · Printing Expense - Sewer	0.00	62.50	84.00	750.00	750.00
<b>Total 69000 · Printing Expense</b>	<b>0.00</b>	<b>125.00</b>	<b>168.00</b>	<b>1,500.00</b>	<b>1,500.00</b>
71500 · Interest Expense					
71500-S · Interest Expense - Water	0.00	1,166.66	971.59	14,000.00	14,000.00
71500-S · Interest Expense - Sewer	901.72		10,843.43		
<b>Total 71500 · Interest Expense</b>	<b>901.72</b>	<b>1,166.66</b>	<b>11,815.02</b>	<b>14,000.00</b>	<b>14,000.00</b>
72100 · Taxes-Property	0.00	3.34	0.00	40.00	40.00
77500 · Meetings/Conferences					
77500-S · Meetings/Conferences-Water	50.00	104.16	837.50	1,250.00	1,250.00
77500-S · Meetings/Conferences-Sewer	50.00	104.16	292.50	1,250.00	1,250.00
<b>Total 77500 · Meetings/Conferences</b>	<b>100.00</b>	<b>208.32</b>	<b>1,130.00</b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>Total Expense</b>	<b>61,203.23</b>	<b>17,078.30</b>	<b>333,751.36</b>	<b>204,940.00</b>	<b>204,940.00</b>
Net Ordinary Income	-35,897.99	3,835.44	40,677.65	46,025.03	46,025.03
Other Income/Expense					
41000 · Interest Income	68.34		481.01		
<b>Total Other Income</b>	<b>68.34</b>		<b>481.01</b>		
Other Expense					
72500 · Depreciation Expense	0.00	4,666.66	0.00	56,000.00	56,000.00
<b>Total Other Expense</b>	<b>0.00</b>	<b>4,666.66</b>	<b>0.00</b>	<b>56,000.00</b>	<b>56,000.00</b>

**Windermere Oaks W.S.C.**  
**Profit & Loss Budget Performance**  
**December 2019**

5:03 PM

01/10/20

Cash Basis

	Dec 19	Budget	Jan - Dec 19	YTD Budget	Annual Budget
Net Other Income	58.34	-4,668.66	481.01	-56,000.00	-56,000.00
Net Income	-35,829.65	-931.22	41,168.66	-9,974.97	-9,974.97

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## Windermere Oaks W.S.C.

01/10/20

## Balance Sheet

Cash Basis

As of December 31, 2019

Total Equity  
TOTAL LIABILITIES & EQUITY

Dec 31, 19

1,220,357.42

1,555,876.25

Windermere Oaks Water Supply Corporation 2020 Budget				2020 Budget
Ordinary Income/Expense				
Income				
40000 · Standby Fees				
Total 40000 · Standby Fees				33,000.00
Total 40200 · Water & Sewer Services				390,000.00
Total 40300 · Late Charges				5,000.00
Total 40410 · Membership Transfer Fees				2,800.00
Total 40500 · Equity Buy-in Fees				27,600.00
Total 40600 · Water & Sewer Taps				10,350.00
Total 46400 · Reconnect fee				0.00
Total 41000 · Interest Income				300.00
Total Income				469,050.00
Cost of Goods Sold				
Total 50000 · COS-Operator				123,375.00
Total 57000 · COS-Chemicals				12,450.00
Total 57500 · COS-Electricity				22,400.00
Total 58000 · COS-Sludge Removal				5,000.00
Total 58500 · LCRA - Raw Water Fee				9,000.00
Total 59000 · COS-Lab Fees				6,500.00
Total COGS				178,725.00
Expense				
Total 77600 · Website				500.00
Total 59610 · Install New Service Taps				7,200.00
Total 62000 · Bank Charges				600.00
Total 62400 · Bookkeeping				4,800.00
Total 62500 · Accounting				13,000.00
Total 62600 · Billing Services				20,000.00
Total 62800 · Total Contract Services				9,000.00
Total 63000 · Legal/Appraisal				110,000.00
Total 63500 · Dues & Subscriptions				4,000.00
Total 64000 · Regulatory System Fee				2,100.00
Total 65500 · Insurance				21,000.00
Total 65900 · Meals & Entertainment				500.00
Total 66000 · Office Supplies				3,400.00
Total 66500 · Telephone and Internet				6,000.00
Total 67000 · Postage & Shipping Expense				5,000.00
Total 68000 · Equipment Rental Expense				1,500.00
Total 68500 · Repairs & Maintenance				50,000.00
Total 68600 · Repair Parts				16,000.00
Total 69000 · Printing Expense				1,500.00
Total 71500 · Interest Expense				14,000.00
Total 72100 · Taxes-Property				40.00
Total 77500 · Meetings/Conferences				2,500.00
Total Expense less COGS				287,840.00
Net Ordinary Income				2,485.00
Other Expense				
Loan Principal Payments (Balloon pymt \$171523.00 Due 5/2021)				37,000.00
Net Profit/Loss				-34,515.00

**Windermere Oaks WSC**  
**Summary of Income/Expense**  
**May 31, 2020**

Income		\$	72,423.15	
Expenses			(52,439.14)	
Net Income/(Loss)		\$	19,984.01	
Bank Account Balances				
Checking		\$	43,847.54	
MM+			10,402.02	
Capital Expenditure Reserve			41,982.58	
Total:		\$	96,232.14	
WWTP Loan Balance		\$	208,132.78	
Debt to service coverage ratio:	<b>YTD</b>		<u>2020</u>	<u>2019</u>
Net operating income			25,037.09	18,489.13
Debt service			20,788.55	20,788.55
DSCR			1.20	0.89
Debt to capital ratio:	<b>YTD</b>			
Debt			208,132.78	246,944.25
Total capital			1,153,456.43	1,197,951.96
Debt to capital			0.18	0.21
Days cash on hand:				
Cash on hand	<b>MTH</b>		96,232.14	177,049.19
Budgeted annual expense less depreciation			432,640	204,940
Days cash on hand			81.19 *	315.33

\* Assumption here is that no additional income will be received through the end of the year.

**Capital Expenditures Reserves**  
**May 31, 2020**

Project	Budget	Paid to Date	Balance	Comments
Tennis Village Lift Station	53,000.00	9,888.34		
Tennis Village Lift Station Final	7,666.52			BOD approved 8/30/17
1st Draw Water Mmgt. Pumps and tanks		27,416.52		
2nd Draw Water Mmgt.		12,500.00		
3rd Draw Water Mmgt		10,000.00		
Total Expenses	60,666.52	59,804.86	861.66	

Beginning C/E Reserve Income Balance			41,982.58
Monthly Transfers from Checking (01/31/19)			
Expenses (2017/2018)			
Barge Damage Expenses/Tranfers			-
Grand Total Reserve Income Balance			41,982.58