

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
ANNUAL FINANCIAL REPORT  
SEPTEMBER 30, 2020**

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IMPROVEMENT DISTRICT NO. 19  
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ANNUAL FILING AFFIDAVIT

STATE OF TEXAS  
COUNTY OF TRAVIS

I, Elmer Dangerfield of the  
(Name of Duly Authorized District Representative)

TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 19  
(Name of District)

hereby swear, or affirm, that the district named above has reviewed and approved at a meeting of the District's Board of Directors on **January 28, 2021**, its annual audit report for the fiscal year or period ended **September 30, 2020** and that copies of the annual audit report have been filed in the District's office, located at

12912 Hill Country Blvd., Suite F-232,  
Austin, TX 78738  
(Address of District's Office)

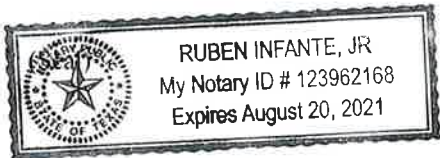
This annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of all annual filing requirements of Texas Water Code Section 49.194.

Date: January 28, 2021

By: Elmer Dangerfield  
(Signature of District Representative)

\_\_\_\_\_  
(Typed Name and Title District Representative)

Sworn-to and subscribed to before me this the 8 day of Feb, 2021.



[Signature]  
(Signature of Notary)

My Commission Expires On: 8/20 2021  
Notary Public in and for the State of Texas.

# **McCALL GIBSON SWEDLUND BARFOOT PLLC**

*Certified Public Accountants*

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Houston, Texas 77065-5610  
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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Travis County Water Control and  
Improvement District No. 19  
Austin, Texas

We have audited the accompanying financial statements of the business-type activities of Travis County Water Control and Improvement District No. 19 (the "District"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors  
Travis County Water Control and  
Improvement District No. 19  
Austin, Texas

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District as of September 30, 2020, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Correction of Errors**

As described in Note 8 to the financial statements, the District's net position as of and for the year ended September 30, 2019 has been restated to correct certain misstatements. Our opinion is not modified with respect to these matters.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual – Enterprise Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Board of Directors  
Travis County Water Control and  
Improvement District No. 19  
Austin, Texas

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide any assurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*McCall Gibson Swedlund Barfoot PLLC*

McCall Gibson Swedlund Barfoot PLLC  
Certified Public Accountants  
Houston, Texas

January 28, 2021

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

In accordance with governmental accounting standards, the management of Travis County Water Control and Improvement District No. 19 (the "District") offers the following discussion and analysis to provide an overview of the District's financial activities for the year ended September 30, 2020. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the District's basic financial statements that follow.

**HISTORY OF THE DISTRICT**

The District was created in 1981 by six landowners who owned 2,570 acres southwest of Austin in Travis County, Texas and in Austin's Extraterritorial Jurisdiction. Much of the development is located along the banks of Barton Creek.

The main landholder, Austin Sunbelt Developments, Inc. (the "Developer"), had a raw water contract with the Lower Colorado River Authority (the "LCRA") and intended to build an intake structure on Lake Austin to transport the raw water to the District, where it would be treated and delivered to the houses and businesses within the District. Later the same year, the principal developer drilled a water well in the District. Based on this well, The Estates Above Lost Creek, consisting of 212 large lots, were platted. Unfortunately, the well water was bad, which impeded development of the property. The Developer arranged to obtain water from the Uplands development. The Developer also concluded that an organized wastewater system was required for the development to grow. A private wastewater company, The Estates of Barton Creek Utilities, was then created. To dispose of the effluent, the Developer designed and built the first phase of Barton Creek Country Club and Resort.

In the summer of 1985, the real estate boom in Austin came to a halt. The lack of a good and reliable water source continued to plague the project. As a result of the crash, Community Savings took over the project in 1986. The District and Community Savings negotiated a temporary water supply contract with Travis County Water Control and Improvement District No. 20 and, 18 months later, a second contract with Uplands. In early 1988, the District approved and signed a Utility Development Master Agreement with Community Savings to construct an intake structure on Lake Austin, a 24-inch raw water transmission line, a raw water supply connection to the golf course irrigation system and a 2.0 mgd treatment plant.

In March 1988, the District acquired the facilities built by the Developer from the trustee in bankruptcy. Residents of The Estates Above Lost Creek now comprised the District's Board of Directors (the "Board"). Community Savings, however, had not constructed the intake structure, as negotiations with the District had stalled, and in the fall of 1988, Community Savings ceased negotiations, as it was in the process of selling its share to Freeport MacMoran.

Later that fall, the Board agreed to annex additional acreage owned by Freeport MacMoran, expanding its size to 4,000 acres, and the District agreed to be divided into five subdistricts. There would be a master district that would provide water and wastewater services to all, except District No. 2 (The Estates Above Lost Creek), which would receive water only.



**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**HISTORY OF THE DISTRICT (Continued)**

In 1990, the Board agreed to the de-annexation of what was called District No. 2 (The Estates Above Lost Creek). This led to the creation of The Barton Creek Water Supply Corporation, a private retail water provider. The Estates Above Lost Creek turned over control of the District to Freeport MacMoran and purchased its internal water infrastructure. This agreement became effective November 11, 1992, and control of the District was turned over to a subsidiary, F. M. Properties Operating Company, created by Freeport MacMoran.

In September 1995, the state legislature approved Freeport MacMoran’s application to create seven municipal utility districts (MUDs) (Travis County MUDs No. 3 through No. 9, with MUD No. 4 being the master district).

The District was controlled by the Developer’s appointees and agreed to the de-annexation of more than 3,700 acres. The de-annexation negated the District’s approved bonds. A new bond election was called for the District in August 1996, and at the time, there were more than 60 residents in the District.

In the spring of 1996, the District tried to obtain the cost of its remaining infrastructure to approve a bond issue to reimburse the Developer. Resident directors were now becoming members of the Board, as the Developer-appointed directors were resigning. By the fall, the District’s president still had not been able to obtain firm cost figures and, in frustration, the District sued the Developer. In August 1996, the residents voted down the bond issues and, in December, the District’s lawsuit was settled through mediation. The District agreed to purchase the water infrastructure for \$675,000 and the wastewater infrastructure for \$17.50 per month per tap for a period of 30 years.

**THE DISTRICT TODAY**

The District is a retail provider of water and wastewater services. It buys these commodities from Travis County MUD No. 4, which is the master district for the Barton Creek area.

The District is composed of three gated communities containing 198 lots on 219 acres. They are:

Community	Number of Lots	Number of Homes	Water System
The Foothills	54	52	Septic
The Ridge	49	47	Sewer
The Woods	95	91	Sewer
	<u>198</u>	<u>190</u>	

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**THE DISTRICT TODAY** (Continued)

The District has grown by the following appraised values (in millions):

2019	2018	2017	2016	2015
\$ 227.5	\$ 214.3	\$ 223.0	\$ 214.5	\$ 198.1

The philosophy of the Board of Directors has been to:

- Budget conservatively (tax revenues should cover fixed expense)
- Provide the most value possible to its customers
- Reduce its tax rate

The escalation of the District’s taxable value has given its Board the ability to increase its maintenance and operations tax revenue and increase the services it provides to its customers. The current tax rate for the 2020 fiscal year was \$0.2575 per \$100 of taxable value, which did not change from the prior year tax rate, and the District brought in tax revenues this year of \$590,637.

Effective September 5, 2013, the base water monthly rate the District’s customers pay is \$67.80. The base wastewater monthly rate is \$50.82, which includes the first 2,000 gallons of wastewater. The volume charge for wastewater is \$1.50 per 1,000 gallons.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The basic financial statements include: (1) fund financial statements and (2) notes to the basic financial statements. The fund financial statements combine the following: (1) the Statement of Net Position, (2) the Statement of Revenues, Expenses and Changes in Net Position and (3) the Statement of Cash Flows. This report also includes required and other supplementary information in addition to the basic financial statements.

**FINANCIAL STATEMENTS**

For financial purposes, the District is considered a special-purpose government, engaged in business-type activities. The District’s basic financial statements are presented on the full accrual basis of accounting in accordance with generally accepted accounting principles as applied to governmental entities. All District activities are accounted for with a single proprietary (enterprise) fund.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**FINANCIAL STATEMENTS (Continued)**

The statement of net position presents the financial position of the District on a full accrual historical cost basis. This statement presents information on all the District's assets and liabilities, with the difference reported as net position. Over time, increases and decreases in net position are one indicator of whether the financial position of the District is improving or deteriorating.

The statement of revenues, expenses and changes in net position presents the results of the business-type activities over the course of the year and information as to how the net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

The statement of cash flows is presented to show the sources and uses of cash during the year. The sources and uses are reported as operating, financing and investing activities, depending on the nature of the transactions.

**NOTES TO THE FINANCIAL STATEMENTS**

The accompanying notes to the financial statements provide information essential to a full understanding of the financial statements.

**OTHER INFORMATION**

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI") and other supplementary information required by the Texas Commission on Environmental Quality. This management's discussion and analysis and the budgetary comparison schedule are included as RSI for the Enterprise Fund.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**FINANCIAL ANALYSIS**

The following is a comparative analysis of the Statements of Net Position at September 30, 2020 and September 30, 2019. The District's ending net position balance at September 30, 2020 was \$3,432,622, an increase of \$286,448 from last year.

	<u>Summary of Changes in the Statement of Net Position</u>		
	2020	2019	Change Positive (Negative)
Current and Other Assets	\$ 3,082,345	\$ 2,778,058	\$ 304,287
Capital Assets (Net of Accumulated Depreciation)	<u>495,162</u>	<u>557,629</u> *	<u>(62,467)</u>
Total Assets	<u>\$ 3,577,507</u>	<u>\$ 3,335,687</u>	<u>\$ 241,820</u>
Total Liabilities	<u>\$ 144,885</u>	<u>\$ 189,513</u>	<u>\$ (44,628)</u>
Net Position:			
Net Investment in Capital Assets	\$ 495,162	\$ 557,629 *	\$ (62,467)
Unrestricted	<u>2,937,460</u>	<u>2,588,545</u>	<u>348,915</u>
Total Net Position	<u>\$ 3,432,622</u>	<u>\$ 3,146,174</u> *	<u>\$ 286,448</u>

\* As restated

The following table provides a summary of the District's operations for the years ended September 30, 2020 and September 30, 2019. The District's net position increased by \$286,448.

	<u>Summary of Changes in the Statement of Revenues, Expenses and Changes In Net Position</u>		
	2020	2019	Change Positive (Negative)
Revenues:			
Operating Revenues	\$ 648,826	\$ 607,046	\$ 41,780
Nonoperating Revenues	<u>616,944</u>	<u>608,265</u>	<u>8,679</u>
Total Revenues	\$ 1,265,770	\$ 1,215,311	\$ 50,459
Expenses	<u>979,322</u>	<u>926,747</u>	<u>(52,575)</u>
Change in Net Position	\$ 286,448	\$ 288,564	\$ (2,116)
Net Position, Beginning of Year	<u>3,146,174</u> *	<u>2,857,610</u> *	<u>288,564</u>
Net Position, End of Year	<u>\$ 3,432,622</u>	<u>\$ 3,146,174</u> *	<u>\$ 286,448</u>

\* As restated

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**CASH FLOW AND LIQUIDITY**

Cash flows from operations decreased cash by a total of \$285,772, with the decrease due to payments to suppliers and vendors exceeding cash receipts from customers. Cash flows from noncapital financing activities increased cash by a total of \$586,549 and consists of property tax collections. There was no effect on cash flows from capital and related financing activities as there were no purchases of capital expenditures during the year. Cash flows from investing activities decreased cash by \$235,464 primarily due to funding of TexPool investments.

In summary, cash increased by \$65,313 year over year.

**BUDGETARY HIGHLIGHTS**

The Board of Directors annually adopts an unappropriated budget and did not amend the budget during the current fiscal year. Compared to the adopted budget, actual revenues were \$166,766 more than budgeted revenues, and actual expenses were \$131,073 more than budgeted expenses. More detailed information on the District’s budgetary comparison is presented in the RSI.

**CAPITAL ASSETS**

The District’s capital assets as of September 30, 2020, amounted to \$495,162 (net of accumulated depreciation). These capital assets include water, wastewater and drainage facilities and road improvements. See additional information in Note 5.

	2020	2019	Change Positive (Negative)
Capital Assets, Net of Accumulated Depreciation:			
Water, Wastewater and Drainage Facilities	\$ 356,576	\$ 405,095 *	\$ (48,519)
Road Improvements	138,586	152,534	(13,948)
Total Net Capital Assets	\$ 495,162	\$ 557,629	\$ (62,467)

\* As restated

**CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS**

The adopted budget for fiscal year 2021 projects an increase in net position of \$223,917. Compared to the fiscal year 2020 budget, revenues are expected to increase by approximately \$112,000 and expenditures are expected to increase by approximately \$139,000. The fiscal year 2021 tax rate has been established at \$0.2575 on each \$100 of taxable value and will be used to fund general operations.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**CONTACTING THE DISTRICT'S MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District in care of Willatt & Flickinger, PLLC. 12912 Hill Country Blvd., Suite F-232, Austin, Texas 78738. Other information may be obtained from the District's website at [www.twcid19.org](http://www.twcid19.org).

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020**

**ASSETS:**

Current Assets:

Cash and Cash Equivalents:

Cash	\$ 162,702
Cash Equivalent Investments	2,810,791

Receivables:

Service Accounts, no provision for uncollectible accounts	101,395
Property Taxes	4,088
Other	<u>3,369</u>

Total Current Assets	<u>3,082,345</u>
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Noncurrent Assets -

Capital Assets (Net of Accumulated Depreciation):

Water System	356,576
Road Improvements	<u>138,586</u>

Total Noncurrent Assets	<u>495,162</u>
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<b>TOTAL ASSETS</b>	<b>\$ <u>3,577,507</u></b>
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**LIABILITIES:**

Current Liabilities:

Accounts Payable	\$ 75,735
Customer Meter Deposits	<u>69,150</u>

<b>TOTAL LIABILITIES</b>	<b>\$ <u>144,885</u></b>
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**NET POSITION:**

Investment in Capital Assets	\$ 495,162
Unrestricted	<u>2,937,460</u>

<b>TOTAL NET POSITION</b>	<b>\$ <u><u>3,432,622</u></u></b>
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The accompanying notes to the financial  
statements are an integral part of this report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

<b>OPERATING REVENUES -</b>	
Water and Wastewater Services	\$ <u>648,826</u>
<b>OPERATING EXPENSES:</b>	
Water and Wastewater Purchases	391,758
Repairs and Maintenance	73,195
Special Projects	12,900
Management Services	121,347
Legal Fees	82,351
Engineering Fees	61,965
Audit Fees	17,000
Accounting Fees	15,250
Other Professional Fees	3,980
Tax Appraisal and Collection Fees	2,937
Directors' Fees, Including Payroll Taxes	8,709
Postage and Supplies	5,171
Garbage Collection	72,270
Insurance	2,645
Miscellaneous	45,377
Depreciation	<u>62,467</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>979,322</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(330,496)</u>
<b>NONOPERATING REVENUES:</b>	
Property Taxes, Including Penalties	590,637
Investment Earnings	25,575
Miscellaneous	<u>732</u>
<b>TOTAL NONOPERATING REVENUES</b>	<u>616,944</u>
<b>CHANGE IN NET POSITION</b>	286,448
<b>NET POSITION -</b>	
<b>OCTOBER 1, 2019 (as restated)</b>	<u>3,146,174</u>
<b>NET POSITION -</b>	
<b>SEPTEMBER 30, 2020</b>	<u>\$ 3,432,622</u>

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



**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Receipts from Customers	\$ 679,080
Payments to Suppliers	<u>(964,852)</u>

**NET CASH USED IN OPERATING ACTIVITIES** (285,772)

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:**

Receipts from Property Taxes	<u>586,549</u>
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**NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES**

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchase of Investments	(261,771)
Interest Received on Investments	<u>26,307</u>

**NET CASH USED IN INVESTING ACTIVITIES** (235,464)

**NET INCREASE IN CASH** 65,313

**CASH - OCTOBER 1, 2019** 97,389

**CASH - SEPTEMBER 30, 2020** 162,702

**RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN  
OPERATING ACTIVITIES:**

Operating Loss	\$ (330,496)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation	62,467
Changes in Operating Assets and Liabilities:	
Service Accounts Receivable	30,254
Other Accounts Receivable	(3,369)
Accounts Payable	(45,528)
Customer Meter Deposits	<u>900</u>

**NET CASH USED IN OPERATING ACTIVITIES** \$ (285,772)

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

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 1. CREATION OF DISTRICT**

Travis County Water Control and Improvement District No. 19 (the “District”) was created, organized and established in 1981 by the Texas Natural Resource Conservation Commission (the “TNRCC”) pursuant to the provisions of Chapter 51 of the Texas Water Code (the “TWC”). In 1998, the District was converted to a municipal utility district (MUD) by the TNRCC pursuant to the provisions of Chapter 54 of the TWC. The District is a political subdivision of the State of Texas governed by a five-member Board of Directors who have been elected by District residents or appointed by the Board. The Governmental Accounting Standards Board (“GASB”) has established the criteria for determining whether or not an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statements as component units. The Board of Directors held its first meeting on February 11, 1982.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as promulgated by GASB. In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Texas Commission on Environmental Quality (the “Commission”).

Financial Statement Presentation and Basis of Accounting

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

GASB Codification sets forth standards for external financial reporting for all state and local government entities. The District’s basic financial statements are presented on the full accrual basis of accounting in accordance with U.S. GAAP. For financial purposes, the District is considered a special-purpose government, engaged in business-type activities. All District activities are accounted for within a single proprietary (enterprise) fund.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

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

Financial Statement Presentation and Basis of Accounting (Continued)

The accounting and financial reporting treatment applied is determined by the measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus and the full accrual basis of accounting where revenues are recognized when earned and expenses are recognized when incurred, regardless of the time of the related cash flows. With this measurement focus, all assets and liabilities associated with the operations are included on the Statement of Net Position. Net position (i.e., total assets net of total liabilities is segregated into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

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

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

Budgeting

An unappropriated budget is adopted annually by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original budget for the current year was not amended. The Schedule of Revenues, Expense and Changes in Net Position – Budget and Actual – Enterprise Fund presents the original budget amounts compared to the actual amounts of revenues and expenses for the current year.

Reclassifications

Certain amounts in the prior year have been reclassified to conform to the presentation adopted in the current year. There was no impact on net position.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

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

Pensions

The District has not established a pension plan because the District does not have employees. The Internal Revenue Service has determined that fees of office received by Directors are considered to be wages subject to federal income tax withholding for payroll purposes.

Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit as well as investments with maturities of three months or less. The investments, consisting of obligations in the State Treasurer's Investment Pool, are recorded at amortized cost.

Service Accounts Receivable

The District provides for uncollectible service accounts receivable using the allowance method of accounting for bad debts. Under this method of accounting, a provision for uncollectible accounts is charged to earnings. The allowance account is increased or decreased based on past collection history and management's evaluation of accounts receivable. All amounts considered uncollectible are charged against the allowance account, and recoveries of previously charged off accounts are added to the allowance. At September 30, 2020, the District had no allowance for uncollectible accounts.

Capital Assets

Capital assets, which include water, wastewater and drainage facilities and road improvements, are reported in the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their estimated acquisition value on the date donated. Repairs and maintenance are recorded as expenses in the Statement of Revenues, Expenses and Changes in Net Position. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset.

Assets are capitalized, including infrastructure assets, if they have an original cost of \$5,000 or more and a useful life of at least two years. Depreciation is calculated on each class of depreciable property using no salvage value and the straight-line method of depreciation. Estimated useful lives are as follows:

	<u>Years</u>
Water, Wastewater and Drainage Facilities	20 – 30
Road Improvements	15 – 20

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

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

Customer Meter Deposits

Customer meter deposits are for water and wastewater connections and are accrued as a liability when deposits are received. Customer meter deposits are returned when customers close their accounts.

Property Taxes

Property taxes are recognized as revenues in the year for which they are levied.

Operating and Nonoperating Revenue and Expense Classifications

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

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 3. CASH AND CASH EQUIVALENTS**

Cash

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

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 3. CASH AND CASH EQUIVALENTS (Continued)**

Cash (Continued)

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District's deposits was \$162,702 and the bank balance was \$242,913. The bank balance was covered by federal depository insurance.

Cash Equivalent Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest District funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District's investment policy may be more restrictive than the Public Funds Investment Act.

As of September 30, 2020, the District had the following investments:

Fund and Investment Type	Fair Value	Weighted Average Maturity (Days)	Standard & Poor's Rating
TexPool	\$ 2,810,791	1	AAAm

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 3. CASH AND CASH EQUIVALENTS (Continued)**

Cash Equivalent Investments (Continued)

The District invests in TexPool, an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas (the “Comptroller”) has oversight of the pool. Federated Investors, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures all of its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2020, the District’s investment in TexPool was rated AAAM by Standard and Poor’s. The government’s investment policy requires that the District’s deposits be fully insured by FDIC insurance or collateralized with obligations of the United States or its agencies and instrumentalities. As of September 30, 2020, the District’s bank deposits were covered by FDIC insurance.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investments in a single issuer. In accordance with the District’s investment policy, investments in individual securities are to be limited to ensure that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. As of September 30, 2020, the District did not own any investments in individual securities.

**NOTE 4. PROPERTY TAX**

Property taxes attach as an enforceable lien on January 1. Taxes are levied on or about October 1, are due on November 1, and are past due the following February 1. The Travis Central Appraisal District establishes appraisal values in accordance with requirements of the Texas Legislature. The District levies taxes based upon the appraised values. The Travis County Tax Assessor Collector bills and collects the District's property taxes. The Board of Directors set current tax rates on September 26, 2019.

The property tax rates, established in accordance with state law, were based on 100% of the net assessed valuation of real property within the District on the 2019 tax roll. The tax rate, based on total taxable assessed valuation of \$227,488,647, was \$0.2575 on each \$100 valuation and resulted in a total tax levy of \$ 585,783 for the 2020 fiscal year. The maximum allowable maintenance tax of \$1.00 was established by voters at an election held on November 2, 1993.

Property taxes receivable totaled \$4,088 at September 30, 2020.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 5. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2020:

	October 1, 2019	Increases	Decreases	September 30, 2020
<b>Capital Assets Subject to Depreciation</b>				
Water, Wastewater and Drainage Facilities	\$ 3,513,107	\$	\$	\$ 3,513,107
Road Improvements	209,203			209,203
<b>Total Capital Assets Subject to Depreciation</b>	<u>\$ 3,722,310</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 3,722,310</u>
<b>Accumulated Depreciation</b>				
Water, Wastewater and Drainage Facilities	\$ 3,108,012	\$ 48,519	\$	\$ 3,156,531
Road Improvements	56,669	13,948		70,617
<b>Total Accumulated Depreciation</b>	<u>\$ 3,164,681</u>	<u>\$ 62,467</u>	<u>\$ - 0 -</u>	<u>\$ 3,227,148</u>
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 557,629</u>	<u>\$ (62,467)</u>	<u>\$ - 0 -</u>	<u>\$ 495,162</u>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<u><u>\$ 557,629</u></u>	<u><u>\$ (62,467)</u></u>	<u><u>\$ - 0 -</u></u>	<u><u>\$ 495,162</u></u>

**NOTE 6. RISK MANAGEMENT**

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

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



**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 7. SERVICE AGREEMENTS**

In April 1996, the District entered into Water and Wastewater Service Agreements with Travis County Municipal Utility District No. 4 (“MUD No. 4”) whereby MUD No. 4 provides wholesale water and wastewater service to the District. The rates charged to the District for water and wastewater service are based on the wholesale water and wastewater rates established by a rate order developed by MUD No. 4’s Board of Directors. In addition, the Wastewater Service Agreement contemplates the use of MUD No. 4’s wastewater facilities and the District’s use of a pro-rata share of capacity of the master wastewater facility. The District has agreed to pay an additional \$17.50 per wastewater connection per month for 30 years through January 2027 to MUD No. 4 pursuant to an amendment dated January 1997 to the Wastewater Service Agreement. For the year ended September 30, 2020, the District paid MUD No. 4 \$278,400 related wholesale water service and \$113,358 related to wholesale wastewater service.

**NOTE 8. PRIOR PERIOD ADJUSTMENT TO NET POSITION**

The District depreciates water facilities based on their estimated useful lives for a period of twenty to thirty years. Upon recalculation of prior year accumulated depreciation, it was determined that certain water facility assets, based on their useful lives and acquisition dates, had not been depreciated properly. As a result, the District’s net position as of September 30, 2019 was overstated by \$177,241. Net position as of September 30, 2019, as previously reported, has been restated as follows:

Net Position - September 30, 2019	\$ 3,323,415
Effect of Adjustments on Accumulated Depreciation	<u>(177,241)</u>
Net Position - September 30, 2019, As Restated	<u>\$ 3,146,174</u>

**NOTE 9. UNCERTAINTIES**

On March 11, 2020, the World Health Organization declared the COVID-19 virus a global pandemic. As a result, economic uncertainties have arisen which could have an impact on the operations of the District. The District is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty, as the potential financial impact of this pandemic is unknown at this time.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SEPTEMBER 30, 2020**

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES  
IN NET POSITION - BUDGET AND ACTUAL - ENTERPRISE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Original Budget	Actual	Variance Positive (Negative)
<b>OPERATING REVENUES -</b>			
Water and Wastewater Services	\$ 482,060	\$ 648,826	\$ 166,766
<b>OPERATING EXPENSES:</b>			
Water and Wastewater Purchases	377,909	391,758	(13,849)
Repairs and Maintenance	64,250	73,195	(8,945)
Special Projects	10,000	12,900	(2,900)
Management Services	132,796	121,347	11,449
Legal Fees	62,000	82,351	(20,351)
Engineering Fees	41,500	61,965	(20,465)
Audit Fees	18,300	17,000	1,300
Accounting Fees	-	15,250	(15,250)
Other Professional Fees	5,000	3,980	1,020
Tax Appraisal and Collection Fees	2,000	2,937	(937)
Directors' Fees, Including Payroll Taxes	7,800	8,709	(909)
Postage and Supplies	9,900	5,171	4,729
Garbage Collection	58,920	72,270	(13,350)
Insurance	2,500	2,645	(145)
Miscellaneous	55,374	45,377	9,997
Depreciation	-	62,467	(62,467)
<b>TOTAL OPERATING EXPENSES</b>	<u>848,249</u>	<u>979,322</u>	<u>(131,073)</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(366,189)</u>	<u>(330,496)</u>	<u>35,693</u>
<b>NONOPERATING REVENUES:</b>			
Property Taxes, Including Penalties	560,025	590,637	30,612
Investment Earnings	57,673	25,575	(32,098)
Miscellaneous	-	732	732
<b>TOTAL NONOPERATING REVENUES</b>	<u>617,698</u>	<u>616,944</u>	<u>(754)</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 251,509</u>	<u>\$ 286,448</u>	<u>\$ 34,939</u>

See accompanying independent auditor's report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19**

**SUPPLEMENTARY INFORMATION REQUIRED BY THE  
WATER DISTRICT FINANCIAL MANAGEMENT GUIDE**

**SEPTEMBER 30, 2020**

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
SERVICES AND RATES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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

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

**2. RETAIL SERVICE PROVIDERS**

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

Based on the rate order dated: September 5, 2013

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate per 1,000 Gallons over Minimum Use</u>	<u>Usage Levels</u>
WATER:	\$ 67.80	-	N	\$ 2.35 \$ 2.85 \$ 3.35 \$ 3.85 \$ 4.35	0 to 5,000 5,001 to 25,000 25,001 to 45,000 45,001 to 70,000 70,001 and above
WASTEWATER:	\$ 50.82	2,000 gallons	N	\$ 1.50	2,000 and above

District employs winter averaging for wastewater usage?      Yes   X        No \_\_\_\_\_

Total charges per 10,000 gallons usage:      Water: \$ 93.80      Wastewater: \$ 62.82

See accompanying independent auditor's report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
SERVICES AND RATES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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

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

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
5/8"	<u>                    </u>	<u>                    </u>	x 1.0	<u>                    </u>
≤3/4"	<u>                  190</u>	<u>                  190</u>	x 1.0	<u>                  190</u>
1"	<u>                    4</u>	<u>                    4</u>	x 2.5	<u>                  10</u>
1½"	<u>                    </u>	<u>                    </u>	x 5.0	<u>                    </u>
2"	<u>                    5</u>	<u>                    5</u>	x 8.0	<u>                  40</u>
3"	<u>                    </u>	<u>                    </u>	x 15.0	<u>                    </u>
4"	<u>                    </u>	<u>                    </u>	x 25.0	<u>                    </u>
6"	<u>                    </u>	<u>                    </u>	x 50.0	<u>                    </u>
8"	<u>                    </u>	<u>                    </u>	x 80.0	<u>                    </u>
10"	<u>                    </u>	<u>                    </u>	x 115.0	<u>                    </u>
Total Water Connections	<u>          199</u>	<u>          199</u>		<u>          240</u>
Total Wastewater Connections	<u>          138</u>	<u>          138</u>	x 1.0	<u>          138</u>

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

Total Gallons Purchased:	110,510,000	Water Accountability Ratio:
		(Gallons billed and sold /Gallons pumped and purchased)
Total Gallons Sold:	100,464,000	<u>                  90.91%</u>

See accompanying independent auditor's report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
SERVICES AND RATES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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

Does the District have Debt Service standby fees?                      Yes       No

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

**5. LOCATION OF DISTRICT:**

Is the District located entirely within one county?

Yes                       No

County or Counties in which District is located:

Travis County, Texas

Is the District located within a city?

Entirely                       Partly                       Not at all

City in which District is located:

N/A

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

Entirely                       Partly                       Not at all

ETJ in which District is located:

Austin, Texas

Are Board Members appointed by an office outside the District?

Yes                       No

See accompanying independent auditor's report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
ENTERPRISE FUND EXPENDITURES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

PROFESSIONAL FEES:	
Legal	\$ 82,351
Engineering	61,965
Auditing	<u>17,000</u>
TOTAL PROFESSIONAL FEES	<u>\$ 161,316</u>
CONTRACTED SERVICES:	
Management Services	\$ 121,347
Appraisal District	2,537
Bookkeeping	15,250
Tax Collector	400
Other Contracted Services	<u>5,063</u>
TOTAL CONTRACTED SERVICES	<u>\$ 144,597</u>
REPAIRS AND MAINTENANCE	<u>\$ 73,195</u>
ADMINISTRATIVE EXPENDITURES:	
Director Fees, Including Payroll Taxes	\$ 8,709
Insurance	2,645
Legal Notices	1,245
Office Supplies and Postage	5,171
Credit Card and Bank Fees	11,354
Other	<u>10,985</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 40,109</u>
DEPRECIATION EXPENSE	<u>\$ 62,467</u>
SOLID WASTE DISPOSAL	<u>\$ 72,270</u>
OTHER EXPENDITURES:	
Bulk Water Purchases	\$ 278,400
Bulk Wastewater Purchases	113,358
Special Projects	12,900
Laboratory Fees	1,150
Permit Fees	1,553
Inspection Fees	58
Regional Water Authority Assessment	2,957
Other	<u>14,992</u>
TOTAL OTHER EXPENDITURES	<u>\$ 425,368</u>
TOTAL EXPENDITURES	<u>\$ 979,322</u>

See accompanying independent auditor's report.



**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
INVESTMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

<u>Funds</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>	<u>Accrued Interest Receivable at End of Year</u>
TexPool	XXXX0001	Varies	Daily	\$ 1,661,892	\$
TexPool	XXXX0002	Varies	Daily	255,747	
TexPool	XXXX0003	Varies	Daily	60,976	
TexPool	XXXX0004	Varies	Daily	567,436	
TexPool	XXXX0005	Varies	Daily	<u>264,740</u>	<u>                    </u>
<b>TOTAL</b>				<u><u>\$ 2,810,791</u></u>	<u><u>\$ - 0 -</u></u>

See accompanying independent auditor's report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
TAXES LEVIED AND RECEIVABLE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Maintenance Taxes	
TAXES RECEIVABLE -		
OCTOBER 1, 2019	\$ 3,418	
Adjustments to Beginning		
Balance	-	\$ 3,418
Original 2019 Tax Levy	\$ 587,805	
Adjustment to 2019 Tax Levy	(2,022)	585,783
TOTAL TO BE		
ACCOUNTED FOR		\$ 589,201
 TAX COLLECTIONS:		
Prior Years	\$ 3,369	
Current Year	581,744	585,113
 TAXES RECEIVABLE -		
SEPTEMBER 30, 2020		\$ 4,088
 TAXES RECEIVABLE BY		
YEAR:		
2019		\$ 4,039
2018		49
TOTAL		\$ 4,088

See accompanying independent auditor's report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
TAXES LEVIED AND RECEIVABLE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
TOTAL PROPERTY VALUATIONS	<u>\$ 227,488,647</u>	<u>\$ 214,282,043</u>	<u>\$ 222,967,836</u>	<u>\$ 214,518,846</u>
TAX RATE PER \$100 VALUATION:				
Maintenance	<u>\$ 0.2575</u>	<u>\$ 0.2575</u>	<u>\$ 0.2307</u>	<u>\$ 0.2250</u>
ADJUSTED TAX LEVY*	<u>\$ 585,783</u>	<u>\$ 551,776</u>	<u>\$ 514,387</u>	<u>\$ 482,667</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>99.31 %</u>	<u>99.99 %</u>	<u>100.00 %</u>	<u>100.00 %</u>

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

Maintenance Tax – The maximum allowable maintenance tax of \$1.00 was established by voters at an election held on November 2, 1993.

See accompanying independent auditor's report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES  
ENTERPRISE FUND - FIVE YEARS**

	Amounts		
	2020	2019	2018
<b>OPERATING AND NONOPERATING REVENUES:</b>			
Water and Wastewater Services	\$ 648,826	\$ 607,046	\$ 661,668
Property Taxes, Including Penalties	590,637	550,589	520,389
Investment Earnings and Other	26,307	57,676	36,397
<b>TOTAL OPERATING AND NONOPERATING REVENUES</b>	<b>\$ 1,265,770</b>	<b>\$ 1,215,311</b>	<b>\$ 1,218,454</b>
<b>OPERATING EXPENDITURES:</b>			
Water and Wastewater Purchases	\$ 391,758	\$ 418,136	\$ 528,247
Repairs and Maintenance	73,195	38,814	69,714
Special Projects	12,900	27,113	26,807
Management Services	121,347	129,805	126,762
Legal Fees	82,351	64,858	56,718
Engineering Fees	61,965	24,673	13,878
Audit Fees	17,000	16,983	16,150
Accounting Fees	15,250		
Other Professional Fees	3,980	825	
Tax Appraisal and Collection Fees	2,937	2,448	2,419
Directors' Fees, Including Payroll Taxes	8,709	6,900	8,400
Postage and Supplies	5,171	5,723	7,894
Garbage Collection	72,270	60,861	64,726
Insurance	2,645	2,503	2,500
Miscellaneous	45,377	64,643	52,384
Depreciation	62,467	62,462	54,624
<b>TOTAL EXPENDITURES</b>	<b>\$ 979,322</b>	<b>\$ 926,747</b>	<b>\$ 1,031,223</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 286,448</b>	<b>\$ 288,564</b>	<b>\$ 187,231</b>
<b>BEGINNING NET POSITION</b>	<b>3,146,174</b> *	<b>3,034,851</b>	<b>2,847,620</b>
<b>ENDING NET POSITION</b>	<b>\$ 3,432,622</b>	<b>\$ 3,323,415</b>	<b>\$ 3,034,851</b>
<b>TOTAL ACTIVE RETAIL WATER CONNECTIONS</b>	<b>199</b>	<b>198</b>	<b>198</b>
<b>TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS</b>	<b>138</b>	<b>138</b>	<b>138</b>

\* As adjusted.

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2017	2016	2020	2019	2018	2017	2016
\$ 662,232	\$ 640,229	51.2 %	50.0 %	54.3 %	57.1 %	57.0 %
482,667	476,590	46.7	45.3	42.7	41.6	42.5
<u>14,693</u>	<u>5,328</u>	<u>2.1</u>	<u>4.7</u>	<u>3.0</u>	<u>1.3</u>	<u>0.5</u>
<u>\$ 1,159,592</u>	<u>\$ 1,122,147</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 444,554	\$ 326,246	31.0 %	34.5 %	43.4 %	38.3 %	29.1 %
61,943	73,197	5.8	3.2	5.7	5.3	6.5
31,231	92,279	1.0	2.2	2.2	2.7	8.2
125,951	127,066	9.6	10.7	10.4	10.9	11.3
55,113	41,806	6.5	5.3	4.7	4.8	3.7
34,836	15,245	4.9	2.0	1.1	3.0	1.4
16,000	15,700	1.3	1.4	1.3	1.4	1.4
		1.2				
		0.3	0.1			
2,344	2,522	0.2	0.2	0.2	0.2	0.2
9,000	7,200	0.7	0.6	0.7	0.8	0.6
11,296	9,832	0.4	0.5	0.6	1.0	0.9
63,016	57,192	5.7	5.0	5.3	5.4	5.1
2,288	2,226	0.2	0.2	0.2	0.2	0.2
41,835	44,357	3.6	5.3	4.3	3.6	4.0
<u>60,239</u>	<u>77,124</u>	<u>4.9</u>	<u>5.1</u>	<u>4.5</u>	<u>5.2</u>	<u>6.9</u>
<u>\$ 959,646</u>	<u>\$ 891,992</u>	<u>77.3 %</u>	<u>76.3 %</u>	<u>84.6 %</u>	<u>82.8 %</u>	<u>79.5 %</u>
\$ 199,946	\$ 230,155	<u>22.7 %</u>	<u>23.7 %</u>	<u>15.4 %</u>	<u>17.2 %</u>	<u>20.5 %</u>
<u>2,647,674</u>	<u>2,417,519</u>					
<u>\$ 2,847,620</u>	<u>\$ 2,647,674</u>					
<u>198</u>	<u>198</u>					
<u>138</u>	<u>138</u>					

See accompanying independent auditor's report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS  
SEPTEMBER 30, 2020**

District Mailing Address - c/o Willatt & Flickinger, PLLC  
12912 Hill Country Blvd., Suite F-232, Austin, Texas 78738

District Telephone Number - (512) 476-6604

<b>Board Members</b>	Term of Office (Elected or Appointed)	Fees of Office for the year ended September 30, 2020	Expense Reimbursements for the year ended September 30, 2020	Title
Elmer Dangerfield	05/20 05/24 (Elected)	\$ 1,800	\$ -0-	President
Richard Walker	05/18 05/22 (Elected)	\$ 1,500	\$ -0-	Vice President
Presley Sheppard	05/18 05/22 (Elected)	\$ 1,800	\$ -0-	Secretary
David Risser	05/20 05/24 (Elected)	\$ 1,800	\$ -0-	Treasurer
E. Blake Mosher	05/18 05/22 (Elected)	\$ 1,350	\$ -0-	Director

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

Submission date of most recent District Registration Form: June 9, 2020

The limit on Fees of Office that a Director may receive during a fiscal year is \$7,200 as set by Board Resolution (TWC Section 49.060). Fees of Office are the amounts actually paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.

**TRAVIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 19  
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS  
SEPTEMBER 30, 2020**

	Date Hired	Fees for the year ended September 30, 2020	Title
<b>Consultants:</b>			
Willatt & Flickinger, PLLC	06/12/91	\$ 84,333	Attorney
Gray Engineering, Inc.	02/27/97	\$ 78,769	Engineer
AWR Services, Inc.	01/01/01	\$ 171,052	General Manager
Berrier & Company, P.C.	12/19/19	\$ 15,250	Bookkeeper
McCall Gibson Swedlund Barfoot PLLC	09/24/20	\$ -0-	Auditor
RSM US LLP	09/25/97	\$ 17,000	Former Auditor
Travis County Tax Assessor-Collector	04/01/94	\$ 400	Tax Assessor/ Collector

See accompanying independent auditor's report.

