

HIGH POINT SPECIAL UTILITY DISTRICT
16983 Valley View Road, Forney, Texas 75126
(972) 564-3801

NOTICE OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

DATE: Thursday, May 23, 2024
TIME: 1:00 p.m.
PLACE: 16983 Valley View Road, Forney, Kaufman County, Texas

AGENDA

1. Call meeting to order.
2. Issue Oath of Office to newly elected Directors.
3. Elect officers.
4. Public Forum. (3 minutes per speaker; see Notice below)
5. Approval of March 21, 2024, regular board meeting minutes and April 22, 2024, special board meeting minutes.
6. Review and accept February, March, and April monthly financial reports.
7. Presentation of the District's audit for the Fiscal Year 2022-2023 conducted by Rutherford, Taylor & Co. PC.
8. Building committee update.
9. Discuss and act on the final draw request from Grossman for constructing the new office building.
10. Recess into Executive Session pursuant to Texas Government Code Section 551.071 to consult with the District's general or special legal counsel about pending litigation:
 - (a) Linda Stewart vs. High Point WSC/SUD, Cause No. 109580-86, in the 86th District Court, Kaufman County.
 - (b) Evelyn Dangerfield's Appeal of the Cost of Obtaining Service from High Point Special Utility District (PUC Docket No. 54666).
11. Reconvene into an open session and take any appropriate action on matters discussed in the executive session.
12. Attorney's report. Attorney James Wilson may report on the following District related matters: easements; vendor contracts; interlocal governmental agreements and relations; developments and subdivisions; nonstandard service contracts; regulatory compliance issues; district policies and rules; customer disputes; open meetings and public information acts; employees; and matters related to the District's certificate of convenience and necessity and boundaries.
13. Engineer's report: Tyler Hendrickson, P.E. may report on the following matters: standard drawings and details; comprehensive planning; future and ongoing water facilities construction projects; storage capacity issues; new or proposed subdivisions and commercial developments; relocating waterlines to accommodate widened roads, streets, and highways; project bids and proposals; project costs and financing.
14. General Manager and Office Manager's Report: John Washburn and Erica Parnell may report on water loss; water system maintenance and status; meters set; funding, planning, and construction of new facilities; monthly billing; service accounts; water supply matters; updates on residential and commercial developments; easements; contracts; customer relations; equipment status and needs; staff policies and general personnel matters; revenues and expenses; and other matters related to the foregoing items.
15. Adjourn.

CERTIFICATION

I certify that this Agenda was posted on May 17, 2024, at approximately 3:30 p.m., as follows: (i) in the front window of the High Point SUD's regular offices located at 16983 Valley View Road, Forney, Kaufman County, Texas, facing the front and visible to the public at all times for at least 72 continuous hours prior to the scheduled meeting; (ii) with the County Clerks of Kaufman and Rockwall Counties; and, (iii) on High Point SUD's official website: www.highpointsud.com/agendas.



Erica Parnell, Office Manager/Assistant Secretary

NOTICE

1. The Board of Directors reserves the right to recess into executive or closed session to consult with the High Point SUD's attorney about any item listed on this Agenda whenever it is considered necessary and legally justified under the Texas Open Meetings Act, Section 551.071 of the Texas Government Code.
2. The Board may vote or act on any item listed on this Agenda.
3. During Public Comment, individuals may address the Board about matters not listed on this Agenda. Each speaker shall be limited to 3 minutes. The Board is prohibited from deliberating or acting on any matter presented during Public Comment.
4. Persons with disabilities who plan to attend a Board meeting and may need auxiliary aid or assistance should contact the Office Manager, Erica Parnell, at least two working days prior to the scheduled meeting by telephone at (972) 564-3801 or by email to erica@highpointsud.com. Braille is not available.
5. One or more members of the Board of Directors may participate remotely by telephone or video conference in compliance with the Texas Open Meetings Act. The location identified on this Agenda is the location at which the presiding officer and a quorum of the Board will be physically present during the meeting.

HIGH POINT SPECIAL UTILITY DISTRICT
16983 Valley View Road, Forney, Texas 75126
(972) 564-3801

NOTICE OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

DATE: Thursday, March 21, 2024
TIME: 12:00 p.m.
PLACE: 16983 Valley View Road, Forney, Kaufman County, Texas

AGENDA

1. **Call meeting to order.** President Susie Taylor called the meeting to order at 12:02 p.m. Board Members present: Susie Taylor, David Lewis, Gloria Stidham, Kim Ewell, Darrell Hobbs, Mark Taylor, and Jacob Barkham via Zoom. A quorum was present. Staff present: John Washburn, General Manager; Mindi Letchworth, Development & Operations Supervisor; James Wilson, Attorney, via Zoom; Tyler Hendrickson, Engineer, via Zoom.
2. **Public Forum. (3 minutes per speaker; see Notice below)** John Arnold, with Skorburg Development, discussed item number 14 of the Agenda concerning the proposed agreement between High Point SUD and Skorburg Retail Corporation regarding the location of a future water tower in the McLendon Chisholm city limits for the planned subdivision Ridge Point Estates.
3. **Approval of February 15, 2024, regular meeting minutes.** Darrell Hobbs motioned to approve the regular meeting minutes on February 15, 2024, with a correction to the draw number changing from 7th to 9th in item 6. Gloria Stidham seconded the motion. The vote passed 6-0.
4. **Review and accept February monthly financial reports.** None.
5. **Building committee update.** Informed the Board of Directors that the final walk-through is scheduled for March 21, 2024, at 1:30 pm, and there was a credit issued for the columns.
6. **Discuss and act on the 10th draw request from Grossman for constructing the new office building.** Darrell Hobbs motioned to approve the 10th draw request seconded by Kim Ewell. The vote passed unanimously.
7. **Discuss and act on an invoice from Angels Welding LLC for constructing the new shop next to the new office building.** No action was taken.
8. **Discuss and act on bids for the demolition of the existing office building.** Gloria Stidham motioned to accept the bid from Evotran for \$12,000. Mark Taylor seconded the motion, and the motion passed 6-0.
9. **Discuss and act on Resolution 2024-001 appointing Erica Parnell to the position of Assistant General Manager.** Mark Taylor motioned to approve Resolution 2024-001. Kim Ewell seconded the motion, and it passed unanimously.
10. **Discuss and act on Ordinance No. 2024-002 canceling the general election ordered to be held on Saturday, May 4, 2024, and declaring an unopposed candidate from both District 2 and District 6 elected to the Board of Directors.** David Lewis motioned to approve Ordinance No. 2024-002. Mark Taylor seconded it. The motion passed 6-0.
11. **Discuss and act on a price increase from CTEX and Consolidated Tank for work on district ground storage tanks at Pump Station #1.** Tyler Hendrickson explained that this improvement was not included in the original project because it was scheduled for a later date. After the bids were discussed, Mark Taylor motioned to accept the bid of John and Tyler's choosing, not to exceed \$37,500. Kim Ewell seconded the motion, and it was passed unanimously.
12. **Discuss and act on a proposal from Fire Hydrant Servicing to paint the fire hydrants in Devonshire and the fire hydrants on Falcon Way.** Mark Taylor motioned to accept the bid from Fire Hydrant Servicing, which Gloria Stidham seconded. The vote passed 6-0.

13. **Discuss and act on proposed electric line easements to serve Pump Station #1 and the new shop.** Gloria Stidham motioned to approve John Washburn signing the Farmer's Electric Co-Op easements for Pump Station #1 and the new shop behind the new office building. Darrell Hobbs seconded the motion. The motion passed 6-0.
14. **Discuss and act on a proposed agreement between Altura Homes, the City of McLendon-Chisholm, High Point SUD, and Skorburg Retail Corporation confirming the location of a future water tower.** James Wilson explained that the City of McLendon Chisholm did not need to be included in the location of the water tower agreement. David Lewis motioned to approve the agreement with James Wilson's edits. Kim Ewell seconded the motion. The motion passed 6-0.
15. **Discuss and act on a Non-Standard Service Contract for Water Utility Service for the Ridge Point Estates subdivision located immediately northwest of the intersection of Chapel Hill Lane and County Road 550 in the City of McLendon-Chisolm, Rockwall County.** Kim Ewell motioned to approve the Non-Standard Service Contract for the Ridge Point Estates subdivision, seconded by Darrell Hobbs. The vote passed 6-0.
16. **Recess into Executive Session pursuant to Texas Government Code Section 551.071 to consult with the District's general or special legal counsel about pending litigation:** recessed into executive session at 1:10 pm.
 - (a) **High Point Water Supply Corporation and High Point Special Utility District vs. Peter Lake, Will McAdams, Lori Cobos, Jimmy Glotfelty, and Kathleen Jackson in their official capacities as Commissioners of the Public Utility Commission of Texas; and Thomas Gleeson, in his official capacity as Executive Director of the Public Utility Commission of Texas, Civil Action: 1:23-cv-00013-LY, in the U.S. District Court for the Western District of Texas, Austin Division.**
 - (b) **Linda Stewart vs. High Point WSC/SUD, Cause No. 109580-86, in the 86th District Court, Kaufman County.**
 - (c) **Evelyn Dangerfield's Appeal of the Cost of Obtaining Service from High Point Special Utility District (PUC Docket No. 54666).**
17. **Reconvene into an open session and take any appropriate action on matters discussed in the executive session.** Reconvened into an open session at 1:17 pm with no action taken.
18. **Attorney's report.** Attorney James Wilson may report on the following District related matters: easements; vendor contracts; interlocal governmental agreements and relations; developments and subdivisions; non-standard service contracts; regulatory compliance issues; district policies and rules; customer disputes; open meetings and public information acts; employees; and matters related to the District's certificate of convenience and necessity and boundaries. None
19. **Engineer's report:** Tyler Hendrickson, P.E. may report on the following matters: standard drawings and details; comprehensive planning; future and ongoing water facilities construction projects; storage capacity issues; new or proposed subdivisions and commercial developments; relocating waterlines to accommodate widened roads, streets, and highways; project bids and proposals; project costs and financing. Discussed item number 11, 14, and 15.
20. **General Manager and Office Manager's Report:** John Washburn and Erica Parnell may report on water loss; water system maintenance and status; meters set; funding, planning, and construction of new facilities; monthly billing; service accounts; water supply matters; updates on residential and commercial developments; easements; contracts; customer relations; equipment status and needs; staff policies and general personnel matters; revenues and expenses; and other matters related to the foregoing items. Discussed employing another Operator.
21. **Adjourn.** Adjourned at 1:29 pm.

CERTIFICATION

I certify that this Agenda was posted on March 18, at approximately 12:00 p.m., as follows: (i) in the front window of the High Point SUD's regular offices located at 16983 Valley View Road, Forney, Kaufman County, Texas, facing the front and visible to the public at all times for at least 72 continuous hours prior to the scheduled meeting; (ii) with the County Clerks of Kaufman and Rockwall Counties; and, (iii) on High Point SUD's official website: www.highpointsud.com/agendas.



Erica Parnell, Office Manager/Assistant Secretary

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HIGH POINT SPECIAL UTILITY DISTRICT
16983 Valley View Road, Forney, Texas 75126
(972) 564-3801

NOTICE OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

DATE: Monday, April 22, 2024
TIME: 1:00 p.m.
PLACE: 16983 Valley View Road, Forney, Kaufman County, Texas

AGENDA

1. **Call meeting to order.** President Susie Taylor called the meeting to order at 1:05 p.m. Board Members present: Susie Taylor, David Lewis, Gloria Stidham, Darrell Hobbs, Mark Taylor, and Jacob Barkham. A quorum was present. Staff present: John Washburn, General Manager; Erica Parnell, Assistant General Manager; Mindi Letchworth, Development & Operations Supervisor.
2. **Public Forum. (3 minutes per speaker; see Notice below)** none
3. **Building committee update.** Gloria Stidham informed the Board of Directors that the employees have officially moved into the new building and that Grossman will be replacing the granite counter tops because of the seem issue. Gloria also informed the Board of Directors the new shop has been placed on a hold because we are waiting for the electric and gas connection.
 - (a) **Discuss and act on the 11th draw request from Grossman for constructing the new office building.** Gloria made a motion to approve the 11th draw request and was seconded by Darrell Hobbs. The vote passed unanimously.
 - (b) **Discuss and approve payment for the invoice from Angels Welding LLC.** Gloria Stidham motioned to approve the payment for the invoice from Angels Welding seconded by Mark Taylor. The vote passed 5-0.
 - (c) **Discuss and approve payment for the RL Design & System Integration invoice.** Gloria Stidham motioned to approve the RL Design & System Integration invoice seconded by Mark Taylor. The vote passed 5-0.
4. **Discuss and approve the quote from Smith Pump Company for the Paco End Suction Pump at Ranch Road Pump Station.** Darrell Hobbs made a motion to approve the quote from Smith Pump Company for the Paco End Suction Pump at the Ranch Road Pump Station. David Lewis seconded the motion and the vote passed 5-0.
5. **General Manager and Office Manager's Report: John Washburn and Erica Parnell may report on water loss; water system maintenance and status; meters set; funding, planning, and construction of new facilities; monthly billing; service accounts; water supply matters; updates on residential and commercial developments; easements; contracts; customer relations; equipment status and needs; staff policies and general personnel matters; revenues and expenses; and other matters related to the foregoing items.** None.
6. **Adjourn.** Adjourned at 1:23 pm.

CERTIFICATION

I certify that this Agenda was posted on April 18, 2024, at approximately 3:30 p.m., as follows: (i) in the front window of the High Point SUD's regular offices located at 16983 Valley View Road, Forney, Kaufman County, Texas, facing the front and visible to the public at all times for at least 72 continuous hours prior to the scheduled meeting; (ii) with the County Clerks of Kaufman and Rockwall Counties; and, (iii) on High Point SUD's official website: www.highpointsud.com/agendas.



Erica Parnell, Office Manager/Assistant Secretary

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5. The location identified on this Agenda is the location at which the presiding officer will be physically present and presiding over the meeting. Members of the Board of Directors may be participating remotely in compliance with the Texas Open Meetings Act.

High Point Special Utility District
Financial Statements
February 29, 2024

Draft

MCPA, PC

Certified Public Accountants

KYLE CAPERTON, CPA | ERIC PASCHALL, CPA | KYLE ALLIS, CPA

Independent Accountant's Compilation Report

To the Board of Trustees of
High Point Special Utility District
Forney, Texas

Management is responsible for the accompanying financial statements of High Point Special Utility District (a nonprofit organization), which comprise the statement of financial position as of February 29, 2024, and the related statements of activities and change in net assets for the one month and five months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Organization's financial position and changes in net assets. Accordingly, these financial statements are not designed for those who are not informed about such matters.

MCPA, PC
Forney, Texas

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF FINANCIAL POSITION
FEBRUARY 29, 2024

ASSETS

Current Assets:

Cash and Cash Equivalents			
Construction Acct 4056	\$		3,200
Deposit Acct 7930			524,099
Infrastructure #7773			2,419,268
Meadow Ridge Dev. Bank #7955			1,040,156
Rockwall 160 Prop #7997			304
SUD General Operating Acct 7716			4,671,121
Tellus Group #7971			621,722
WSC Regular Checking Acct 0180			781,199
Total Cash and Cash Equivalents			10,061,068
P & I Sinking Fund			54,192
CD-Restricted			1,407,804
Construction in Progress			
205 Project			143,688
548 Project			308,289
Meadow Ridge Development Project			2,209,537
New Office Bldg			1,762,350
Pump Station #1 Improvements			515,846
Pump Station #2 Phase 3			707,181
Total Construction in Progress			5,646,890
Accounts receivable, net of allowance			484,377
Prepaid Expenses			22,338
Total Current Assets:			17,676,670

Fixed Assets:

Plant, property and equipment			18,235,010
Less Accumulated Depreciation			(4,760,648)
Total Fixed Assets			13,474,362

			\$ 31,151,032
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HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF FINANCIAL POSITION
FEBRUARY 29, 2024

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accrued Sewer Payable	\$	200,910
Accrued Trash Payable		2,797
CareFlight Payable		4,135
Customer Deposits		535,037
Deferred Revenue		988,115
TCEQ Payable		2,036
Unclaimed Property		1,600
Total Current Liabilities		<u>1,734,631</u>
Long Term Liabilities:		
Notes payable		<u>200,740</u>
Total Long Term Debt		<u>200,740</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt		13,273,621
Unrestricted		15,942,039
Total Net Assets		<u>29,215,660</u>
Total Liabilities and Net Assets	\$	<u><u>31,151,032</u></u>

See independent accountant's compilation report.

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE ONE MONTH AND FIVE MONTHS ENDED FEBRUARY 29, 2024

	<u>Feb-24</u>	<u>Oct 23 - Feb 24</u>
Revenue:		
Water sales	\$ 405,792	\$ 2,632,223
Sewer Income	6,214	39,613
Trash Income	87	420
Fees & Adjustments	480	(30,335)
Special Income		
Administrative Income	4,018	10,008
Backflow Income	8,300	21,250
CSI Fee Income	6,510	23,810
Damage Fees	4,864	14,472
Disconnect Fees Income	4,200	13,100
Late charges	14,970	74,833
McLendon Chisholm Income	87	162
Installation Fee Income	100,350	390,598
Re-Connect Fee Income	0	0
Returned Checks	1,300	6,550
Service Trip	10,125	25,500
Total Revenue	<u>567,295</u>	<u>3,222,205</u>
Expenses:		
Water expense	234,161	1,170,806
Repairs and maintenance	6,185	69,458
Payroll and benefit expense	50,516	312,834
Truck and auto expense	2,526	15,049
Insurance expense	22,345	84,306
Retirement	4,764	28,121
Professional fees	107,825	206,540
Field expenses	(2,340)	298,992
Travel Expense	0	0
Utilities and telephone	3,611	31,579
Office and administrative	12,625	110,734
Depreciation and amortization	46,042	230,208
Contract services	600	600
Total Expenses	<u>488,860</u>	<u>2,559,228</u>
Net operating income (loss)	<u>78,435</u>	<u>662,978</u>
Non-Operating Income (Expenses):		
Developer Contributions		
Engineering Study	838,314	2,734,147
Interest Income	6,521	44,221
Interest Expense	(1,127)	(5,820)
Total Non-Operating Income (Expenses)	<u>843,708</u>	<u>2,772,547</u>

See independent accountant's compilation report.

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE ONE MONTH AND FIVE MONTHS ENDED FEBRUARY 29, 2024

	<u>Feb-24</u>	<u>Oct 23 - Feb 24</u>
Change in Net Assets:	922,142	3,435,525
Total Net Assets - Beginning		<u>25,780,135</u>
Total Net Assets - Ending		<u>\$ 29,215,660</u>

Draft

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS - SUPPLEMENTAL REPORT
FOR THE THREE MONTHS

	Feb-24	Jan-24	Dec-23
Revenue:			
Water sales	\$ 405,792	\$ 422,065	\$ 446,110
Sewer Income	6,214	5,933	8,849
Trash Income	87	84	83
Fees & Adjustments	480	(294)	(134)
Special Income			
Administrative Income	4,018	1,838	808
Backflow Income	8,300	0	2,850
CSI Fee Income	6,510	3,600	2,400
Damage Fees	4,864	3,676	1,322
Disconnect Fees Income	4,200	800	1,400
Late charges	14,970	12,981	15,844
McLendon Chisholm Income	87	75	0
Installation Fee Income	100,350	58,800	46,263
Re-Connect Fee Income	0	0	0
Returned Checks	1,300	1,350	1,050
Service Trip	10,125	4,650	3,150
Total Revenue	567,295	515,559	529,995
Expenses:			
Water expense	234,161	234,161	234,161
Repairs and maintenance	6,185	12,334	6,381
Payroll and benefit expense	50,516	62,154	50,388
Truck and auto expense	2,526	5,099	0
Insurance expense	22,345	31,939	0
Retirement	4,764	4,004	4,452
Professional fees	107,825	36,824	27,740
Field expenses	(2,340)	19,824	10,454
Travel Expense	0	0	0
Utilities and telephone	3,611	6,930	8,114
Office and administrative	12,625	66,362	12,196
Depreciation and amortization	46,042	46,042	46,042
Contract services	600	0	0
Total Expenses	488,860	525,672	399,927
Net operating income (loss)	78,435	(10,113)	130,067
Non-Operating Income (Expenses):			
Developer Contributions			
Engineering Study	838,314	14,468	1,256,385
Interest Income	6,521	7,937	9,072
Interest expense	(1,127)	(1,146)	(1,164)
Total non-operating income (expenses)	843,708	21,259	1,264,293
Change in net assets	922,142	11,146	1,394,361

See independent accountant's compilation report.

High Point Special Utility District
Financial Statements
March 31, 2024

Draft

MCPA, PC

Certified Public Accountants

KYLE CAPERTON, CPA | ERIC PASCHALL, CPA | KYLE ALLIS, CPA

Independent Accountant's Compilation Report

To the Board of Trustees of
High Point Special Utility District
Forney, Texas

Management is responsible for the accompanying financial statements of High Point Special Utility District (a nonprofit organization), which comprise the statement of financial position as of March 31, 2024, and the related statements of activities and change in net assets for the one month and six months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Organization's financial position and changes in net assets. Accordingly, these financial statements are not designed for those who are not informed about such matters.

MCPA, PC
Forney, Texas

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2024

ASSETS

Current Assets:

Cash and Cash Equivalents		
Construction Acct 4056	\$	3,200
Deposit Acct 7930		524,987
Infrastructure #7773		1,822,344
Meadow Ridge Dev. Bank #7955		1,041,926
Rockwall 160 Prop #7997		305
SUD General Operating Acct 7716		4,916,587
Tellus Group #7971		603,188
WSC Regular Checking Acct 0180		766,293
Total Cash and Cash Equivalents		9,678,830

P & I Sinking Fund		54,192
CD-Restricted		1,407,804

Construction in Progress		
205 Project		181,613
548 Project		308,289
Mann Ranch		19,223
Meadow Ridge Development Project		2,209,537
New Office Bldg		1,976,187
Pump Station #1 Improvements		840,405
Pump Station #2 Phase 3		707,181
Total Construction in Progress		6,242,434

Accounts receivable, net of allowance		395,785
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Total Current Assets:		17,779,044
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Fixed Assets:

Plant, property and equipment		18,235,010
Less Accumulated Depreciation		(4,806,689)
Total Fixed Assets		13,428,320

Total Assets		\$ 31,207,365
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HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2024

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accrued Sewer Payable	\$	199,963
Accrued Trash Payable		2,739
CareFlight Payable		4,210
Customer Deposits		554,240
Deferred Revenue		988,115
TCEQ Payable		2,029
Unclaimed Property		1,600
Total Current Liabilities		<u>1,752,895</u>
Long Term Liabilities:		
Notes payable		<u>197,333</u>
Total Long Term Debt		<u>197,333</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt		13,230,988
Unrestricted		16,026,149
Total Net Assets		<u>29,257,137</u>
Total Liabilities and Net Assets	\$	<u><u>31,207,365</u></u>

See independent accountant's compilation report.

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE ONE MONTH AND SIX MONTHS ENDED MARCH 31, 2024

	Mar-24	Oct 23 - Mar 24
Revenue:		
Water sales	\$ 431,955	\$ 3,064,178
Sewer Income	6,184	45,798
Trash Income	85	505
Fees & Adjustments	225	(30,110)
Special Income		
Administrative Income	3,323	13,331
Backflow Income	13,450	34,700
CSI Fee Income	5,970	29,780
Damage Fees	6,116	20,589
Disconnect Fees Income	4,300	17,400
Late charges	15,450	90,283
McLendon Chisholm Income	66	229
Installation Fee Income	87,200	477,798
Re-Connect Fee Income	0	0
Returned Checks	950	7,500
Service Trip	6,300	31,800
Total Revenue	581,574	3,803,779
Expenses:		
Water expense	234,161	1,404,967
Repairs and maintenance	28,062	97,520
Payroll and benefit expense	52,208	365,042
Truck and auto expense	2,605	17,655
Insurance expense	36,132	120,438
Retirement	6,630	34,751
Professional fees	110,641	317,181
Field expenses	8,637	307,630
Travel Expense	0	0
Utilities and telephone	9,502	41,081
Office and administrative	11,695	122,429
Depreciation and amortization	46,042	276,249
Contract services	0	600
Total Expenses	546,314	3,105,542
Net operating income (loss)	35,260	698,237
Non-Operating Income (Expenses):		
Developer Contributions		
Engineering Study	0	2,734,147
Interest Income	7,325	51,546
Interest Expense	(1,108)	(6,928)
Total Non-Operating Income (Expenses)	6,217	2,778,764

See independent accountant's compilation report.

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE ONE MONTH AND SIX MONTHS ENDED MARCH 31, 2024

	<u>Mar-24</u>	<u>Oct 23 - Mar 24</u>
Change in Net Assets:	41,476	3,477,001
Total Net Assets - Beginning		<u>25,780,135</u>
Total Net Assets - Ending		<u>\$ 29,257,137</u>

Draft

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS - SUPPLEMENTAL REPORT
FOR THE THREE MONTHS

	Mar-24	Feb-24	Jan-24
Revenue:			
Water sales	\$ 431,955	\$ 405,792	\$ 422,065
Sewer Income	6,184	6,214	5,933
Trash Income	85	87	84
Fees & Adjustments	225	480	(294)
Special Income			
Administrative Income	3,323	4,018	1,838
Backflow Income	13,450	8,300	0
CSI Fee Income	5,970	6,510	3,600
Damage Fees	6,116	4,864	3,676
Disconnect Fees Income	4,300	4,200	800
Late charges	15,450	14,970	12,981
McLendon Chisholm Income	66	87	75
Installation Fee Income	87,200	100,350	58,800
Re-Connect Fee Income	0	0	0
Returned Checks	950	1,300	1,350
Service Trip	6,300	10,125	4,650
Total Revenue	<u>581,574</u>	<u>567,295</u>	<u>515,559</u>
Expenses:			
Water expense	234,161	234,161	234,161
Repairs and maintenance	28,062	6,185	12,334
Payroll and benefit expense	52,208	50,516	62,154
Truck and auto expense	2,605	2,526	5,099
Insurance expense	36,132	22,345	31,939
Retirement	6,630	4,764	4,004
Professional fees	110,641	107,825	36,824
Field expenses	8,637	(2,340)	19,824
Travel Expense	0	0	0
Utilities and telephone	9,502	3,611	6,930
Office and administrative	11,695	12,625	66,362
Depreciation and amortization	46,042	46,042	46,042
Contract services	0	600	0
Total Expenses	<u>546,314</u>	<u>488,860</u>	<u>525,672</u>
Net operating income (loss)	<u>35,260</u>	<u>78,435</u>	<u>(10,113)</u>
Non-Operating Income (Expenses):			
Developer Contributions			
Engineering Study	0	838,314	14,468
Interest Income	7,325	6,521	7,937
Interest expense	(1,108)	(1,127)	(1,146)
Total non-operating income (expenses)	<u>6,217</u>	<u>843,708</u>	<u>21,259</u>
Change in net assets	41,476	922,142	11,146

See independent accountant's compilation report.

High Point Special Utility District
Financial Statements
April 30, 2024

Draft

MCPA, PC

Certified Public Accountants

KYLE CAPERTON, CPA | ERIC PASCHALL, CPA | KYLE ALLIS, CPA

Independent Accountant's Compilation Report

To the Board of Trustees of
High Point Special Utility District
Forney, Texas

Management is responsible for the accompanying financial statements of High Point Special Utility District (a District), which comprise the statement of financial position as of April 30, 2024, and the related statements of activities and change in net assets for the one month and seven months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Organization's financial position and changes in net assets. Accordingly, these financial statements are not designed for those who are not informed about such matters.

MCPA, PC
Forney, Texas

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF FINANCIAL POSITION
APRIL 30, 2024

ASSETS

Current Assets:

Cash and Cash Equivalents		
Construction Acct 4056	\$	3,200
Deposit Acct 7930		525,847
Infrastructure #7773		1,078,344
Meadow Ridge Dev. Bank #7955		1,043,642
Rockwall 160 Prop #7997		305
SUD General Operating Acct 7716		5,162,320
Tellus Group #7971		604,178
WSC Regular Checking Acct 0180		752,667
Total Cash and Cash Equivalents		9,170,502

P & I Sinking Fund		54,192
CD-Restricted		1,407,804

Construction in Progress		
205 Project		236,643
548 Project		344,024
Mann Ranch		19,223
Meadow Ridge Development Project		2,209,537
New Office Bldg		2,092,327
Pump Station #1 Improvements		1,366,537
Pump Station #2 Phase 3		707,181
Total Construction in Progress		6,975,471

Accounts receivable, net of allowance		533,195
Total Current Assets:		18,141,164

Fixed Assets:

Plant, property and equipment		18,235,010
Less Accumulated Depreciation		(4,852,731)
Total Fixed Assets		13,382,279

Total Assets		\$ 31,523,443
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HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF FINANCIAL POSITION
APRIL 30, 2024

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accrued Sewer Payable	\$ 400,230
Accrued Trash Payable	5,420
CareFlight Payable	4,300
Customer Deposits	578,133
Deferred Revenue	988,115
TCEQ Payable	2,254
Unclaimed Property	1,600
Total Current Liabilities	1,980,052
Long Term Liabilities:	
Notes payable	193,906
Total Long Term Debt	193,906
Net Assets	
Invested in Capital Assets, Net of Related Debt	13,188,373
Unrestricted	16,161,112
Total Net Assets	29,349,485
Total Liabilities and Net Assets	\$ 31,523,443

See independent accountant's compilation report.

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE ONE MONTH AND SEVEN MONTHS ENDED APRIL 30, 2024

	Apr-24	Oct 23 - Apr 24
Revenue:		
Water sales	\$ 471,522	\$ 3,535,700
Sewer Income	6,236	52,034
Trash Income	84	589
Fees & Adjustments	(2,034)	(32,144)
Special Income		
Administrative Income	1,630	14,960
Backflow Income	4,700	39,400
CSI Fee Income	5,040	34,820
Damage Fees	1,377	21,966
Disconnect Fees Income	3,200	20,600
Late charges	14,517	104,800
McLendon Chisholm Income	73	301
Installation Fee Income	69,513	547,310
Returned Checks	800	8,300
Service Trip	5,250	37,050
Total Revenue	581,908	4,385,687
Expenses:		
Water expense	234,161	1,639,128
Repairs and maintenance	6,212	103,732
Payroll and benefit expense	60,474	425,516
Truck and auto expense	0	17,655
Insurance expense	11,920	132,358
Retirement	5,078	39,829
Professional fees	93,331	410,512
Field expenses	15,934	323,564
Travel Expense	173	173
Utilities and telephone	15,741	56,822
Office and administrative	5,503	127,932
Depreciation and amortization	46,042	322,291
Contract services	0	600
Total Expenses	494,570	3,600,112
Net operating income (loss)	87,338	785,575
Non-Operating Income (Expenses):		
Developer Contributions		
Engineering Study	0	2,734,147
Interest Income	6,100	57,646
Interest Expense	(1,089)	(8,018)
Total Non-Operating Income (Expenses)	5,010	2,783,775

See independent accountant's compilation report.

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE ONE MONTH AND SEVEN MONTHS ENDED APRIL 30, 2024

	<u>Apr-24</u>	<u>Oct 23 - Apr 24</u>
Change in Net Assets:	92,348	3,569,350
Total Net Assets - Beginning		<u>25,780,135</u>
Total Net Assets - Ending		<u><u>\$ 29,349,485</u></u>

Draft

HIGH POINT SPECIAL UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS - SUPPLEMENTAL REPORT
FOR THE THREE MONTHS

	Apr-24	Mar-24	Feb-24
Revenue:			
Water sales	\$ 471,522	\$ 431,955	\$ 405,792
Sewer Income	6,236	6,184	6,214
Trash Income	84	85	87
Fees & Adjustments	(2,034)	225	480
Special Income			
Administrative Income	1,630	3,323	4,018
Backflow Income	4,700	13,450	8,300
CSI Fee Income	5,040	5,970	6,510
Damage Fees	1,377	6,116	4,864
Disconnect Fees Income	3,200	4,300	4,200
Late charges	14,517	15,450	14,970
McLendon Chisholm Income	73	66	87
Installation Fee Income	69,513	87,200	100,350
Returned Checks	800	950	1,300
Service Trip	5,250	6,300	4,650
Total Revenue	<u>581,908</u>	<u>581,574</u>	<u>561,820</u>
Expenses:			
Water expense	234,161	234,161	234,161
Repairs and maintenance	6,212	28,062	6,185
Payroll and benefit expense	60,474	52,208	50,516
Truck and auto expense	0	2,605	2,526
Insurance expense	11,920	36,132	22,345
Retirement	5,078	6,630	4,764
Professional fees	93,331	110,641	107,825
Field expenses	15,934	8,637	(2,340)
Travel Expense	173	0	0
Utilities and telephone	15,741	9,502	3,611
Office and administrative	5,503	11,695	12,625
Depreciation and amortization	46,042	46,042	46,042
Contract services	0	0	600
Total Expenses	<u>494,570</u>	<u>546,314</u>	<u>488,860</u>
Net operating income (loss)	<u>87,338</u>	<u>35,260</u>	<u>72,960</u>
Non-Operating Income (Expenses):			
Developer Contributions			
Engineering Study	0	0	838,314
Interest Income	6,100	7,325	6,521
Interest expense	(1,089)	(1,108)	(1,127)
Total non-operating income (expenses)	<u>5,010</u>	<u>6,217</u>	<u>843,708</u>
Change in net assets	92,348	41,476	916,667

See independent accountant's compilation report.

APPLICATION AND CERTIFICATE FOR PAYMENT

TO OWNER:
 High Point Special Utility District
 16983 Valley View Rd
 Kaufman County
 FROM CONTRACTOR:
 Grossman Design Build, LLC
 1045 Mallock Rd.
 Mansfield, TX 76063

PROJECT:
 New Headquarters
 VIA ARCHITECT:

APPLICATION #: 11
 PERIOD TO: 04/17/24
 PROJECT NOS:
 CONTRACT DATE:
 Distribution to:
 Owner
 Const. Mgr
 Architect
 Contractor

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract
 Continuation Sheet is attached.

1. ORIGINAL CONTRACT SUM-----	\$	1,797,350.00
2. Net change by Change Orders-----	\$	-7,915.00
3. CONTRACT SUM TO DATE (Line 1 +/- 2)	\$	1,789,435.00
4. TOTAL COMPLETED & STORED TO DATE-\$	\$	1,758,715.77
5. RETAINAGE: (Column G on Continuation Sheet)		
a. 5.0% of Completed Work	\$	87,935.79
(Column D+E on Continuation Sheet)		
b. _____ of Stored Material	\$	
(Column F on Continuation Sheet)		
Total Retainage (Line 5a + 5b or		
Total in Column 1 of Continuation Sheet-----	\$	87,935.79
6. TOTAL EARNED LESS RETAINAGE-----	\$	1,670,779.98
(Line 4 less Line 5 Total)		
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT		
(Line 6 from prior Certificate)-----	\$	1,664,224.98
8. CURRENT PAYMENT DUE-----	\$	6,555.00
9. BALANCE TO FINISH, INCLUDING RETAINAGE		
(Line 3 less Line 6)	\$	118,655.02

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month		-\$7,915.00
TOTALS		-\$7,915.00
NET CHANGES by Change Order		-\$7,915.00

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown therein is now due.

CONTRACTOR:
 By: *Dany Danner* Date: 4/17/24

State of: Texas
 County of: Tarrant
 Subscribed and sworn to before me this 17th April

Notary Public: Vicky Box
 My Commission expires: 2.21.25

CERTIFICATE FOR PAYMENT
 In accordance with Contract Documents, based on on-site observations and the data comprising application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED ----- \$
 (Attach explanation if amount certified differs from the amount applied for. Initial all figures on this application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT:
 By: _____ Date: _____
 This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner of Contractor under this Contract.

CONTINUATION SHEET

ATTACHMENT TO PAY APPLICATION

PROJECT:
New Headquarters

Page 2 of 2 Pages
 APPLICATION NUMBER: 11
 APPLICATION DATE: 7.21.16
 PERIOD TO: 17-Apr-24
 ARCHITECT'S PROJECT NO:

A Item No.	B Description of Work	C Scheduled Value	D Work Completed		E This Period	F Materials Presently Stored (Not In D or E)	G Total Completed And Stored To Date (D + E + F)		H Balance To Finish (C - G)	I Retainage
			From Previous Application (D + E)	% (G/C)						
1	Mobilization/Perf/Pmt Bonds/Ins./GCs	165,000.00	165,000.00				165,000.00	100%		\$ 8,250.00
2	Soils Injections and foundation cap	58,700.00	58,700.00				58,700.00	100%		\$ 2,935.00
3	Foundation M&L	110,050.00	110,050.00				110,050.00	100%		\$ 5,502.50
4	Site work-dirt, conc, striping, flag pole	132,600.00	132,600.00				132,600.00	100%		\$ 6,630.00
5	UG utilities, conduits, aerobic M&L	51,300.00	51,300.00				51,300.00	100%		\$ 2,565.00
6	Wood Framing Materials	87,050.00	87,050.00				87,050.00	100%		\$ 4,352.50
7	Wood Framing Labor	91,600.00	91,600.00				91,600.00	100%		\$ 4,580.00
8	Metal Siding M&L	46,100.00	46,100.00				46,100.00	100%		\$ 2,305.00
9	Standing seam roof, M&L	93,700.00	93,700.00				93,700.00	100%		\$ 4,685.00
10	Plumbing-rough/stack/trim	59,350.00	59,350.00				59,350.00	100%		\$ 2,967.50
11	Electrical-rough in/trim/standard fixt.	126,000.00	126,000.00				126,000.00	100%		\$ 6,300.00
12	Specialty Light Fixture allowance	10,000.00	5,465.87				5,465.87	55%	4,534.13	\$ 273.29
13	Generator, ATS, install, M&L Allowance	35,000.00	34,540.00				34,540.00	99%	460.00	\$ 1,727.00
14	HVAC-materials and labor	74,800.00	74,800.00				74,800.00	100%		\$ 3,740.00
15	Fire Alarm-M&L	22,300.00	10,177.91				10,177.91	46%	12,122.09	\$ 508.90
16	Store front Windows/glass/mirror/M&L	69,400.00	69,400.00				69,400.00	100%		\$ 3,470.00
17	Spray foam, batt insulation	34,500.00	34,500.00				34,500.00	100%		\$ 1,725.00
18	Drywall, tape, bed, texture	51,300.00	51,300.00				51,300.00	100%		\$ 2,565.00
19	Interior doors M&L	41,000.00	41,000.00				41,000.00	100%		\$ 2,050.00
20	Exterior doors M&L	11,700.00	11,700.00				11,700.00	100%		\$ 585.00
21	Door Hardware M&L	9,700.00	9,700.00				9,700.00	100%		\$ 485.00
22	Trim-closets/base/shelving/M&L	18,000.00	18,000.00				18,000.00	100%		\$ 900.00
23	Painting M&L	68,700.00	68,700.00				68,700.00	100%		\$ 3,435.00
24	Cabinets M&L	35,100.00	35,100.00				35,100.00	100%		\$ 1,755.00
25	Countertops/backsplash M&L	28,600.00	28,600.00				28,600.00	100%		\$ 1,430.00
26	Flooring and Tile M&L	71,000.00	71,000.00				71,000.00	100%		\$ 3,550.00
27	Masonry Stone wainscot/CMU M&L	44,600.00	44,600.00				44,600.00	100%		\$ 2,230.00
28	Lift and equipment rentals through out	30,000.00	30,000.00				30,000.00	100%		\$ 1,500.00
	SUBTOTALS PAGE 2	1,677,150.00	1,660,033.78				1,660,033.78	99%	17,116.22	\$ 83,001.69

1,660,033.78

CONTINUATION SHEET

ATTACHMENT TO PAY APPLICATION

PROJECT:
New Headquarters

APPLICATION NUMBER: 11
 APPLICATION DATE: 7.21.16
 PERIOD TO: 17-Apr-24
 ARCHITECT'S PROJECT NO:

A Item No.	B Description of Work	C Scheduled Value	D Work Completed		E This Period	F Materials Presently Stored (Not in D or E)	G Total Completed And Stored To Date (D + E + F)		H Balance To Finish (C - G)	I Retainage
			From Previous Application (D + E)				Completed And Stored To Date (D + E + F)	% (G/C)		
29	Awnings M&L	41,000.00	41,000.00				41,000.00	100%		2,050.00
30	Blinds Window Treatments	11,200.00	11,200.00				11,200.00	100%		560.00
31	Building Signage Allowance	10,000.00	3,317.20				3,317.20	33%	6,682.80	165.86
32	Landscaping Allowance	10,000.00	10,000.00				10,000.00	100%		500.00
33	Appliance Allowance	10,000.00	5,454.79				5,454.79	55%	4,545.21	272.74
34	IT/Security Allowance	15,000.00	4,710.00				4,710.00	31%	10,290.00	235.50
35	Punch List/Periodic and Final Clean	23,000.00	16,100.00		6,900.00		23,000.00	100%	(7,915.00)	1,150.00
36	CO 1 Deduct 2 Cat 5 1 Cat6 2 columns	(7,915.00)								
37										
38										
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56										
	SUBTOTALS PAGE 3	1,789,435.00	1,751,815.77		6,900.00		1,758,715.77	98%	30,719.23	87,935.79