

that the proposed budget for Amenity Center Maintenance be increased to \$15,000 in order to provide for exterior maintenance of the Amenity Center and mail kiosk.

Director Clifford then advised that the Reserve Study also indicated \$50,250 be allocated for site drainage, swale maintenance, and catch basin repairs in 2020. She did not recommend any increase in the budget but proposed that the new District Engineer be requested to do an assessment of the facilities to determine what, if any, work needed to be completed in 2020. There was a consensus that no budget increase appeared warranted as the District had been doing such maintenance on an ongoing basis. The Board then briefly reviewed the remaining budget categories. After discussion, it was also the consensus of the Board that the Amenity Center Operations category be reduced by \$10,000 to \$55,000.

Next, Mr. Monzingo noted that the District's Debt Service Fund indicates a projected deficit of \$42,267; however, the District's Debt Service fund will start out with a fund balance of \$274,000, consistent with the District Financial Advisor's recommended debt service tax rate of \$0.20 per \$100 of assessed valuation. He noted that the District's Debt Service Fund is being drawn down by approximately 15% intentionally. Director Golde suggested that this type of strategy should be employed with the District's General Fund in order to draw down the reserves to align with the Board's goal that the Board maintain, but not grow, the District's targeted reserve fund of two times the annual operating budget.

Next, Director Golde provided information concerning the alternate operations and maintenance tax rates that Mr. Monzingo provided and the impact of each on operating fund surplus reserve amounts, which in all cases would be over three times the annual operating budget. He reminded the Board that a District goal of maintaining two times its annual operating budget was previously adopted as a level for a District operating reserve, and that a large reduction in the operations and maintenance tax rate would be required if that goal were to be maintained in the District's current fiscal year. Director Golde stated that, in his opinion, the Board should consider setting the District's operations and maintenance portion of the District's overall tax rate at \$0.12, which was a reduction of \$0.03.

Director Ubertini voiced his agreement with Director Golde's suggestion and stated he felt comfortable with setting the operations and maintenance portion of the District's overall tax rate at \$0.12. Director Koerner presented a history of the District's overall tax rate since 2011, which showed a steady reduction in the District overall tax rate from \$0.45 to a 2018 rate of \$0.35, provided as **Exhibit B**. He noted that reducing the District's operations and maintenance portion of the District's overall tax rate to \$0.12 would be the most aggressive reduction ever made by the Board.

Director Clifford noted that the projection on operating funds did not take into consideration the operating funds that could be requested for Amenity Center improvements or any major maintenance expenses in 2020 and beyond. She noted that certain maintenance of the District's facilities had been held in abeyance during the Amenity Center improvement design and bidding process and that this work would need to be addressed in the near future. In addition, she expressed a concern about the uncertainties related to future limitations on the rollback rate due to recent legislation and the future impact of a significant reduction in the operating and maintenance

portion of the tax rate. She indicated she was more comfortable with a \$0.02 reduction. Director Koerner noted that with the lack of any major expenses currently approved for the next fiscal year, a reduction in revenues should not be a concern if the Board reduces the operations and maintenance portion of the District's overall tax rate by \$0.02.

Director Ubertini noted that, in his opinion, an unexpected large expenditure would help to achieve the District's goal of a reserve fund of two times its annual operating budget. Director Golde expressed a concern related to having operating reserves substantially in excess of that goal and suggested that the Board revisit this issue at some point in the near future. After discussion, it was the consensus of the Board that the District's goal of a reserve fund of two times its annual operating budget be addressed at a future Board meeting.

There being no further inquiries or comments, upon motion by Director Clifford, seconded by Director Koerner, and unanimously carried, the Board closed the public hearing on the tax rate at 6:27 p.m.

After discussion, upon motion by Director Koerner, seconded by Director Ubertini, and unanimously carried, the Board adopted the budget for the 2019-2020 fiscal year amended as discussed during the public hearing, provided as Exhibit C.

The next item to come before the Board was to consider the adoption of the 2019 tax rate. **After discussion, upon motion by Director Koerner, and seconded by Director Ubertini, the Board adopted a debt service tax rate of twenty cents (\$0.20) per one hundred dollars (\$100) of assessed valuation, and a maintenance and operations tax rate of twelve cents (\$0.12) per one hundred dollars (\$100) of assessed valuation for a total 2019 tax rate of thirty-two cents (\$0.32) per one hundred dollars (\$100) of assessed valuation, with Director Clifford voting against such tax rate, and a copy of the order adopted by the Board provided as Exhibit D.**

Director Golde stated the next item before the Board was to consider approval of an amendment to the District's Information Form. Ms. Albright noted that the form reflected the District's most recent tax rate and was to be filed in the real property records of Travis County. **Upon motion by Director Clifford, seconded by Director Bryson, and unanimously carried, the Board approved the amendment to the District's Information Form, provided as Exhibit E.**

The next item to come before the Board was to consider approval of the minutes of the August 20, 2019 regular meeting. No Board members had comments or objections. **Upon motion by Director Koerner, seconded by Director Bryson, and unanimously carried by the Board members present, the Board approved the minutes of the August 20, 2019 regular meeting, provided as Exhibit F.**

The Board next considered the bookkeeper's report, including payment of invoices, coordination on bookkeeping matters, TexPool investments, and a proposal regarding billing rates for legal services proposed by Lloyd Gosselink Rochelle & Townsend, P.C. Mr. Monzingo presented this item and stated that he had no changes to the report, provided as Exhibit G. Mr. Monzingo noted that after payment of invoices, the ending balance within the District's General

Fund would come to \$802,916.42. **After discussion, upon motion by Director Koerner, seconded by Director Ubertini, and unanimously carried, the Board approved the payment of invoices as presented.**

Next, the Board considered a change in billing rates for legal services proposed by Lloyd Gosselink Rochelle & Townsend, P.C. Ms. Albright noted that pursuant to her firm's employment agreement with the District, information was provided to the Board concerning her firm's intent to adjust hourly billing rates effective October 1, 2019. **After discussion, upon motion by Director Clifford, seconded by Director Bryson, and unanimously carried, the Board approved the increase in Lloyd Gosselink's hourly billing rates in connection with representation of the District, provided as Exhibit H.**

The next item to come before the Board was to consider action as necessary concerning a report from the District's liaison to the HOA and from the HOA liaison to the District. Director Clifford noted that the Board had authorized her to request that the HOA trim the trees encroaching upon the trails at the District's expense. Director Clifford reported that this work was ongoing and almost complete. Next, Director Clifford reported that the HOA's Architectural Control Committee (the "ACC") learned that a resident sought to install a swimming pool within an area designated as a drainage easement. She stated that the ACC denied the resident's request and asked for future reference whether the District would allow any type of permanent construction within its drainage easements. Ms. Albright stated that she did not recommend that the District allow any such construction to take place. Director Clifford stated that she would so advise the ACC.

Next, the Board recognized Mr. Blanton, who addressed the HOA's list of proposed Amenity Center projects. He noted that the HOA had received Ms. Albright's analysis of whether the proposed projects met requirements as recreational facility capital improvements and whether Texas Commission on Environmental Quality ("TCEQ") approval would be required and that, based thereon, the HOA had refined its list of proposed projects, by order of importance, noting that a prioritized list could not be provided until cost information was available. The list included modifications to the existing Amenity Center building to permit year round use; lighting and landscaping improvements around the Amenity Center parking lot; additional storage; and a gravel parking area near the sport court. Mr. Blanton noted that the HOA was considering the viability of a prefabricated storage building as an option and was in the process of contacting vendors with regards thereto. The Board expressed support for the HOA's efforts to refine the list of proposed projects.

Next, discussion ensued regarding funds available for capital improvement projects. Mr. Monzingo stated that there was \$136,813 in bond proceeds available for Amenity Center improvements. Mr. Blanton inquired whether the \$130,000 of operating funds previously earmarked for the storage building and parking lots was still available for Amenity Center improvement projects. The Board indicated that bond proceeds needed to be used first and then operating funds would be considered. Upon inquiry from the Board, Ms. Albright stated that the District had five years from the date of issuance of the District's Bonds to spend the bond funds. She stated that she had spoken to the District's Bond Counsel, who informed her that there were steps that could be taken by the Board to extend that deadline if necessary.

Director Golde stated that the Board would next consider action regarding the engagement of a District Engineer, including: (i) solicitation of a request for qualifications for District Engineer; (ii) interviews with selected Engineering Firms; and (iii) engagement of a District Engineer. Director Bryson stated that based on criteria used by the District's previous search for a District Engineer, including recommendations and suggestions from Board members and District consultants, he compiled a list of six engineering firms, which he contacted to gauge their interest in working with the District. Director Bryson presented a list of the firms he had contacted, a copy of which is attached hereto as **Exhibit I**. After discussion regarding the interest and qualifications of these firms, it was the consensus of the Board that Director Bryson contact Jones & Carter and schedule an interview with the Board to take place at the Board's next meeting.

The next item to come before the Board was to consider drainage facilities, maintenance, and repair. No action was taken by the Board in connection with this item.

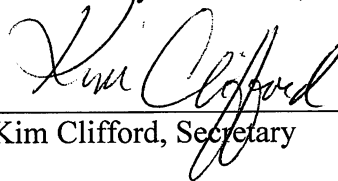
Director Golde stated that the Board would next consider action regarding trail maintenance and restoration. No action was taken by the Board in connection with this item.

Director Golde stated that the Board would next consider action concerning planning, design, and construction of Amenity Center Lot improvements. No further action was taken by the Board in connection with this item.

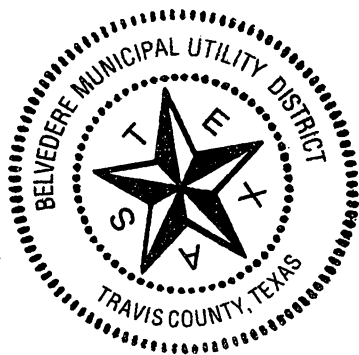
The next item to come before the Board was to consider action on current and proposed facilities owned or maintained by the District, including: (i) reimbursement to the Belvedere HOA under the Joint Use and Maintenance Agreement; and (ii) landscaping of Amenity Center Lot improvements and other facilities. Director Ubertini stated that discussions had taken place with the HOA concerning the need to amend the existing Joint Use and Maintenance Agreement and expected to have a recommendation on a course of action at the Board's next meeting.

After discussion, there being no further business and upon motion made by Director Koerner, seconded by Director Bryson, and unanimously carried by the Board members present, the meeting was adjourned at 7:32 p.m.

PASSED, APPROVED AND ADOPTED THIS 15th day of October, 2019.



Kim Clifford, Secretary



Belvedere Municipal Utility District
 General Operating Fund
 Statement of Projected Revenues and Expenditures
 Budget for the Fiscal Year October 1, 2019 to September 30, 2020

	15 Cent Tax Rate	14 Cent Tax Rate	13 Cent Tax Rate	12 Cent Tax Rate
<u>Revenues</u>				
Maintenance Taxes	\$ 304,633	\$ 284,324	\$ 264,015	\$ 243,706
Interest Income	6,000	6,000	6,000	6,000
Total Revenues	310,633	290,324	270,015	249,706
<u>Expenditures</u>				
Solid Waste Disposal	45,000	45,000	45,000	45,000
Legal Fees	55,000	55,000	55,000	55,000
Audit Fees	7,500	7,500	7,500	7,500
Accounting Fees	14,400	14,400	14,400	14,400
Engineering Fees	18,000	18,000	18,000	18,000
Engineering Fees - Drainage Maintenance	15,000	15,000	15,000	15,000
Amenity Center Operations	65,000	65,000	65,000	65,000
Amenity Center Maintenance	5,000	5,000	5,000	5,000
Amenity Center Landscaping	20,000	20,000	20,000	20,000
Drainage Maintenance	20,000	20,000	20,000	20,000
Insurance	4,000	4,000	4,000	4,000
Tax Appraisal and Collection Fees	5,000	5,000	5,000	5,000
Bank Charges	200	200	200	200
Other fees	100	100	100	100
Newspaper notices	2,000	2,000	2,000	2,000
Total Expenditures	276,200	276,200	276,200	276,200
Projected Excess (Deficit) Revenue Over (Under) Expenditures	34,433	14,124	(6,185)	(26,494)
Projected General Fund Cash at 9/30/19	802,916	802,916	802,916	802,916
Projected General Fund Cash at 9/30/20	\$ 837,349	\$ 817,040	\$ 796,731	\$ 776,422

Belvedere Municipal Utility District
Debt Service Fund
Statement of Projected Revenues and Expenditures
Budget for the Fiscal Year October 1, 2019 to September 30, 2020

<u>Revenues</u>	
Property Taxes	\$ 406,177
Interest Income	4,000
	<hr/>
Total Revenues	410,177
	<hr/>
<u>Expenditures</u>	
Principal	270,000
Interest	182,444
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Total Expenditures	452,444
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Projected Excess (Deficit) Revenue Over (Under) Expenditures	(42,267)
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Projected Fund Balance 9/30/19	274,849
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Projected Fund Balance 9/30/20	\$ 232,582
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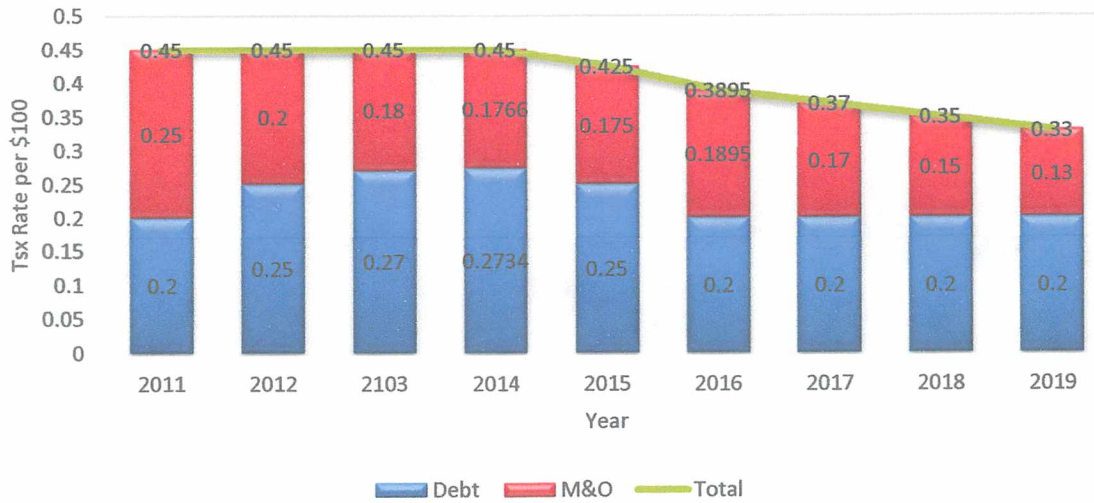
Belvedere Municipal Utility District
Property Taxes for the Fiscal Year October 1, 2019 to September 30, 2020

Property Taxes	Debt	M & O			
Taxable value	\$ 207,233,058				
Tax rate	0.20	0.15	0.14	0.13	0.12
Tax levy	<u>\$ 414,466</u>	<u>\$ 310,850</u>	<u>\$ 290,126</u>	<u>\$ 269,403</u>	<u>\$ 248,680</u>

98% collection rate

	Debt	M & O	M & O	M & O	M & O
	\$ 414,466	\$ 310,850	\$ 290,126	\$ 269,403	\$ 248,680
	0.98	0.98	0.98	0.98	0.98
Estimated Collections	<u>\$ 406,177</u>	<u>\$ 304,633</u>	<u>\$ 284,324</u>	<u>\$ 264,015</u>	<u>\$ 243,706</u>

Belvedere MUD Tax Rate History 2011-2019



2019 Tax Rate: \$0.33/\$100 property valuation
 (\$0.20 debt + \$0.13 maintenance & operations)

RESOLUTION ADOPTING 2019-2020 DISTRICT BUDGET

THE STATE OF TEXAS

COUNTY OF TRAVIS

BELVEDERE MUNICIPAL UTILITY DISTRICT

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WHEREAS, a regular meeting of the Board of Directors of Belvedere Municipal Utility District (the "District") was held on September 17, 2019.


WHEREAS, the Board of Directors projected the operating expenses and revenues for the District for the period October 1, 2019 through September 30, 2020, and desires to adopt a budget consistent therewith.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF BELVEDERE MUNICIPAL UTILITY DISTRICT THAT:

1. That the operating budget attached hereto as Exhibit "A" is hereby adopted.
2. The Secretary of the Board of Directors is hereby directed to file a copy of this Resolution Adopting the 2019-2020 District Budget in the official records of the District.

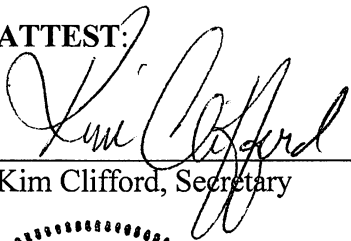
ADOPTED this 17th day of September, 2019.

BELVEDERE MUNICIPAL UTILITY DISTRICT



Peter Golde, President

ATTEST:



Kim Clifford, Secretary



Belvedere Municipal Utility District
General Operating Fund
Statement of Projected Revenues and Expenditures
Budget for the Fiscal Year October 1, 2019 to September 30, 2020

Revenues

Maintenance Taxes	\$ 243,706
Interest Income	<u>6,000</u>
Total Revenues	<u>249,706</u>

Expenditures

Solid Waste Disposal	45,000
Legal Fees	55,000
Audit Fees	7,500
Accounting Fees	14,400
Engineering Fees	18,000
Engineering Fees - Drainage Maintenance	15,000
Amenity Center Operations	55,000
Amenity Center Maintenance	15,000
Amenity Center Landscaping	20,000
Drainage Maintenance	20,000
Insurance	4,000
Tax Appraisal and Collection Fees	5,000
Bank Charges	200
Other fees	100
Newspaper notices	<u>2,000</u>
Total Expenditures	<u>276,200</u>

Projected Excess (Deficit) Revenue Over (Under) Expenditures	<u>\$ (26,494)</u>
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Belvedere Municipal Utility District
Debt Service Fund
Statement of Projected Revenues and Expenditures
Budget for the Fiscal Year October 1, 2019 to September 30, 2020

<u>Revenues</u>	
Property Taxes	\$ 406,177
Interest Income	<u>4,000</u>
Total Revenues	<u>410,177</u>
<u>Expenditures</u>	
Principal	270,000
Interest	<u>182,444</u>
Total Expenditures	<u>452,444</u>
Projected Excess (Deficit) Revenue Over (Under) Expenditures	<u><u>\$ (42,267)</u></u>

Belvedere Municipal Utility District
 Property Taxes for the Fiscal Year October 1, 2019 to September 30, 2020

Property Taxes		Debt	M&O
Taxable value	\$ 207,233,058		
Tax rate	0.32	0.20	0.12
Tax levy		\$ 414,466	\$ 248,680

98% collection rate

	Debt	M & O
	\$ 414,466	\$ 248,680
	0.98	0.98
Estimated Collections	\$ 406,177	\$ 243,706

ORDER SETTING 2019 DEBT SERVICE TAX RATE AND
OPERATIONS AND MAINTENANCE TAX RATE

THE STATE OF TEXAS

COUNTY OF TRAVIS

BELVEDERE MUNICIPAL UTILITY DISTRICT

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The Board of Directors of Belvedere Municipal Utility District met in a regular session, open to the public, after due notice, at The Belvedere Amenity Center, 17400 Flagler Drive, Austin, Texas, within the boundaries of the District, on the 17th day of September, 2019; whereupon the roll was called of the members of the Board of Directors, to wit:

Peter Golde	President
James Koerner	Vice President
Kim Clifford	Secretary
Ronald Ubertini	Assistant Secretary
Steven Bryson	Assistant Secretary

All members of the Board were present, thus constituting a quorum.

WHEREUPON, among other business conducted by the Board, Director Koerner introduced the Order set out below and moved its adoption, which motion was seconded by Director Ubertini and, after full discussion and the question being put to the Board of Directors, said motion was carried by the following vote:

"Aye" 4; "No" 1.

The Order thus adopted is as follows:

WHEREAS, the District may levy a tax on all taxable property in the District to provide for payment of expenses as set out in Section 49.107(a), Texas Water Code;

WHEREAS, at an election held on May 13, 2006, the District's registered voters authorized an unlimited maintenance tax on all taxable property within the District;

WHEREAS, the District may levy a tax on all taxable property in the District in sufficient amount to pay the interest on outstanding bonds and to create a sinking fund for the payment of the principal amount of such bonds when due as set out in Section 51.445, Texas Water Code;

WHEREAS, the District on February 16, 2010 issued its \$2,350,000 Unlimited Tax Bonds, Series 2010;

WHEREAS, the District on October 20, 2011 issued its \$1,920,000 Unlimited Tax Bonds, Series 2011;

WHEREAS, the District on March 16, 2016 issued its \$1,000,000 Unlimited Tax Bonds, Series 2016;

WHEREAS, the District on February 27, 2018 issued its \$1,220,000 Unlimited Tax Park Bonds, Series 2018;

WHEREAS, the Board of Directors has reviewed and approved its operation budget for its fiscal year October 1, 2019 through September 30, 2020 and has determined what maintenance tax rate should be set to meet such budget requirements; and

WHEREAS, the appraisal roll of the District for 2019 has been prepared and certified by the Travis Central Appraisal District and submitted to the District's tax collector.

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF BELVEDERE MUNICIPAL UTILITY DISTRICT THAT:

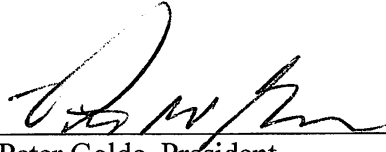
I.

The debt service tax rate for the year 2019 to pay interest on bonds and create a sinking fund for payment of principal on bonds shall be \$0.20 per one hundred dollars (\$100) of assessed valuation, and the maintenance tax rate for the year 2019 shall be \$0.12 per one hundred dollars (\$100) of assessed valuation for a total tax rate of \$0.32 per one hundred dollars (\$100) of assessed valuation. The Travis County Tax Assessor and Collector shall take all steps necessary and authorized by the law to collect taxes as owed pursuant to this order. Said taxes shall be levied, assessed and collected at the total rate of \$0.32 per one hundred dollars (\$100) of assessed valuation for 2019 as provided for in Chapter 49, Texas Water Code, and all other applicable laws.

II.

The President or Vice President are authorized to execute, and the Secretary or any Assistant Secretary to attest, this order on behalf of the Board of Directors.

PASSED, APPROVED AND ADOPTED this the 17th day of September, 2019.

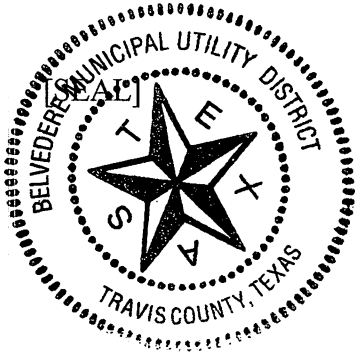


Peter Golde, President
Board of Directors

ATTEST:



Kim Clifford, Secretary
Board of Directors

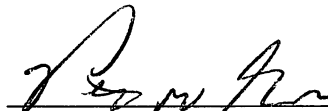



AMENDED INFORMATION FORM FILED PURSUANT TO
SEC. 49.455 OF THE TEXAS WATER CODE FOR
BELVEDERE MUNICIPAL UTILITY DISTRICT

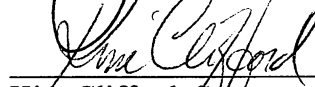
1. The name of the District is Belvedere Municipal Utility District of Travis County.
2. The District consists of 443.695 acres, more or less, more particularly described by the metes and bounds map in the Belvedere Municipal Utility District Amended Information Form dated September 16, 2014, recorded as Document No. 2007177340, Official Public Records, Travis County, Texas.
3. The most recent rate of District-wide taxes on property located in the District for operation and maintenance purposes is \$0.12 on each \$100 of assessed valuation.
4. The most recent rate of District-wide taxes on property located in the District for debt service is \$0.20 on each \$100 of assessed valuation.
5. The total amount of bonds which have been approved by the voters and may be issued by the District (excluding refunding bonds and any bonds or portion of bonds payable solely from revenues received or expected to be received pursuant to a contract with a governmental entity) is \$7,920,000.
6. The aggregate initial principal amount of all bonds of the District payable in whole or in part from taxes (excluding refunding bonds and any bonds or portion of bonds payable solely from revenues received or expected to be received pursuant to a contract with a governmental entity) that have been previously issued is \$6,490,000.
7. The District does not currently impose a standby fee.
8. The District was duly and lawfully created and operates pursuant to the terms and provisions of Article XVI, Section 59 of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code.
9. The functions performed or to be performed by the District are to provide water, and drainage services, and recreational facilities.
10. The particular form of Notice to Purchasers required by Sec. 49.452 of the Texas Water Code to be furnished by a seller to a purchaser of real property in the District, completed by the District with all information required to be furnished by the District, is attached hereto as Exhibit "A".

This Amended Information Form supersedes the Information Form filed in the Travis County Official Public Records as Document No. 2018153099.

SIGNED this 17th day of September, 2019.

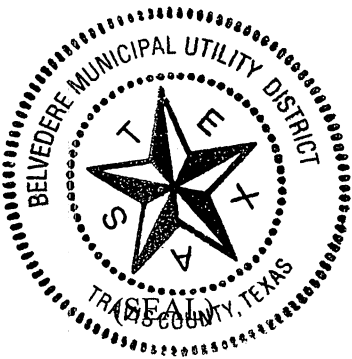

Peter Golde, President
Board of Directors


James Koerner, Vice President
Board of Directors


Kim Clifford, Secretary
Board of Directors


Ronald Ubertini, Assistant Secretary
Board of Directors


Steven Bryson, Assistant Secretary
Board of Directors



ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on September 17, 2019 by Peter Golde, James Koerner, Kim Clifford, Ronald Ubertini, and Steven Bryson, as Directors of Belvedere Municipal Utility District.


Notary Public, State of Texas

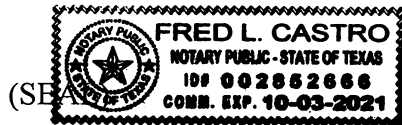


Exhibit A

NOTICE TO PURCHASERS

The real property, described below, which you are about to purchase, is located in BELVEDERE MUNICIPAL UTILITY DISTRICT OF TRAVIS COUNTY. The District has taxing authority separate from any other taxing authority, and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the District on real property located in the District is \$0.32 on each \$100 of assessed valuation. The total amount of bonds approved by the voters and which have been or may, at this date, be issued is \$7,920,000 and the aggregate initial principal amounts of all bonds issued for one or more of the specified facilities of the District and payable in whole or in part from property taxes is \$6,490,000.

The District has the authority to adopt and impose a standby fee on property in the District that has water, sewer, sanitary, or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The District may exercise the authority without holding an election on the matter. As of this date, the amount of the standby fee is \$-0- per month. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the District stating the amount, if any, of unpaid standby fees on a tract of property in the District.

The District is not located within the full purpose limits or extraterritorial jurisdiction of any municipality. By law, a district located in the extraterritorial jurisdiction of a municipality may be annexed without the consent of the district or the voters of the district. When a district is annexed, the district is dissolved.

The purpose of this District is to provide water, drainage, and recreational facilities and services within the District through the issuance of bonds payable in whole or in part from property taxes. The cost of these utility facilities is not included in the purchase price of your property, and these utility facilities are owned or to be owned by the District. In addition, either through taxation or fees, the District may provide fire protection facilities, and solid waste disposal services. The legal description of the property, which you are acquiring, is as follows:

Date

Signature of Seller

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or prior to execution of a binding contract for the purchase of the real property described in such notice or at closing of purchase of the real property.

Date

Signature of Purchaser

(Note: Correct district name, tax rate, bond amounts and legal description are to be placed in the appropriate space.) Except for notices included as an addendum or paragraph of a purchase contract, the notice shall be executed by the seller and purchaser, as indicated. If the district does not propose to provide one or more of the specified facilities and services, the appropriate purpose may be eliminated. If the district has not yet levied taxes, a statement of the district's most recent projected rate of tax is to be placed in the appropriate space. If the district does not have approval from the commission to adopt and impose a standby fee, the second paragraph of the notice may be deleted. For the purposes of the notice form required to be given to the prospective purchaser prior to execution of a binding contract of sale and purchase, a seller and any agent, representative, or person acting on the seller's behalf may modify the notice by substitution of the words 'January 1, _____' for the words 'this date' and place the correct calendar year in the appropriate space.

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

THE STATE OF TEXAS

COUNTY OF TRAVIS

BELVEDERE MUNICIPAL UTILITY DISTRICT

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A regular meeting of the Board of Directors of Belvedere Municipal Utility District was held on August 20, 2019, in accordance with the duly posted notice of said meeting. The roll was called of the members of the Board of Directors, to-wit:

Peter Golde	President
James Koerner	Vice President
Kim Clifford	Secretary
Ronald Ubertini	Assistant Secretary
Steven Bryson	Assistant Secretary

All above-referenced members of the Board were present, thus constituting a quorum of the Board of Directors. All directors present participated in voting on all matters that came before the Board. Also in attendance were Stefanie Albright and Jacqueline Perrin, Attorneys and Fred Castro, Legal Assistant with Lloyd Gosselink Rochelle and Townsend, P.C.; Jeff Monzingo with Montoya & Monzingo, LLP; Bob West with West, Davis & Company; and Lee Blanton was present on behalf of the Belvedere Homeowners Association (“HOA”).

Director Golde called the meeting to order at 6:00 p.m. and announced the Board would first receive public comments. No comments were received.

The next item to come before the Board was to consider approval of the minutes of the July 16, 2019 regular meeting. No Board members had comments or objections. **Upon motion by Director Koerner, seconded by Director Ubertini, and unanimously carried by the Board members present, the Board approved the minutes of the July 16, 2019 regular meeting, provided as Exhibit A.**

The Board next considered the bookkeeper’s report, including payment of invoices, coordination on bookkeeping matters, and TexPool investments. Mr. Monzingo presented this item and stated there were no changes to the report provided as **Exhibit B**. Mr. Monzingo requested that the Board transfer \$25,000 out of the District’s Money Market Account into the District’s General Fund Checking Account to pay the outstanding invoices. After discussion, Director Golde questioned the Year to Date versus Actual Budget for specific categories, which indicated that funds were budgeted for these specific categories, but zero funds expended. After discussion, it was determined that certain expenditures were made as part of reimbursements to the Belvedere Homeowners Association (the “HOA”) under the Joint Maintenance Agreement,

or out of the District's Capital Projects Account. Director Golde suggested that the Board may wish to eliminate certain budget categories when adopting a budget for the 2019-2020 fiscal year.

Next, Director Clifford requested clarification of certain time entries from the legal services invoice presented by Ms. Albright's firm. Ms. Albright noted that the time entry associated with the preparation of a Board resolution in support for the HOA's position of the various lighting options to illuminate the Amenity Center lot was associated with the Board's willingness to continue to work with the HOA to support lighting that is consistent with the HOA's Architectural Control Committee guidelines.

Next, Director Ubertini reviewed a summary of expenditures presented by the HOA for reimbursement by the District under the District's Joint Use and Maintenance Agreement with the HOA. He noted two (2) invoices had been added for telephone and cable service, and the invoice for water was excluded. He stated if there were no questions, the amount for reimbursement by the District this quarter equaled \$9,934.81. After discussion, the Board directed that a pending invoice for water service, which had been held pending resolution on how to divide the costs between the District and HOA, be voided consistent with the advice of Mr. Blanton. **After discussion, upon motion by Director Koerner, seconded by Director Bryson, and unanimously carried by the Board members present, the Board approved the payment of invoices, including the transfer of \$25,000 out of the District's Money Market Account, and the District's Quarterly Investment Report.**

Director Golde stated that the Board would next consider action on amending the District's budget for the 2018-2019 fiscal year. Mr. Monzingo stated that no action was needed at this time. After discussion, no action was taken by the Board in connection with this item.

The next item to come before the Board was to discuss, consider, and take action regarding the District's budget for the 2019-2020 fiscal year. Mr. Monzingo stated that the Certification of 2019 Appraised Values from the Travis Central Appraisal District ("TCAD"), attached hereto as **Exhibit C**, had just been received. He noted that the Net Taxable Value for the District dropped by \$625,215 from TCAD's Estimate of Net Taxable Value. Mr. Monzingo stated that the slight drop in value was not enough to cause any change in the District's Financial Advisor's tax rate recommendation for debt service. Mr. Monzingo stated that based upon the District's Financial Advisor's recommendation, a debt service tax rate of \$0.20 per \$100 of assessed valuation was recommended. He noted that should the Board decide to leave its overall tax rate at \$0.35, this would leave \$0.15 to cover the operations and maintenance portion of the District's proposed budget.

Next, Mr. Monzingo presented a proposed preliminary budget for fiscal year 2019-2020, attached hereto as **Exhibit D**. He stated that his proposed budget was mostly unchanged from last year's budget with the exception of deleting the Amenity Center Improvements line item, as he was unsure whether the Board was moving forward with the project. After discussion, Director Clifford inquired whether the HOA anticipated any significant expenditures for maintenance associated with the facilities for which it has responsibility on behalf of the District under the Joint Maintenance Agreement for the 2019-2020 fiscal year. Mr. Blanton stated that he did not recall anything forecasted in the Reserve Study for the District, but that he would confirm at the next meeting.

Next, a discussion ensued concerning the District's anticipated beginning balance in the District's General Fund for fiscal year 2019-2020 and the Board's goal to maintain, but not grow, the targeted reserve fund of two times the annual operating budget.

Mr. Monzingo noted that his preliminary budget was provided for discussion purposes and noted that the Board would be asked to adopt a final budget at its next meeting.

The next item before the Board was to discuss, consider, and take action on the 2019 tax rate, set a date for public hearing on the tax rate, and authorize publication of the notice of public hearing on the tax rate. Ms. Albright presented this item and noted that this item was for the Board to authorize publication of notice of the proposed tax rate and the September public hearing date. A discussion ensued regarding the impact of lowering the operating portion of the tax rate. Ms. Albright reminded the Board that the tax rate approved at the September Board meeting could be lower, but not higher, than the published amount. Director Koerner recommended keeping the tax notice with a proposed tax rate of 35 cents. **After discussion, upon motion by Director Koerner, seconded by Director Clifford, and unanimously carried by the Board members present, the Board approved publication of the tax notice at a \$0.35/\$100 total tax rate, allocating \$.20/\$100 for debt service and \$0.15/\$100 for operations and maintenance, and authorized publication of the notice of a public hearing scheduled for Tuesday, September 17, 2019 at 6:00 p.m.**

Director Golde stated that the Board would next consider the engagement of West, Davis & Company to conduct the audit of the District's financial records for the period ending September 30, 2019, attached hereto as **Exhibit E**. Mr. West presented a copy of his firm's engagement letter noting that the terms, conditions, and fees associated with conducting the District's audit were unchanged from the previous year. **After discussion, upon motion by Director Clifford, seconded by Director Bryson, and unanimously carried by the Board members present, the Board approved the engagement letter, submitted by West, Davis & Company, for conducting the audit of the District's financial records for the period ending September 30, 2019.**

Director Golde stated that the Board would next discuss and consider action concerning District protocol for requesting legal services outside of Board meetings. Director Ubertini addressed the Board stating that the Board should take time to consider how best to efficiently utilize legal time.

Ms. Albright stated that her firm provides legal services at the Board's requests and had no issues with developing protocols outlining how requests for legal work were to be made. Director Koerner suggested that the protocol be established for requesting work from any of the District's consultants whether it be at the direction of the Board, or through a subcommittee comprised of two (2) Board members. After discussion, it was determined that two (2) Directors could authorize work by consultants outside of Board meetings, with the Board being made aware of the request at its next meeting and any resulting work product be provided to the entire Board .

Next, Director Clifford requested a consensus from the Board that the process currently utilized whereby she and Director Golde consult with Ms. Albright and her firm in connection with routine preparation of agenda packet support material, which includes the review and

modification of the District's Board meeting minutes, was acceptable. After discussion, it was the Board's consensus that interaction between Director Golde and Director Clifford, who act in this manner like a subcommittee, and Ms. Albright concerning routine preparation for Board meetings was consistent with this protocol.

The next item to come before the Board was to consider action as necessary concerning a report from the District's liaison to the HOA and from the HOA liaison to the District. Director Clifford reported that the fall protection zones at the playscape have been refreshed. She reported that there were a number of tree limbs from surrounding trees along the trails that were encroaching upon the pathways. She inquired whether the Board should consider formally requesting that the HOA trim these trees at the District's expense. After discussion, it was the consensus that Director Clifford, on behalf of the Board, request that the HOA trim the tress encroaching upon the trails at the District's expense.

Next, the Board recognized Mr. Blanton, who addressed the Board and reiterated that at the last Board meeting he had requested that the District's Engineer provide him with information regarding the proposed equipment to be used in connection with the trail repair at Carlton Ridge so that he could address the issue of a variance for accessing the project site with the HOA Board. He reported that the HOA granted the request for a period of 60 days from the date the variance was issued, attached hereto as **Exhibit F**.

Next, Mr. Blanton stated that the Board has also requested that the HOA identify a list of projects for review by Ms. Albright to determine whether they met requirements as recreational facility capital improvements and whether TCEQ approval would be required. Mr. Blanton provided this list, attached hereto as **Exhibit G**.

After discussion, Director Golde requested that Ms. Albright also provide the Board with a definition of "capital improvements" under TCEQ guidelines.

The Board next took up the engineering report, including drainage facilities, maintenance, and repair. Ms. Albright stated that this item was placed on the Board's agenda in the event that the District received a final report from the District's former engineer. She noted that no report was received. Director Koerner inquired whether there were any engineering items left unresolved. Director Clifford noted that a second bid on the repairs to the Carlton Ridge Trail was never received, and the negotiation with G. Creek to do the granite parking area was most likely not done.

Director Golde suggested that the Board consider the solicitation of requests for qualifications for District Engineer. **After discussion, upon motion by Director Koerner, seconded by Director Ubertini, and unanimously carried, the Board established a subcommittee, to be comprised of Directors Clifford and Bryson, tasked with soliciting requests for qualifications for engineering services for the District.** The Board took no action in connection with trail maintenance and restoration, including bids for Carlton Ridge Trail repair and improvements.

Next, Director Golde stated that the Board would next consider action concerning the planning, design, and construction of Amenity Center Lot improvements. After discussion, Ms. Albright summarized the Board's intention to rescind the award of the contract to G. Creek for this Project and place the Project on hold. In response to an inquiry from the Board, Ms. Albright stated that she was unaware whether notice of the Board's plan to so act had been sent by the District's former engineer to G. Creek, but stated that she would prepare written correspondence conveying this information to G. Creek for signature by the Board President. **After discussion, upon motion by Director Koerner, seconded by Director Bryson, and unanimously carried by the Board members present, the Board rescinded the award of the contract to G. Creek for the Amenity Center Lot improvements, placed the Project on hold, and authorized Ms. Albright to prepare written correspondence conveying this information to G. Creek for signature by the Board President.**

Director Golde stated that the Board would next consider the current and proposed facilities owned or maintained by the District, including reimbursement to the HOA under the Joint Maintenance Agreement and landscaping of Amenity Center Lot improvements and other facilities. Director Clifford inquired whether the Board, in light of the changes to expense reimbursements mentioned earlier by Director Ubertini and accepted by the Board, was ready to proceed with an amendment to the Joint Maintenance Agreement. After discussion, the Board authorized Director Ubertini, in association with Mr. Blanton, to work on a draft amendment for review by Ms. Albright.

After discussion, there being no further business and upon motion made by Director Koerner, seconded by Director Bryson, and unanimously carried by the Board members present, the meeting was adjourned at 7:50 p.m.

PASSED, APPROVED AND ADOPTED THIS 17th day of September, 2019.

Kim Clifford, Secretary

**BELVEDERE MUD
SCHEDULE OF CASH ACTIVITY
GENERAL FUND
MEETING DATE: SEPTEMBER 17, 2019**

GENERAL FUND CHECKING ACCOUNT BALANCE AS OF 8/31/19 **\$ 15,127.25**

Revenue:

Deposit Date	Description	Amount
		\$ -
		\$ -

Cash Balance Before Expenditures \$ 15,127.25

Expenditures:

Check Number	Description	Amount
1122	Montoya & Monzingo LLP Accounting Fees	\$ 1,200.00
1123	Lloyd Gosselink Legal Fees	\$ 5,269.34
1124	Travis Central Appraisal District Appraisal Fees	\$ 788.49
Transfer	Belvedere - Debt Service Property Taxes	\$ 436.30
	Total Expenditures:	<u>\$ 7,694.13</u>

ENDING BALANCE - GENERAL FUND CHECKING AS OF SEPTEMBER 17, 2019 **\$ 7,433.12**

CASH BALANCE - GENERAL FUND - MONEY MARKET ACCOUNT - UNRESERVED **\$ 62,273.75**

CASH BALANCE - GENERAL FUND - TEXPOOL **\$ 733,209.55**

TOTAL GENERAL FUND OPERATING CASH **\$ 802,916.42**

LESS : GENERAL FUND - OPERATING RESERVES **\$ 480,000.00**

TOTAL GENERAL FUND CASH BALANCE AFTER RESERVES **\$ 322,916.42**

CASH BALANCE - CAPITAL PROJECTS			\$ 224,187.91
324	Lloyd Gosselink	Amenity Center Improvement	\$ 80.00
		Total Expenditures:	\$ 80.00
TOTAL CASH BALANCE - CAPITAL PROJECTS			\$ 224,107.91

CASH BALANCE - DEBT SERVICE FUND - MONEY MARKET			\$ 2,789.03
	Deposits		
	Property Taxes		\$ 436.30
		Total Deposits:	\$ 436.30
ENDING CASH BALANCE - DEBT SERVICE FUND - MONEY MARKET			\$ 3,225.33
CASH BALANCE - DEBT SERVICE - TEXPOOL			\$ 271,623.90
TOTAL CASH BALANCE - DEBT SERVICE			\$ 274,849.23

Belvedere Municipal Utility District
Statement of Revenues and Expenditures Budget vs. Actual
For the Year to Date Ended September 17, 2019
Unaudited

	Year to Date Actual	Year to Date Budget	Year to Date Variance Favorable (Unfavorable)	2019 Annual Budget	2019 Annual Variance Favorable (Unfavorable)
<u>Revenues</u>					
Maintenance Taxes	\$ 302,843	\$ 298,522	\$ 4,321	\$ 298,522	\$ 4,321
Interest Income	8,646	3,000	5,646	3,000	5,646
Total Revenues	311,489	301,522	9,967	301,522	9,967
<u>Expenditures</u>					
Solid Waste Disposal	43,384	45,000	1,616	45,000	1,616
Legal Fees	49,590	55,000	5,410	55,000	5,410
Audit Fees	7,500	7,500	-	7,500	-
Accounting Fees	14,400	14,400	-	14,400	-
Engineering Fees	17,018	18,000	982	18,000	982
Engineering Fees - Drainage Maintenance	-	15,000	15,000	15,000	15,000
Amenity Center Operations	33,277	65,000	31,723	65,000	31,723
Amenity Center Maintenance	-	5,000	5,000	5,000	5,000
Amenity Center Landscaping	-	20,000	20,000	20,000	20,000
Amenity Center Improvements - Engineering	-	25,000	25,000	25,000	25,000
Amenity Center Improvements - Consultants	-	20,000	20,000	20,000	20,000
Amenity Center Improvements - Construction	-	65,000	65,000	65,000	65,000
Drainage Maintenance	-	20,000	20,000	20,000	20,000
Insurance	2,567	4,000	1,433	4,000	1,433
Tax Appraisal and Collection Fees	3,154	5,000	1,846	5,000	1,846
Bank Charges	18	200	182	200	182
Other Fees	-	100	100	100	100
Newspaper notices	-	2,000	2,000	2,000	2,000
Total Expenditures	170,908	386,200	215,292	386,200	215,292
Projected Excess Revenue Over Expenditures	\$ 140,581	\$ (84,678)	\$ 225,259	\$ (84,678)	\$ 225,259

Belvedere MUD
Capital Projects Fund

Check Number	Date	Payee	Amenity Center Improvements	Trail Improvements	Surplus Funds	Surplus Funds Interest Earnings	Total
Beginning Cash Balance			\$ 210,000.00	\$ 40,000.00	\$ 92,247.00	\$ 5,050.40	\$ 347,297.40
1051	7/17/2018	T Bar M Land Services, LLC	-	-	(18,575.00)	-	(18,575.00)
	8/31/2018	Interest earned	-	-	-	226.46	226.46
Transfer	2/18 -9/18	Engineering fees	(29,736.91)	-	(6,285.00)	-	(36,021.91)
		TCEQ fee	-	-	(100.00)	-	(100.00)
	9/30/2018	Interest earned	-	-	-	167.36	167.36
Transfer	10/16/2018	Engineering fees	(4,207.63)	-	-	-	(4,207.63)
1074	10/16/2018	Method Architecture	(7,410.00)	-	-	-	(7,410.00)
Transfer	10/16/2018	JBS & TexaScape (maint)	-	-	(23,940.00)	-	(23,940.00)
	10/22/2018	Bond expense refund	-	-	-	153.19	153.19
	10/31/2018	Interest earned	-	-	-	234.77	234.77
	11/30/2018	Interest earned	-	-	-	244.12	244.12
	12/31/2018	Interest earned	-	-	-	223.57	223.57
	1/31/2019	Interest earned	-	-	-	247.89	247.89
	2/28/2019	Interest earned	-	-	-	224.11	224.11
Transfer	2/14/2019	Murfee Engineering	(3,237.50)	-	-	-	(3,237.50)
Transfer	3/15/2019	Murfee Engineering	-	(247.50)	(2,043.75)	-	(2,291.25)
Transfer	3/19/2019	Method Architecture	(6,888.75)	-	-	-	(6,888.75)
	3/31/2019	Interest earned	-	-	-	247.32	247.32
315	4/16/2019	Method Architecture	(7,732.75)	-	-	-	(7,732.75)
316	4/16/2019	Murfee Engineering	(2,866.34)	-	-	-	(2,866.34)
	4/30/2019	Interest earned	-	-	-	232.21	232.21
	5/31/2019	Interest earned	-	-	-	241.34	241.34
317	6/11/2019	Method Architecture	(150.00)	-	-	-	(150.00)
318	6/11/2019	Murfee Engineering	(2,646.88)	-	-	-	(2,646.88)
319	6/11/2019	Murfee Engineering	-	(1,651.25)	-	-	(1,651.25)
320	6/11/2019	Lloyd Gosselink	(4,129.50)	-	-	-	(4,129.50)
	6/30/2019	Interest earned	-	-	-	200.95	200.95
321	7/16/2019	Method Architecture	(3,900.78)	-	-	-	(3,900.78)
322	7/16/2019	Murfee Engineering	-	(237.50)	-	-	(237.50)
	7/31/2019	Interest earned	-	-	-	218.67	218.67
323	8/20/2019	Lloyd Gosselink	(199.15)	-	-	-	(199.15)
	8/31/2019	Interest earned	-	-	-	214.74	214.74
324	9/17/2019	Lloyd Gosselink	(80.00)	-	-	-	(80.00)
Ending Cash Balance			\$ 136,813.81	\$ 37,863.75	\$ 41,303.25	\$ 8,127.10	\$ 224,107.91

Belvedere Municipal Utility District
Balance Sheet
As of September 17, 2019

	<u>Sep 17, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking Account - ABC Bank	7,433.12
Money Market - ABC Bank	62,273.75
TexPool	733,209.55
Total Checking/Savings	<u>802,916.42</u>
Accounts Receivable	
Taxes Receivable	8,670.29
Total Accounts Receivable	<u>8,670.29</u>
Other Current Assets	
Prepaid Insurance	1,245.58
Total Other Current Assets	<u>1,245.58</u>
Total Current Assets	<u>812,832.29</u>
TOTAL ASSETS	<u><u>812,832.29</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deferred Revenue	8,670.29
Total Other Current Liabilities	<u>8,670.29</u>
Total Current Liabilities	<u>8,670.29</u>
Total Liabilities	8,670.29
Equity	
Unassigned	663,581.32
Net Income	140,580.68
Total Equity	<u>804,162.00</u>
TOTAL LIABILITIES & EQUITY	<u><u>812,832.29</u></u>

Belvedere Municipal Utility District
Profit & Loss
October 1, 2018 through September 17, 2019

	Oct 1, '18 - Sep 17, 19
Ordinary Income/Expense	
Income	
Interest Income	8,645.78
Income	
Property Taxes	302,842.81
Total Income	302,842.81
Total Income	311,488.59
Expense	
Amenity Center Operations	33,277.49
Trail Repairs	
Trail General Maintenance	0.00
Total Trail Repairs	0.00
Audit Fees	7,500.00
Bank Service Charges	18.00
Bookkeeping Fees	14,400.00
Engineering	
Engineering Design - Amenity	0.00
District Engineering	17,017.70
Total Engineering	17,017.70
Insurance	
Liability Insurance	2,566.37
Total Insurance	2,566.37
Legal Fees	
Legal Fees	49,589.97
Total Legal Fees	49,589.97
Collection and Appraisal Fees	3,153.93
Waste Disposal	43,384.45
Total Expense	170,907.91
Net Ordinary Income	140,580.68
Net Income	140,580.68

Belvedere MUD - Capital Projects Fund
Balance Sheet
As of September 17, 2019

	<u>Sep 17, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	224,107.91
Total Checking/Savings	<u>224,107.91</u>
Total Current Assets	<u>224,107.91</u>
TOTAL ASSETS	<u>224,107.91</u>
LIABILITIES & EQUITY	
Equity	
Restricted	257,436.68
Net Income	<u>-33,328.77</u>
Total Equity	<u>224,107.91</u>
TOTAL LIABILITIES & EQUITY	<u>224,107.91</u>

Belvedere MUD - Capital Projects Fund
Profit & Loss
October 1, 2018 through September 17, 2019

	<u>Oct 1, '18 - Sep 17, 19</u>
Ordinary Income/Expense	
Income	
Bond Expense Refund	153.19
Total Income	<u>153.19</u>
Gross Profit	153.19
Expense	
Trail Improvements & Repairs	2,136.25
Drainage Improvements & Repairs	2,043.75
Amenity Center Improvements	31,751.65
Bond Expenses	80.00
Total Expense	<u>36,011.65</u>
Net Ordinary Income	-35,858.46
Other Income/Expense	
Other Income	
Interest Income	2,529.69
Total Other Income	<u>2,529.69</u>
Net Other Income	<u>2,529.69</u>
Net Income	<u><u>-33,328.77</u></u>

Belvedere MUD-Debt Service Fund
Balance Sheet
As of September 17, 2019

	<u>Sep 17, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
MUD Debt Service Fund	3,225.33
TexPool	271,623.90
Total Checking/Savings	<u>274,849.23</u>
Accounts Receivable	
Taxes Receivable	11,192.90
Total Accounts Receivable	<u>11,192.90</u>
Total Current Assets	<u>286,042.13</u>
TOTAL ASSETS	<u><u>286,042.13</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deferred Revenue	11,192.90
Total Other Current Liabilities	<u>11,192.90</u>
Total Current Liabilities	<u>11,192.90</u>
Total Liabilities	11,192.90
Equity	
Restricted	306,809.01
Net Income	-31,959.78
Total Equity	<u>274,849.23</u>
TOTAL LIABILITIES & EQUITY	<u><u>286,042.13</u></u>

**Belvedere MUD-Debt Service Fund
Profit & Loss**

October 1, 2018 through September 17, 2019

	<u>Oct 1, '18 - Sep 17, 19</u>
Ordinary Income/Expense	
Income	
Tax Revenue	403,748.49
Total Income	<u>403,748.49</u>
Expense	
Bank Service Charges	167.00
Bond Principal	250,000.00
Interest Expense	188,681.26
Paying Agent Fee	2,100.00
Total Expense	<u>440,948.26</u>
Net Ordinary Income	-37,199.77
Other Income/Expense	
Other Income	
Interest Income	5,239.99
Total Other Income	<u>5,239.99</u>
Net Other Income	<u>5,239.99</u>
Net Income	<u><u>-31,959.78</u></u>

Ms. Albright's Direct Line: (512) 322-5814
Email: salbright@lglawfirm.com

September 10, 2019

Mr. Peter Golde, President
Belvedere Municipal Utility District
816 Congress Ave., Suite 1900
Austin, Texas 78701

VIA ELECTRONIC MAIL


Re: Billing Rate for Legal Services Rendered
Belvedere Municipal Utility District (2364)

Dear Mr. Golde:

As you know, my firm and I have been providing legal services to Belvedere Municipal Utility District ("Belvedere") for some time pursuant to our employment agreement. We have appreciated the opportunity to provide these services, and we value Belvedere as a client. Our hourly rates for legal services in connection with our representation of Belvedere have not changed since 2015. Pursuant to our employment agreement, this letter will serve as notice of our intention to adjust our hourly billing rates, as noted in the attached chart, effective October 1, 2019. While this rate change represents an increase in our hourly billing rates, it still represents a lower government rate that is a significant reduction from our standard hourly billing rates.

While I hope you will agree that these rate changes are fair, given the length of time since we last raised our rates and the quality of legal services we provide, please call me if you have questions or concerns with this proposal. I look forward to our continued representation of Belvedere Municipal Utility District.

Sincerely,



Stefanie Albright

SPA/dsr

Enclosure

cc: Billing Office

7731290

Lloyd Gosselink Rochelle & Townsend, P.C.

EXHIBIT H

Lloyd Gosselink Rochelle & Townsend, P.C.
Belvedere Municipal Utility District
Current Billing Rates & Proposed New Billing Rates

ATTORNEY	Current Billing Rate	Proposed New Billing Rate to be Effective 10/01/19
Jacqueline Perrin	\$ 200.00	\$ 210.00
Stefanie Albright	\$ 245.00	\$ 265.00

PARALEGAL	Current Billing Rate	Proposed New Billing Rate
Fred Castro	\$ 115.00	\$ 120.00
Paralegal Assistant	\$ 35.00	\$ 35.00

LAW CLERK	Current Billing Rate	Proposed New Billing Rate
Law Clerk	\$ 60.00	\$ 80.00

BELVEDERE SEARCH FOR NEW DISTRICT ENGINEER
September 17, 2019

Based on the criteria used in the previous search for a new District Engineer in the summer of 2017 and going off of the recommendations from MUD Board members, and Stephanie and Jeff, I put together a list of the six firms recommended. I contacted each firm and conducted a phone interview with those that responded.

Doucet & Associated -	NO RESPONSE
Jones & Carter	
Green Civil Design	
Jones-Heroy	
Atwell Engineering	NO RESPONSE
WS Beng Engineering	

Of the four firms who did respond, I visited with members of each firm and it was determined in the discussion that Green Civil Design was not big enough to handle any new projects, Jones-Heroy was not a good fit (from Ken Heroy) and WS Beng while being a large nationwide firm had limited MUD experience.

Based on the conversation with Jones & Carter and with the recommendation from Ken Heroy at Jones-Heroy, I would like to set up an interview with the Board for Kathy Mitchell and Jason Baze at Jones & Carter. I believe that the firm is large enough to handle our needs, they represent a number of MUD's in the area (Rocky Creek and others) and Jason Baze was with Murfee Engineering for over 16 years. Kathy Mitchell came highly recommended by Ken Heroy.

Company	Doucet & Assoc	Jones & Carter	Green Civil Design	Jones-Heroy	Atwell	WSB
		INTERESTED	DECLINED	DECLINED		DECLINED
Contact	Keith Young kyoung@doucetengineers.com 512-583-2600 9/9/2019	Jason Baze/Kathy Mitchell jbaze@jonescarter.com 512-441-9493 9/9/2019	William Pena wpena@greencivildesign.com 512-640-6590 9/9/2019	Ken Heroy kenh@jones-heroy.com 512-989-2200 9/9/2019	Hank Smith 9/9/2019	Jay Kennedy jkenedy@wsbeng.com 512-518-1819 9/9/2019
# of Engineers		5 PE's - MUD (in Austin)	3 PE's	4 PE's		
# Support Staff		30 total				
Years of Experience		23 years - Kathy Mitchell 16 years - Jason Baze				
MUD Experience		Yes		100%		NO
MUD Focused		Yes				NO
Trail Experience		Yes - Richland Hills				Limited
Road Experience		Yes - College Station		No		Yes
Building Experience		Yes		No		Yes
PUA Experience						
Pre-Bid Construction		Yes		No		
Bid Services		Yes		No		Yes
Post-Bid Construction Experience		Yes		No		
Board Meeting Attendance		Yes				
Rate Structure/Rates		Similar to Murfee				
Knows Murfee		Worked there for 16 years and Dan Ryan				
Proximety		Lives 20 minutes away				

COMMENTS	NO RESPONSE	Rocky Creek, Willbarger Creek, Parkside, Highlands, Shops at the Galleria	Too busy to take on another project and not as MUD focused	More focused on Bond issues	NO RESPONSE	Multi-State Company, Do not represent any MUD's
		City of Woodcreek		Not technical		City Engineering for smaller towns
		City of Burnett		Regulatory, No Travis County Involvement		
		Separate Hydrology & Hydraulics Group				
		Surveying		RECOMMENDED THAT WE CONTACT JONES & CARTER		
		Site Development				
		Water & Wastewater				