

**CROSSWINDS AT SOUTH LAKE SPECIAL
IMPROVEMENT DISTRICT**

AGENDA MATERIALS

**BOARD OF DIRECTORS MEETING
VIA VIDEO-CONFERENCE
April 6, 2021 4 PM**

**NOTICE OF MEETING
CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT**

TO: THE BOARD OF DIRECTORS OF CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT AND ALL OTHER INTERESTED PERSONS:

BOARD OF DIRECTORS OF CROSSWINDS SPECIAL IMPROVEMENT DISTRICT WILL BE HELD ON Tuesday, April 6, 2021 AT 4:00 P.M., WILL BE HELD BY VIDEO CONFERENCE TO CONSIDER AND ACT UPON ANY LAWFUL SUBJECT WHICH MAY COME BEFORE SAID MEETING, INCLUDING, AMONG OTHERS, THE ITEMS LISTED ON THE AGENDA.

INSTRUCTIONS FOR VIDEO-CONFERENCE

THIS BOARD MEETING WILL BE HELD USING A VIDEO CONFERENCE SYSTEM CALLED ZOOM AND IS AUTHORIZED BY GOVERNOR GREG ABBOTT'S TEMPORARY SUSPENSION OF CERTAIN ASPECTS OF THE TEXAS OPEN MEETINGS ACT WHICH ALLOWS FOR A GOVERNING BODY TO HOLD A "VIRTUAL" MEETING SO AS TO AVOID GATHERING MEMBERS OF THE PUBLIC AND/OR BOARD MEMBERS IN A PHYSICAL SETTING THAT MIGHT CONSTITUTE A PUBLIC HEALTH RISK. YOU MAY ONLY WITNESS AND/OR PARTICIPATE IN THIS MEETING BY USING THE METHOD LISTED BELOW.

PUBLIC COMMENTS WILL ONLY BE ACCEPTED IN WRITING NO LATER THAN THIRTY (30) MINUTES IN ADVANCE OF THE MEETING BY SENDING THEM TO THE FRANK GARZA AT: fgarza@dtrglaw.com In the body of the email please include date, your name, your address, phone number, agenda item # if applicable or subject of discussion, and your comments.

Using a computer or mobile device: To view or listen to the meeting below, please click the link below or copy and paste the web address into your browser and follow the instructions.

Join Zoom Meeting

<https://us02web.zoom.us/j/84785761704?pwd=SDhhbjlvS1E5MmtMdlZFR2VPSlp0QT09>

Meeting ID: 847 8576 1704

Passcode: 138382

1. Call to Order
2. Declare a Quorum
3. Discussion and action regarding September 16, 2020, minutes.
4. Discuss and review status of 2020-2021 budget
5. Report by ABIP regarding Audit for 2019-2020 fiscal year
6. Discussion and possible action regarding approval of Audit for 2019-2020 fiscal year
7. Report of Submittals and status by Perez Project Consulting
8. Discuss and take possible action regarding payment to PDC Preserve, LLC for reimbursement for public improvements
9. Discuss and take possible action regarding payment to Davidson, Troilo, Ream & Garza for legal services.
10. Discuss and take possible action to renew Directors and Officers insurance with McDonald & Wessendorff.
11. Discuss and take possible action regarding payment to Perez Project Consulting.
12. Discuss and take possible action regarding payment to Armstrong Vaughn & Associates
13. Discussion and action regarding payment to Bexar Appraisal District
14. Discussion and action regarding payment to ABIP CPA's for audit services
15. Discussion and action regarding recurring non consultant payments.
16. Discussion regarding status of development in the District.
17. Discuss next meeting date. (September, 2021)
18. Adjournment.

AGENDA ITEM 3

**CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT
SEPTEMBER 16, 2020**

**THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §**

The Board of Directors of Crosswinds at South Lake Special Improvement District (“District”) met in via Zoom, open to the public, at the offices of Davidson, Troilo, Ream & Garza, P.C. located at 601 N.W. Loop 410, San Antonio, Texas at **4:05 p.m.** on the **16th day of September, 2020**, and the roll was called of the duly appointed members of the Board, to-wit:

Asher Reilly	Chairman/President
Arturo Fux	Vice-Chairman/Vice-President
Jeff Hornbeak	Secretary
Agustin Devoto	Director
Aaron Pfeiffer	Director
Ryan Bader	Director

All were present either in person or via Zoom to establish a quorum of the Board.

Also present at the meeting were Frank Garza, General Counsel for the District, Debbie Fraser with AVA, Fermin Rajunov, Marcus Moreno with PDC Preserve at Medina River and Gabriel Perez with Perez Project Consulting.

No citizens signed up to be heard.

3. APPROVE MEETING MINUTES OF JUNE 10, 2020.

Chairman Asher Reilly opens up this agenda item for approval and asks the Board to approve the Minutes of June 10, 2020 meeting.

Following review and discussion, upon a motion made by Director Aaron Pfeiffer and seconded by Director Agustin Devoto; the Board voted unanimously to approve the Minutes of the Board meeting of June 10, 2020.

4. DISCUSSION AND REVIEW STATUS OF 2019-2020 BUDGET.

Ms. Deborah Fraser opened up this agenda item for discussion to report on budget. She references Tab 4, the Financials. Total revenues brought in \$65,083.00 and that includes \$35,596.00 in ad valorem sales tax through August 31, 2020. The expenditures through August 31, 2020 are \$35,596.00 leaving with a net increase fund balance of \$29,487.00 for an estimated remaining fund balance of \$11,143.00 to carry over to next year’s budget.

No action is required for this agenda item.

5. **PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR 2020-2021.**

Mr. Frank Garza opened up this agenda item for discussion. Mr. Garza referenced the item in Tab 5 which is the SA Express News Affidavit of Publication. Mr. Garza opened up this Public Hearing and the time is 4:00 p.m. No citizens or residents appeared or signed up to speak so this Public Hearing was closed.

No further action is necessary for this agenda item.

6. **PUBLIC HEARING ON TAX RATE FOR FISCAL YEAR 2020-2021.**

Mr. Frank Garza opened up this agenda item for discussion. Mr. Garza referenced the item in Tab 6 which is the SA Express News Affidavit of Publication. Mr. Garza opened up this Public Hearing and the time is 4:00p.m. Mr. Garza explained that there was no change in the proposed tax rate from the previous year. No citizens or residents appeared or signed up to speak so this Public Hearing was closed.

No further action is necessary for this agenda item.

7. **DISCUSSION AND ACTION TO CONSIDER THE PROPOSED BUDGET FOR FISCAL YEAR 2020-2021.**

Mr. Frank Garza opened up this agenda item for discussion. Mr. Garza stated that the attachment in Tab 6 is a Resolution No. 091620-01 and the actual budget was explained that was prepared by Debbie Fraser. The 2020-2021 proposed budget for Ad Valorem is \$160,710.00 (which is an increase) and total expenditures in the amount of \$139,845.00 for a fund balance to be carried over for \$64,065.00.

Following review and discussion, upon a motion made by Director Ryan Bader and seconded by Director Agustin Devoto; the Board voted unanimously to approve the proposed budget for fiscal year 2020-2021.

8. **DISCUSSION AND ACTION TO CONSIDER THE TAX RATE FOR FISCAL YEAR 2020-2021.**

Mr. Frank Garza opened up this agenda item for discussion. Mr. Garza referenced Tab 8 Resolution No. 091620-02 which is the District's tax rate and has to be identical to the City of San Antonio which is the same as last years. Therefore, requesting the Board to approve the tax rate of \$0.55827 cents per \$100.00 valuation.

<u>ROLL CALL</u>	<u>FOR</u>	<u>AGAINST</u>	<u>ABSENT</u>
Asher Reilly	X		
Arturo Fux	X		
Jeff Hornbeak	X		
Agustin Devoto	X		
Aaron Pfeiffer	X		
Ryan Bader	X		

9. **DISCUSSION ON EXERCISING OPTION YEAR FOR ABIP, CPA TO CONDUCT DISTRICT AUDIT FOR 2019-2020.**

Mr. Frank Garza opened up this agenda item for discussion. ABIP sent an engagement letter which everything stays the same except they are proposing the rate of \$6,300.00 which is a little bit of increase.

Following review and discussion, upon a motion made by Director Ryan Bader and seconded by Vice Chairman Arturo Fux; the Board voted unanimously to approve for ABIP, CPA to conduct District Audit for 2019-2020 fiscal year.

10. **DISCUSSION AND ACTION REGARDING PAYMENT TO DAVIDSON, TROILO REAM & GARZA FOR LEGAL SERVICES.**

Mr. Frank Garza presented the Board with a detailed invoice in the amount of \$3,976.20 from period June 2020 to August 2020 from DTRG for legal services rendered for the District.

Following review and discussion, upon a motion made by Chairman Asher Reilly and seconded by Secretary Jeff Hornbeak, the Board voted unanimously to approve and make a payment of \$3,976.20 to DTRG for legal services rendered to the District.

11. **DISCUSSION AND ACTION REGARDING PAYMENT TO PEREZ PROJECT CONSULTING.**

Mr. Frank Garza presented the Board with a detailed invoice in the amount of \$446.50 from Perez Project Consulting for developer submittal review services from December 2019 to September 2020.

Following review and discussion, upon a motion made by Secretary Jeff Hornbeak and seconded by Director Agustin Devoto, the Board voted unanimously to approve and make a payment of \$446.50 to Perez Project Consulting for developer submittal review services from December 2019 to September 2020.

12. **DISCUSSION AND ACTION REGARDING PAYMENT TO ARMSTRONG, VAUGHN AND ASSOCIATES.**

Mr. Frank Garza presented the Board with a detailed invoice in the amount of \$1,600.00 from Armstrong, Vaughan & Associates for accounting services from the period June 2020 thru September 2020.

Following review and discussion, upon a motion made by Director Agustin Devoto and seconded by Secretary Jeff Hornbeak, the Board voted unanimously to approve and make a payment of \$1,600.00 to Armstrong, Vaughan & Associates for accounting services from the period June 2020 thru September 2020.

13. **DISCUSSION AND ACTION REGARDING PAYMENT TO BEXAR COUNTY APPRAISAL DISTRICT.**

Mr. Frank Garza presented the Board with a detailed invoice in the amount of \$58.00 from the Bexar County Appraisal District for the assessment and collection of the District's ad valorem taxes.

Following review and discussion, upon a motion made by Chairman Asher Reilly and seconded by Secretary Jeff Hornbeak, the Board voted unanimously to pay Bexar County Appraisal District the sum of \$58.00 for the assessment and collection of the District's ad valorem taxes.

14. **DISCUSSION REGARDING STATUS OF DEVELOPMENT IN THE DISTRICT.**

Mr. Marcus Moreno gave a status of the development in the District. Home sales look very strong despite the hard times.

15. **ADJOURNMENT.**

The Board officially adjourned at 4:26 p.m.

Asher Reilly, Chairman

AGENDA ITEM 4

**CROSSWINDS AT SOUTH LAKE
SPECIAL IMPROVEMENT DISTRICT**

FINANCIAL STATEMENTS

**FOR THE ONE MONTH
AND FIVE MONTHS ENDED
FEBRUARY 28, 2021**

CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT
 STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - CASH BASIS
 GENERAL FUND
 FEBRUARY 28, 2021

ASSETS

Cash	\$	245,506
Delinquent Taxes Receivable		127
TOTAL ASSETS	\$	245,633

FUND BALANCE

Liabilities:

Accrued Liabilities	\$	1,467
Deferred Revenue - Taxes		127
TOTAL LIABILITIES		1,594

Fund Balance:

Unassigned		244,039
TOTAL LIABILITIES AND FUND BALANCE	\$	245,633

No assurance provided on these financial statements.

**CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES - CASH BASIS
BUDGET TO ACTUAL - GENERAL FUND
FOR THE ONE MONTH AND FIVE MONTHS ENDED FEBRUARY 28, 2021**

	1 Month Ended February 28, 2021	Year to Date Through February 28, 2021	Budget	Over (Under) Budget (YTD)	% of Budget
REVENUES					
Ad Valorem	\$ -	\$ 159,349	\$ 160,710	\$ (1,361)	99.2%
Sales Tax	5,110	12,982	43,200	(30,218)	30.1%
Interest Income	2	5	-	5	100.0%
TOTAL REVENUES	<u>5,112</u>	<u>172,336</u>	<u>203,910</u>	<u>(31,574)</u>	<u>84.5%</u>
EXPENDITURES					
Appraisal Fees	-	-	500	(500)	0.0%
Insurance	-	-	1,500	(1,500)	0.0%
Auditing Services	-	-	6,000	(6,000)	0.0%
Legal Services	-	-	24,000	(24,000)	0.0%
Banking Services	11	81	45	36	180.0%
Engineering Services	-	-	5,000	(5,000)	0.0%
Accounting Services	-	-	7,800	(7,800)	0.0%
Developer Reimbursements	-	-	80,000	(80,000)	0.0%
Contingencies	-	-	15,000	(15,000)	0.0%
TOTAL EXPENDITURES	<u>11</u>	<u>81</u>	<u>139,845</u>	<u>(139,764)</u>	<u>0.1%</u>
NET INCREASE (DECREASE) IN FUND BALANCE					
	<u>\$ 5,101</u>	<u>\$ 172,255</u>	<u>\$ 64,065</u>	<u>\$ 108,190</u>	<u>268.9%</u>
PROJECTION OF FUND BALANCE					
Fund Balance - February 28, 2021	\$ 244,039				
Less: Remaining Budgeted Expenses	(139,764)				
Required Commitment of Fund Balance	-				
Estimated Remaining Fund Balance	<u>\$ 104,275</u>				

No assurance provided on these financial statements.

AGENDA ITEM 5

FINAL DRAFT

**CROSSWINDS AT SOUTH LAKE
SPECIAL IMPROVEMENT DISTRICT
SAN ANTONIO, TEXAS**

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2020

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FINAL DRAFT

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Crosswinds at South Lake Special Improvement District
San Antonio, Texas

We have audited the accompanying financial statements of the governmental activities and the general fund of Crosswinds at South Lake Special Improvement District (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.

Auditors' 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 District'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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Crosswinds at South Lake Special Improvement District as of September 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 and the budgetary comparison information for the general fund on page 25 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.

San Antonio, Texas
April 6, 2021

**CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS**

September 30, 2020

The Crosswinds at South Lake Special Improvement District (the District) offers readers this narrative overview and analysis of its financial performance as of and for the year ended September 30, 2020. Readers are encouraged to consider the information presented here in conjunction with the District’s financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

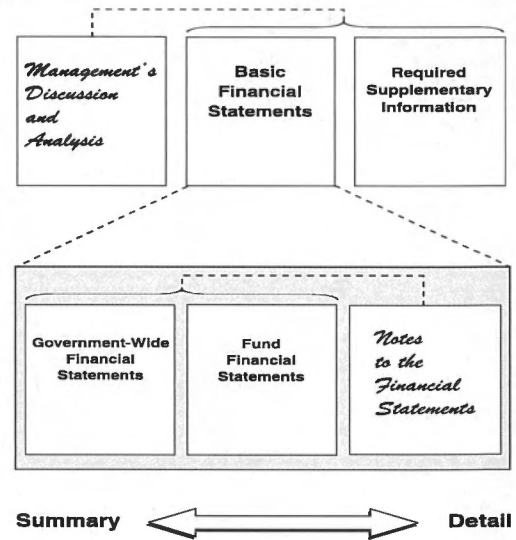
- The District’s government-wide unrestricted net position was (\$7,838,819) at September 30, 2020. The net position decreased by (\$7,589,628), after the restatement from September 30, 2019.
- Expenses for the year ended September 30, 2020 were \$312,746. Included in expenses was \$289,603 of interest on improvement project expenses approved by the Board of Directors.
- The general fund reported a total fund balance of \$71,785 at September 30, 2020. Total revenues for the general fund were \$81,367 and total expenditures were \$43,143 resulting in a net increase in fund balance of \$38,224 for the year ended September 30, 2020.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District’s overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District’s operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.

Figure A-1, Required Components of the District’s Annual Financial Report



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Government-wide Financial Statements

The government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies.

The statement of net position includes all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the overall health of the District, additional nonfinancial factors; such as, changes in District's tax base, should be considered.

The statement of activities presents information showing how the District's net position changed during the period. All revenues and expenses are accounted for in this statement regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes).

The government-wide financial statements include only governmental activities since the District does not have any business type activities. The District's basic services are included here, which consist of, among other things, paying administrative expenses, levying taxes, and borrowing money for the purpose of financing its portion of the Public Improvement Project costs.

Fund financial statements

The fund financial statements provide more detailed information about the District's most significant funds - not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. The District currently only maintains a general fund, which is a governmental fund.

Governmental funds – used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, unlike the government-wide financial statements, governmental fund financial statements provide a detailed short-term view that may be useful in determining whether there are more or fewer financial resources that can be spent in the near future to finance the District's services. Because this information does not encompass the additional long-term focus of the government-wide financial statements, we provide a reconciliation on the subsequent page of the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance to explain the relationship (or differences) between governmental funds and governmental activities.

Other information

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget. This schedule is presented as Required Supplementary Information (RSI) in this report.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position and change in net position:

Net position may serve over time as a useful indicator of a government's financial position. The District's net position at September 30, 2020 was (\$7,838,819) (see table A-1).

**Table A-1
The District's Net Position**

	Governmental Activities		Amount Change	Percentage Change
	2020	2019*		
Current assets	\$ 73,379	\$ 54,065	\$ 19,314	35.72 %
Total assets	<u>73,379</u>	<u>54,065</u>	<u>19,314</u>	<u>35.72</u>
Current liabilities	1,467	20,504	(19,037)	(92.85)
Noncurrent liabilities	<u>7,910,731</u>	<u>7,641,128</u>	<u>269,603</u>	<u>3.53</u>
Total liabilities	<u>7,912,198</u>	<u>7,661,632</u>	<u>250,566</u>	<u>3.27</u>
Unrestricted net position (deficit)	<u>(7,838,819)</u>	<u>(7,607,567)</u>	<u>(231,252)</u>	<u>3.04</u>
Total liabilities and net position	<u>\$ 73,379</u>	<u>\$ 54,065</u>	<u>\$ 19,314</u>	<u>35.72 %</u>

*The net position for fiscal year ending September 30, 2019 has been restated.

Governmental activities

The District's total revenues were \$81,494 (see table A-2), with the majority, or 52%, generated from sales taxes.

The District's total expenses were \$312,746, with \$289,603, or 92.6%, representing interest accrued on amounts owed to developer.

The District reflects a negative change in net position of (\$7,865,758), after the restatement which is primarily attributable to the accrual of interest on amounts owed to developer during the fiscal year as well as the restatement of net position.

**Table A-2
Changes in the District's Net Position**

	Governmental Activities		Amount Change	Percentage Change
	2020	2019*		
Revenues:				
General revenues				
Property taxes levied for general purposes	\$ 38,777	\$ 18,830	\$ 19,947	105.93 %
Sales taxes	42,716	38,653	4,063	10.51
Interest income	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
Total revenues	<u>81,494</u>	<u>57,483</u>	<u>24,011</u>	<u>41.77</u>
Expenses:				
General government	21,395	31,549	(10,154)	(32.18)
Economic development	1,748	-	1,748	-
Interest	<u>289,603</u>	<u>287,952</u>	<u>1,651</u>	<u>0.57</u>
Total expenses	<u>312,746</u>	<u>319,501</u>	<u>(6,755)</u>	<u>(2.11)</u>
Change in net position	<u>(231,252)</u>	<u>(262,018)</u>	<u>30,766</u>	<u>(11.74)</u>
Beginning net position	(7,607,567)	12,827	(7,620,394)	(59,409.01)
Restatement of beginning net position	<u>-</u>	<u>(7,358,376)</u>	<u>7,358,376</u>	<u>(100.00)</u>
Beginning net position, as restated	<u>(7,607,567)</u>	<u>(7,345,549)</u>	<u>(262,018)</u>	<u>-</u>
Ending net position	<u>\$ (7,838,819)</u>	<u>\$ (7,607,567)</u>	<u>\$ (231,252)</u>	<u>3.04 %</u>

*The net position for fiscal year ending September 30, 2019 has been restated.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As stated earlier, the District uses fund accounting for the purpose of carrying on specific activities in accordance with laws, regulations, or other appropriate requirements.

The general fund is the only fund of the District and was established to account for resources that finance the fundamental operations of the District. At the end of the fiscal year ended September 30, 2020, the general fund's fund balance totaled \$71,785, which is classified as unassigned.

Revenues for the general fund totaled \$81,367, with \$42,716, or 52.5%, representing sales taxes.

General fund budgetary highlights

The Board of Directors adopts a budget for the general fund. For the year ended September 30, 2020, the District did not exceed total appropriations in the general fund by \$44,357 and sales tax revenues were higher than budgeted by \$716.

DEBT ADMINISTRATION

Long-term liabilities

Due to developer

During the fiscal year ended September 30, 2020, the Board approved two submissions of improvement project expenses by the developer totaling \$7,358,376. This amount is due to the developer for advances to the District and eligible improvement project expenses incurred on behalf of the District, plus accrued interest.

At September 30, 2020, the District's non-current liabilities totaled \$7,910,731, which includes \$269,603 of accrued interest in the current fiscal year (see Table A-4).

	Governmental Activities		Amount Change	Percentage Change
	2020	2019		
Eligible project expenses	\$ 7,358,376	\$ 7,358,376	\$ -	100.00 %
Accrued interest (cumulative)	<u>552,355</u>	<u>282,752</u>	<u>269,603</u>	<u>100.00</u>
Total due to developer	<u>\$ 7,910,731</u>	<u>\$ 7,641,128</u>	<u>\$ 269,603</u>	<u>100.00 %</u>

Additional information on the District's long-term liabilities can be found in note 4 in the notes to financial statements.

ECONOMIC FACTORS AND OTHER MATTERS

The 2020-2021 property tax rate of \$0.558270 did not change from the 2019-2020 tax rate.

Taxable property values for 2020-2021 are expected to increase slightly due to development in the District.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's General Counsel Davidson, Troilo, Ream & Garza, P.C. at 601 NW Loop 410, Suite 100, San Antonio, Texas 78216.

FINAL DRAFT

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES

September 30, 2020

		<u>Primary</u> <u>Government</u> <u>Governmental</u> <u>Activities</u>
ASSETS		
Current assets		
Cash	\$	64,280
Receivable		
Property taxes - delinquent		127
Sales taxes		<u>8,972</u>
Total assets	\$	<u><u>73,379</u></u>
LIABILITIES AND NET POSITION		
LIABILITIES		
Current liabilities		
Accounts payable	\$	<u>1,467</u>
Total current liabilities		<u>1,467</u>
Noncurrent liabilities		
Due in more than one year		
Due to developers		<u>7,910,731</u>
Total noncurrent liabilities		<u>7,910,731</u>
Total liabilities		<u>7,912,198</u>
NET POSITION		
Unrestricted net position (deficit)		<u>(7,838,819)</u>
Total liabilities and net position	\$	<u><u>73,379</u></u>

The accompanying notes are an integral part of these financial statements.

STATEMENT OF ACTIVITIES

Year ended September 30, 2020

Functions/Programs	Expenses	Program Revenue	Net (Expense) Revenue and Changes in Net Position
			Primary Government Governmental Activities
Primary Government:			
Governmental Activities			
General government	\$ 21,395	\$ -	\$ (21,395)
Economic development	1,748	-	(1,748)
Interest	289,603	-	(289,603)
 Total governmental activities	 \$ 312,746	 \$ -	 (312,746)
 <u>General Revenues:</u>			
Taxes:			
Property taxes, levied for general purposes			38,777
Sales taxes			42,716
Interest income			1
Total general revenues			81,494
 Change in net position			 (231,252)
Net position - beginning			(249,191)
Restatement of beginning net position			(7,358,376)
Net position - beginning, as restated			(7,607,567)
Net position - ending			\$ (7,838,819)

The accompanying notes are an integral part of these financial statements.

BALANCE SHEET – GOVERNMENTAL FUND

September 30, 2020

	General Fund
Assets:	
Cash	\$ 64,280
Receivables	
Property taxes - delinquent	127
Sales taxes	8,972
Total assets	\$ 73,379
Liabilities:	
Accounts payable	\$ 1,467
Total liabilities	1,467
Deferred Inflows of Resources:	
Unavailable revenue - property taxes	127
Fund balance:	
Unassigned fund balance	71,785
Total liabilities and fund balance	\$ 73,379

The accompanying notes are an integral part of these financial statements.

CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION

September 30, 2020

Total fund balance - governmental fund		\$ 71,785
<p>Amounts reported for governmental activities in the statement of net position are different because:</p> <p>Transactions related to capital assets and non-current liabilities that are not recognized in the governmental fund are as follows:</p>		
Amounts due to developers for eligible improvement project expenses	\$ (7,358,376)	
Interest accrued on eligible improvement project expenses	<u>(552,355)</u>	<u>(7,910,731)</u>
Total net position - governmental activities		<u>\$ (7,838,819)</u>

The accompanying notes are an integral part of these financial statements.

CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND

Year ended September 30, 2020

	General Fund
	<u> </u>
Revenues:	
Property taxes	\$ 38,650
Sales taxes	42,716
Interest income	<u>1</u>
Total revenues	<u>81,367</u>
Expenditures:	
Current:	
General government	21,395
Economic development	<u>21,748</u>
Total expenditures	<u>43,143</u>
Net change in fund balance	38,224
Fund balance - beginning	<u>33,561</u>
Fund balance - ending	<u><u>\$ 71,785</u></u>

The accompanying notes are an integral part of these financial statements.

CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

Year ended September 30, 2020

Net change in fund balance - governmental fund	\$ 38,224
Amounts reported for governmental activities in the statement of activities are different because:	
Accrued interest payable on developer advances which are not due in the current period are not reported in the governmental fund.	
Interest accrued in current year	(289,603)
Repayment of long-term liabilities owed to developer are reported as expenditures in the governmental fund.	
	20,000
Certain property tax revenues are deferred in the governmental fund. This is the change in these amounts this year.	
	<u>127</u>
Change in net position of governmental activities	<u>\$ (231,252)</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies

The Crosswinds at South Lake Special Improvement District (District) is a public improvement district created by an order of the Commissioners Court of Bexar County on August 1, 2006, pursuant to Chapter 372, Subchapter C of the Texas Local Government Code (the Act). The District was created to develop, construct (or cause to be constructed), and finance the public improvements necessary to serve the area of the District.

The District prepares its basic financial statements in conformity with generally accepted accounting principles (GAAP) promulgated by the Government Accounting Standards Board (GASB).

Reporting entity

The Board of Directors (Board) comprised of seven members, as appointed by the Bexar County Commissioners Court, has the control over and management supervision of all affairs of the District. Therefore, the District is a financial reporting entity as defined by the GASB and is not included in any other governmental reporting entity.

Basis of accounting and financial statement presentation**Basis of presentation**

Government-wide statements: The statement of net position and the statement of activities are government-wide financial statements. They report information on all of the District's activities. The District's governmental activities programs are primarily supported by property taxes.

The statement of activities demonstrates how other parties or entities that participate in programs the District operates have shared in the payment of the direct costs. Thus, the purpose is to show the degree to which the direct expenses of a given function are offset by program revenues, if any. Direct expenses are those that are clearly identifiable with a particular function. Revenues that are not classified as program revenues are presented as general revenues (i.e. property taxes).

Fund financial statements: The fund financial statements provide information on the financial condition and results of operations for the District's major governmental fund:

General fund: This is the District's primary operating fund that is used to account for all financial resources. Major revenue sources include local property taxes and sales taxes. Expenditures include all costs associated with the daily operations of the District.

Measurement focus, basis of accounting

Government-wide statements: The financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied.

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies (continued)

Basis of accounting and financial statement presentation (continued)

Measurement focus, basis of accounting (continued)

Governmental fund financial statements: These financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. Revenues are considered to be available when they are collectible within the current period. Expenditures are recorded when the fund liability is incurred, if measurable. However, debt service expenditures are recorded only when payment is due. Property tax revenue is recognized under the susceptible to accrual concept since they are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Interest income is recorded as earned, since it is both measurable and available.

Financial statement amounts

Property taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Delinquent taxes are based on rates adopted for the year of the levy. The District does not report an allowance for uncollectible taxes receivable since the amount is not considered material as of the year end. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Capital assets

Capital assets, which include construction in progress, are reported in the governmental activities column in the government-wide financial statements. All costs associated with public improvement projects are capitalized with the exception of accrued interest, which is not capitalized for governmental activities. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The costs of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvement are capitalized as projects are constructed.

Fund balance

In accordance with GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", the District uses the following criteria when classifying fund balance amounts:

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies (continued)

Financial statement amounts (continued)

Fund balance (continued)

In accordance with GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", the District uses the following criteria when classifying fund balance amounts:

Nonspendable – amounts not in spendable form or that are legally or contractually required to be maintained intact. The District does not have any amounts in this category at September 30, 2020.

Restricted – amounts that have been legally separated for a specific purpose by law or external funding source, such as long-term debt and grants. The District does not have any amounts in this category at September 30, 2020.

Committed – amounts that require Board action to be used for a specific purpose. Formal action to commit funds must occur prior to year end and can only be modified or removed by the same formal action. The District does not have any amounts in this category at September 30, 2020.

Assigned – amounts that do not require Board approval but are intended to be used for a specific purpose, as determined by an official or body to which the Board has delegated authority. These amounts do not meet the criteria to be classified as restricted or committed. The District does not have any amounts in this category at September 30, 2020.

Unassigned – residual amount in the general fund that is available to finance operating expenditures. At September 30, 2020, the total fund balance amount reported in the general fund of \$71,785 is classified as unassigned.

If the District were to incur an expenditure for purposes in which both restricted and unrestricted fund balances were available, restricted resources would be utilized first.

Hotel occupancy taxes

The District is authorized to levy a hotel occupancy tax at a rate equal to the greater of the rate levied by the City of San Antonio (City) or 9% of the amount paid for the use and occupancy of a room in a hotel or motel within the District. During the period, no such taxes were collected or recognized.

Sales and use taxes

The District is authorized to levy a sales and use tax at a rate of 2% on all taxable sales within the District; however, it is currently levied at 1.5%.

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

(1) Summary of significant accounting policies (continued)

Financial statement amounts (continued)

Priority use of available revenues

The District's available revenues shall be applied in the following order:

- To pay administrative expenses of the District pursuant to its annual budget.
- To pay any debt service on outstanding bond issues.
- To pay public service expenses of the District's jurisdiction including:
 - a. Fire protection services
 - b. Waste management services
 - c. Police and patrol security services
- To pay the owners for reimbursements of eligible expenses, plus interest.

(2) Budgetary data

The Board adopts a budget for the general fund and presents the original adopted and final amended budget for revenues and expenditures and compares the actual revenues and expenditures in the accompanying financial statements to the final amended budget amounts. At September 30, 2020, the District did not exceed total appropriations in the general fund.

(3) Cash

At September 30, 2020, cash consists of demand deposits with a carrying amount of \$64,280 and a bank balance of \$64,726. The District's bank deposits were entirely covered by FDIC insurance or by securities collateral held in the District's name during the year.

(4) Due to developer

On September 4, 2018, the District entered into a Public Improvement Financing Agreement with the developer, for the reimbursement of public improvements and amounts advanced to the District for eligible project expenses. Interest accumulates on unreimbursed costs at a rate equal to New York Prime rate per annum, compounded annually, accruing from the date of submission by the developer, and shall be no less than 3.8% and no greater than 9% prime interest rate. Interest accrued during the year was computed based on interest rates varying from 4% to 5%. As of September 30, 2020, the amount due to the developer is \$7,910,731, which includes \$552,355 of accumulated accrued interest.

Balance - October 1, 2019	\$ 7,641,128
Add: Board approved eligible expenses in current year	-
Reduce: Board approved repayment of expenses on prior submissions	(20,000)
Add: Interest accrued in current year	289,603
Balance - September 30, 2020	<u>\$ 7,910,731</u>
 Amount due within one year	 <u><u>\$ -</u></u>

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

(5) Risk management

The District is exposed to various risks of loss related to errors and omissions for which the District carries commercial insurance. Settled claims resulting from risks of loss have not exceeded insurance coverage.

(6) Contingencies and commitments

Legal proceedings

From time to time, the District may be a defendant in legal proceedings relating to its operations. It is the opinion of the District's general counsel that there is no pending litigation against the District that would have a material or adverse financial impact upon the District or its operations.

Economic dependency

The District is dependent on the timely payment of taxes by its principal taxpayers. The ability of any significant taxpayer to make full and timely payments of taxes levied against its property by the District will directly affect the District's ability to meet its obligations. Further, the District is not able to increase its ad valorem tax levy beyond or in excess of the City of San Antonio total tax rate of \$0.558270 per \$100 valuation.

(7) Net position

Unrestricted net position reflected in the government-wide statement of net position at September 30, 2020 is a deficit (\$7,838,819), which is expected to be recovered through the future issuance of bonds and through increases in tax revenues.

(8) Restatement of net position

The District decreased the beginning net position by \$7,358,376. The decrease was for public improvements approved by the District to reimburse the developers, however, the District never takes control or ownership of these improvements. The net position as of September 30, 2019 was restated to (\$7,607,567).

FINAL DRAFT

REQUIRED SUPPLEMENTARY INFORMATION

CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT

FINAL DRAFT

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND**

**For the year ended September 30, 2020
(with comparative actual totals for 2019)**

	Budgeted Amounts		2020 Actual Amounts (GAAP Basis)	Variance with Final Budget Positive or (Negative)	2019 Actual Amounts (GAAP Basis)
	Original	Final			
Revenues:					
Property taxes	\$ 39,314	\$ 39,314	\$ 38,650	\$ (664)	\$ 25,936
Sales taxes	42,000	42,000	42,716	716	38,653
Interest income	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total revenues	<u>81,315</u>	<u>81,315</u>	<u>81,367</u>	<u>52</u>	<u>64,589</u>
Expenditures:					
Current:					
General government	55,500	55,500	21,395	34,105	30,830
Economic development	<u>12,000</u>	<u>32,000</u>	<u>21,748</u>	<u>10,252</u>	<u>5,919</u>
Total expenditures	<u>67,500</u>	<u>87,500</u>	<u>43,143</u>	<u>44,357</u>	<u>36,749</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,815</u>	<u>(6,185)</u>	<u>38,224</u>	<u>44,409</u>	<u>27,840</u>
Fund balance - beginning	<u>33,561</u>	<u>33,561</u>	<u>33,561</u>	<u>-</u>	<u>5,721</u>
Fund balance - ending	<u>\$ 47,376</u>	<u>\$ 27,376</u>	<u>\$ 71,785</u>	<u>\$ 44,409</u>	<u>\$ 33,561</u>

AGENDA ITEM 6

RESOLUTION NO. 040621-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT ACCEPTING THE REPORT ON CONDUCT OF AUDIT FOR FISCAL YEAR 2020 AS PREPARED BY THE INDEPENDENT ACCOUNTING FIRM OF ABIP, PC AND SETTING AN EFFECTIVE DATE.

WHEREAS, in accordance with state law and Crosswinds at South Lake Special Improvement District (District) rules, the District Board of Directors hired ABIP, PC to perform an independent audit of its financial statements for the period ending September 30, 2020; and

WHEREAS, ABIP, a firm of licensed certified public accountants and the goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended September 30, 2020, are free of material misstatement; the independent audit involved examining, on test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles and evaluating the overall financial statement presentation; and

WHEREAS, the independent auditor concluded, based on the audit, that there was reasonable basis for rendering and did render an unqualified opinion that the District's financial statements for the fiscal year ended September 30, 2020; and

WHEREAS, as part of the Audit, a Report on the Conduct of Audit is also prepared and submitted by the auditor. District hereby submits the Report on the Conduct of Audit for the fiscal year ended September 30, 2020. To the best of District's knowledge, the information submitted is accurate and complete in all material respects;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT:

SECTION 1. The independent audit involved examining disclosures in the financial statements; assessing the accounting principles used and significant estimates made by District and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was reasonable basis for rendering and did render an unqualified opinion that the District's financial statements for the fiscal year ended September 30, 2020, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP).

SECTION 2. The Report on the Conduct of Audit, as prepared by the independent accounting firm of ABIP, PC and attached to this Resolution is hereby adopted and approved.

SECTION 3. This Resolution shall be effective immediately upon the passage hereof.

PASSED AND APPROVED this 6th day of April 2021.

**CROSSWINDS AT SOUTH LAKE SPECIAL
IMPROVEMENT DISTRICT**

Attest:

Asher Reilly, President

Frank J. Garza, General Counsel

AGENDA ITEM 7

**CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING
April 6, 2021**

***CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT
BOARD OF DIRECTORS
DEVELOPER'S REIMBURSEMENT REQUESTS***

The following Crosswinds at South Lake Special Improvement District Reimbursement Request Submittals have been received from the Developer:

A. Previous Board Action:

Reimbursement Request Submittal No. 01

1. Submittal received by District on September 12, 2017.
2. Reimbursement of \$1,770,858.00 approved by Board on January 17, 2019.

Reimbursement Request Submittal No. 02

1. Submittal received by District on May 31, 2019.
2. Reimbursement of \$5,587,517.63 approved by Board on September 12, 2019 contingent on receipt of Affidavit documents which were received and approved.

B. Current Board Action:

Reimbursement Request Submittal No. 03

1. Submittal received by District on January 26, 2021.
2. 55 invoices with overall value of \$5,874,520.24 included a combination of invoices, Affidavits, and proof of payments which have been reviewed. There are no open items requiring further action.
3. The attached EXHIBIT 1 includes the invoices, vendors, and values reviewed.

C. Recommended Action:

Recommend approval by the Crosswinds at South Lake Special Improvement District Board, of Developer's Reimbursement Request Submittal No. 03 to include invoices in the amount of \$5,874,520.24 as identified on the attached EXHIBIT 1.

Preserve at Medina Unit 2

EXHIBIT 1

Developer: PDC Preserve at Medina River, Ltd.

Date: 26-Jan-21 REVISED: 03.30.21

Vendor Name	App #	Date	Invoice #	Amount Paid
1 Public Improvements, Water, Sewer, Drainage, Roads				
1 VK Knowlton		9/20/2019	1950601	\$ 213,047.43
2 VK Knowlton		10/20/2019	1950602	\$ 429,393.18
3 VK Knowlton		11/20/2019	1950603	\$ 597,791.95
4 VK Knowlton		12/20/2019	1950604	\$ 577,207.27
5 VK Knowlton		1/20/2020	1950605	\$ 218,716.60
6 VK Knowlton		2/20/2020	1950606	\$ 645,782.43
7 VK Knowlton		3/20/2020	1950607	\$ 607,794.13
8 VK Knowlton		4/20/2020	1950608	\$ 397,492.20
9 VK Knowlton		5/20/2020	1950609	\$ 482,816.55
10 VK Knowlton		6/20/2020	1950610	\$ 154,311.51
11 VK Knowlton		7/20/2020	1950611	\$ 120,272.26
12 VK Knowlton		9/20/2020	1950612RT	\$ 493,847.38

Subtotal: \$ 4,938,472.89

2 Engineering Services

13 Pape Dawson		9/5/2018	18080213	\$ 96,333.75
14 Pape Dawson		10/8/2018	18090231	\$ 37,228.75
15 Pape Dawson		11/13/2018	18100710	\$ 23,701.25
16 Pape Dawson		12/10/2018	18110663	\$ 20,191.75
17 Pape Dawson		1/11/2019	18120531	\$ 22,970.00

18	Pape Dawson	2/7/2019	19010405	\$	15,366.75
19	Pape Dawson	4/10/2019	19030338	\$	2,425.00
20	Pape Dawson	5/10/2019	19040600	\$	30,665.70
21	Pape Dawson	7/15/2019	19060708	\$	13,616.96
22	Pape Dawson	8/9/2019	19070665	\$	22,069.25
23	Pape Dawson	9/9/2019	19080669	\$	41,258.10
24	Pape Dawson	10/11/2019	19090667	\$	19,042.17
25	Pape Dawson	11/11/2019	19100792	\$	4,377.70
26	Pape Dawson	12/9/2019	19110650	\$	5,324.80
27	Pape Dawson	1/10/2020	19120523	\$	6,825.69
28	Pape Dawson	2/11/2020	20010797	\$	7,526.40
29	Pape Dawson	3/9/2020	20020882	\$	3,813.37
30	Pape Dawson	3/31/2020	20030109	\$	15,035.75
31	Pape Dawson	4/28/2020	20040089	\$	8,197.54
32	Pape Dawson	5/28/2020	20050144	\$	750.00
33	Pape Dawson	7/1/2020	20060114	\$	3,750.00
				Subtotal:	\$ 400,470.68

3 FEMA Floodplain Modification

34	Pape Dawson	11/13/2018	18100712	\$	5,022.50
35	Pape Dawson	12/10/2018	18110666	\$	24,647.50
36	Pape Dawson	4/19/2019	19030339	\$	21,682.50
37	Pape Dawson	5/10/2019	19040603	\$	6,212.50
38	Pape Dawson	6/12/2019	19050986	\$	4,323.50
39	Pape Dawson	9/9/2019	19080670	\$	1,250.00
40	Pape Dawson	12/9/2019	19110651	\$	500.00
41	Pape Dawson	8/31/2020	20080563	\$	13,125.00
42	Pape Dawson	9/30/2020	20090239	\$	4,897.55
				Subtotal:	\$ 81,661.05

4 SAWS Water and Sewer Construction

43	Pape Dawson	11/11/2019	19100793	\$	2,250.00
44	Pape Dawson	12/9/2019	19110652	\$	1,575.00
45	Pape Dawson	1/10/2020	19120524	\$	1,800.00
46	Pape Dawson	3/9/2020	20020884	\$	1,125.00
47	Pape Dawson	3/31/2020	20030111	\$	4,500.00
48	Pape Dawson	4/28/2020	20040048	\$	5,625.00
49	Pape Dawson	7/1/2020	20060115	\$	2,646.03
50	Pape Dawson	8/31/2020	20080567	\$	3,512.83
Subtotal:				\$	23,033.86

5 Fees to San Antonio Water System, City of San Antonio and CPS Energy

52	City of San Antonio			\$	5,817.00
53	CPS Energy			\$	351,122.25
54	City of San Antonio			\$	37,579.51
55	City of San Antonio			\$	36,363.00
Subtotal:				\$	430,881.76

Grand Total Preserve Unit 2 Reimbursement Amount:

\$ 5,874,520.24

AGENDA ITEM 8



February 24, 2021

Mr. Francisco J. Garza
Davidson Troilo Ream & Garza
601 NW Loop 410, Suite 100
San Antonio, TX 78216

RE: Reimbursement to Developer for cost expended for Public Improvements

Dear Mr. Garza,

On behalf of PDC Preserve at Medina River, Ltd we would like to request the reimbursement of one hundred twenty thousand (\$120,000.00) dollars from the Crosswinds at South Lake Special Improvement District. It is our understanding that the District has sufficient funds to reimburse the Developer in accordance with the Public Improvement Financing Agreement signed on September 4, 2018.

Thanks in advance for your help and please contact me at 210-422-3004 with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marcus C. Moreno', is written over a horizontal line.

Marcus C. Moreno
Manager for PDC Preserve at Medina River GP, LLC

RESOLUTION NO. 0406210-02

A RESOLUTION AUTHORIZING A PAYMENT FROM THE FISCAL YEAR 2020-2021 BUDGET TO PDC PRESERVE L.P. IN ACCORDANCE WITH THE AD VALOREM TAX PUBLIC IMPROVEMENT FINANCING AGREEMENT.

WHEREAS, the Crosswinds Special Improvement District (Crosswinds) is a public improvement district created on August 1, 2016 by an order of the Commissioners Court of the County (the "Court"), pursuant to Chapter 372, Texas Local Government Code, ("Chapter 372"), and a confirmation election was held on May 12, 2007 for Crosswinds to approve its taxing authority; and

WHEREAS, PDC Preserve at Medina River, LTD (Developer) is a party to the Public Improvement Financing Agreement (Agreement) by and between Crosswinds, PDC and Bexar County, Texas dated September 4, 2018; and

WHEREAS, the District is a party to the Public Improvement Financing Agreement and such Agreement requires Crosswinds to reimburse Developer for all public improvements through partial payments when taxes collected are sufficient to cover Crosswinds operating budget and Bond Debt payments, if any;

NOW THEREFORE BE IT RESOLVED BY THE CROSSWINDS SPECIAL IMPROVEMENT DISTRICT:

SECTION 1. Armstrong, Vaughan & Associates, PC is authorized to make a lump sum payment from the General Fund for the amount of **\$120,000 from the Fiscal Year 2020-2021 budget** and such payment shall be made upon execution of this Resolution.

SECTION 2. The Board President is hereby authorized to execute any and all legal documents necessary to fulfill the purpose and intent of this Resolution.

SECTION 3. This Resolution shall be effective immediately upon the passage hereof.

PASSED AND APPROVED this 6th day of April, 2021.

Asher Reilly
President, Board of Directors

ATTEST:

Jeff Hornbeak, Secretary

AGENDA ITEM 9

DAVIDSON TROILO REAM & GARZA
A PROFESSIONAL CORPORATION
601 NW LOOP 410, SUITE 100
SAN ANTONIO, TX 78216
(210) 349-6484 Tax #74-1792996

April 2, 2021

Crosswinds at Southlake Special
Improvement District
Board Meeting

7253-1 FJG

STATEMENT FOR PERIOD THROUGH 2/28/21

SUMMARY STATEMENT FOR LEGAL SERVICES RENDERED AND COSTS
AND EXPENSES ADVANCED.

BALANCE DUE

\$2,937.90

7253/1
Pcd#251836

AGENDA ITEM 10



McDonald & Wessendorff

I N S U R A N C E

Crosswinds SID
601 NW Loop 410, Suite 100
San Antonio, TX 78216

INVOICE

Customer	Crosswinds SID
Acct #	75407
Date	02/20/2021
Customer Service	Producer MWEXEC Kathryn Williams
Page	1 of 1

Payment Information	
Invoice Summary	\$ 1,500.00
Payment Amount	
Payment for:	Invoice#48915
APIN	

Thank You

Please detach and return with payment



Customer: Crosswinds SID

Invoice	Effective	Transaction	Description	Amount
48915	04/29/2021	Renew policy	Policy #APIN 04/29/2021-04/29/2022 McDonald & Wessendorff 2021/2022 Directors & Officers Liability ** Payment is due within 30 days of the effective date to avoid cancellation ** Due Date: 4/29/2021	1,500.00

Total
\$ 1,500.00

Thank You

McDonald & Wessendorff
611 Morton Street
Richmond, TX 77469

(281)342-2857

Date

02/20/2021

Crosswinds SID

TYPE OF POLICY: DIRECTORS AND OFFICERS LIABILITY

PROPOSED EFFECTIVE DATE: 04/29/21

COVERAGE:

- Claims-Made Coverage Form
- Duty to Defend
- Pay on Behalf in lieu of Reimbursement Coverage Form
- Full Prior Acts
- Defense Cost Outside the Limit
- Defense for Alleged Breach of Contract
- Claim includes any Judicial or Administrative Proceedings
- Employment Related Practices coverage for the District Included
- Coverage extended to include Director's Spouse
- Terrorism Not Excluded
- Punitive Damages Not Excluded

LIMIT OF LIABILITY: \$1,000,000 Per Claim
No Aggregate Limit

DEDUCTIBLE: None

POLICY TERM: One Year

PREMIUM: \$1,500

COMPANY: Mid-Continent Casualty Company
AM Best Rating: A + VIII

OPTIONAL LIMITS		
	Limit	Premium
X	\$1,000,000	\$1,500
	\$2,000,000	\$2,500
	\$3,000,000	\$3,500
	\$4,000,000	\$4,500
	\$5,000,000	\$5,500

ACCEPTED BY: _____ **DATE:** _____

REJECTED BY: _____ **DATE:** _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

McDonald & Wessendorff Insurance • 611 Morton • Richmond, Texas 77469
PH (281) 342-6837 (MUDS) • Fax: (281) 341-6837 (MUDS)

AGENDA ITEM 11



March 31, 2021

Frank J. Garza, Esq.
Crosswinds at South Lake Special Improvement District
Davidson, Troilo, Ream & Garza, P.C.
Pyramid Building
601 NW Loop 410, Suite 100
San Antonio, Texas 78216

RE: Crosswinds at South Lake Special Improvement District – Perez Project Consulting, Inc. Professional Services Invoice No. 07

Dear Mr. Garza,
Attached for your review is our Invoice No. 07 dated March 31, 2021 for Professional Services provided as outlined on the attached exhibit.

Thank you for the opportunity to provide our Professional Services support to the Crosswinds at South Lake Special Improvement District Board of Directors.

If there are any questions or comments on the invoice as submitted, please feel free to contact me at 210.683.5222.

Sincerely,

Gabriel Perez

Gabriel Perez
Project Principal



Statement of Charges
March 31, 2021

Crosswinds Special Improvement District
Davidson, Troilo, Ream & Garza, P.C.
Pyramid Building
601 NW Loop 410, Suite 100
San Antonio, Texas 78216

Project ID: 2017 CROSSWINDS
Invoice No. 2021 - 07

Attn.: Frank J. Garza, Esq.

Period of Service: Professional Services September 14, 2020 through March 31, 2021

A. Labor Charges

<u>Labor / Staff Classification</u>	<u>Contract Rate</u>	<u>Regular Hours</u>	<u>Premium Hours</u>	<u>Regular Amount</u>	<u>Premium Amount</u>	<u>Total Amount</u>
Project Principal	\$190.00	10.75	0.00	\$2,042.50	\$0.00	\$2,042.50
Senior Project Manager	\$175.00	0.00	0.00	\$0.00	\$0.00	\$0.00
Engineer IV	\$165.00	0.00	0.00	\$0.00	\$0.00	\$0.00
Administrative Assistant	\$70.00	0.00	0.00	\$0.00	\$0.00	\$0.00
Total Time & Charges			0.00	\$2,042.50	\$0.00	\$2,042.50

B. Reimbursables

Fed Ex Office 03.09.21	\$40.96
Office Depot 03.10.21	\$14.70
Total Reimbursables	\$55.66

TOTAL PROJECT CHARGES

\$2,098.16

CROSSWINDS SPECIAL IMPROVEMENT DISTRICT
 PEREZ PROJECT CONSULTING, INC. (PPC)
 DEVELOPMENT ADMINISTRATIVE REVIEW SERVICES
 ORIGINAL CONTRACT AWARD - DECEMBER 20, 2017

PERIOD: SEPTEMBER 14, 2020 THROUGH MARCH 31, 2020

<u>DATE</u>	<u>ACTIVITY</u>	<u>PRIN. TIME / HOURS</u>	<u>ADMIN. TIME / HOURS</u>
26-Jan-21	Correspondence to Developer / Marcus Moreno acknowledging receipt of Submittal No. 03	0.2	
9-Mar-21	Process Submittal No. 3 documents submitted electronically	3.5	
9-Mar-21	Correspondence to Developer / Marcus Moreno for clarification on Trinity Green package	0.3	
28-Mar-21	Process Submittal No. 3 comprehensive list; review Submittal No. 3; prepare comments doc, transmit to Developer	4	
30-Mar-21	Review Submittal No. 3 comments from Developer; revise exhibits for submittals, correspondence (3) to Developer; prepare Board briefing memorandum.	2.75	

TIME FOR PERIOD

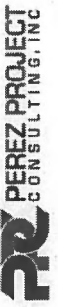
10.75 0

FEE FOR PERIOD

\$2,042.50 \$0.00

TOTAL FEE FOR PERIOD

\$2,042.50



AGENDA ITEM 12

CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT

Board Members

April 6, 2021

Asher Reilly
President

Deborah F. Fraser, CPA
Shareholder
Armstrong, Vaughan & Associates, PC
941 W. Byrd Blvd., Suite 101
Universal City, TX 78148

Arturo Fux
Vice-President

Jeff Hornbeak
Secretary

Re: Crosswinds Special Improvement District

Dear Debbie:

This letter is a request from the Crosswinds Special Improvement District (District) to issue a check in the amount of **\$2,400** to Armstrong, Vaughan & Associates for accounting services from the period October 2020 thru March 2021. Monthly cost under the terms of the contract is \$400.

Agustin Devoto
Director

Aaron Pfeiffer
Director

If you have any questions, please do not hesitate to call me.

Ryan Bader
Director

Sincerely,

Asher Reilly
President

C: Frank J. Garza
General Counsel

AGENDA ITEM 13



Bexar Appraisal District

411 N. Frio
 P. O. Box 830248
 San Antonio TX 78283-0248

Bill To: Crosswinds at South Lake SID
 c/o Davidson & Troilo
 601 N. W. Loop 410, Suite 100
 San Antonio TX 78216

Ship To: Crosswinds at South Lake SID
 Mr. Frank Garza
 c/o Davidson & Troilo
 601 N. W. Loop 410, Suite 100
 San Antonio TX 78216

Purchase Order No.		Customer ID		Salesperson ID	Shipping Method	Payment Terms	Req Ship Date	Master No.
		4095				Net 30	3/1/2021	2,737
Ordered	Shipped	B/O	Item Number	Description		Discount	Unit Price	Ext. Price
1	1	0	BUDGET LEVY	Budget Levy 2nd Quarter 2021		\$0.00	\$45.00	\$45.00

First and second quarter invoices are based on 2019 Tax Levies. 2020 Tax Levy figures will be available and used in calculating third and fourth quarter invoices. Thank you.

Subtotal	\$45.00
Misc	\$0.00
Tax	\$0.00
Freight	\$0.00
Trade Discount	\$0.00
Total	\$45.00

Past Due *12/1/2020* \$45.00
Grand Total \$90.00

Section 6.06 of the Property Tax Code requires that each taxing unit pay a pro-rata share of the Appraisal District's annual budget. This share is based on the present tax levy of each taxing unit. This is your tax unit's invoice.

AGENDA ITEM 14



CPAs | ADVISORS

CROSSWINDS AT SOUTH LAKE SPECIAL IMPROVEMENT DISTRICT
601 NW LOOP 410, SUITE 100
SAN ANTONIO, TX 78216

Invoice No. 78439
Date 03/31/2021
Client No. CROSS1001

INVOICE DUE UPON RECEIPT

For professional audit services and support rendered through March 31, 2020.

Final billing for the Audit and Preparation of the Fiscal Year
September 30, 2020 Financial Statements

Current Amount Due \$ 6,300.00

0 - 30	31- 60	61 - 90	91 - 120	Over 120	Balance
6,300.00	0.00	0.00	0.00	0.00	6,300.00

Thank you,

ABIP, PC

Due upon receipt: Please list invoice number on your check and correspondence. For your convenience, you have the option to pay via Bill pay, ACH or credit card. (\$2,500 Limit Per Invoice)