



there was an update. Ms. Albright stated S.B. 625 related to special purpose districts and imposed a new annual requirement on the District to file certain specifically-identified information through the Texas Comptroller's database by May 1. Ms. Albright stated her office would be circulating a memo summarizing the new requirements and that the time spent on the memo was split amongst 12 other clients. Mr. Monzingo stated that the month of April was usually when the District would pay the HOA for the landscaping payment under the Joint Maintenance Agreement, and asked if the Board wanted to hold payment until the new JMA was finalized or proceed with payment as scheduled. The Board agreed the payment to the HOA should be made in the month of April. Director Clifford noted there was \$5.00 in bank charges, to which Mr. Monzingo stated he would review. **Upon motion by Director Sartain, seconded by Director Ubertini, and unanimously carried, the Board approved the Bookkeeper's report, transfers, and payment of invoices.**

The next item before the Board was to discuss, consider, and take action regarding a report from the District's Engineer, including an update on the Surplus Funds Application to TCEQ. Mr. Canady began with a review of the District's previous bond issuances and provided a list to Ms. Albright for review and confirmation. He stated he would coordinate with Mr. Monzingo to determine the total amount of surplus funds and that the surplus funds application was in its early stages. Director Clifford asked for a target date for filing and an estimate of how long TCEQ would take to process the application, to which Mr. Canady stated he would provide a draft of the application by the next meeting, and if the application was not expedited, it would take TCEQ approximately six to nine months to process. Director Clifford asked if the District proceeded with any site work or drainage projects, could the District reimburse itself from the surplus funds. Ms. Albright stated she would have to double-check on how surplus funds could be applied, and may need to follow-up with bond counsel. Mr. Canady stated he would ask the TCEQ reviewer and follow-up.

Next, Mr. Canady provided an update on the Amenity Center improvements. Director Ubertini asked a question on the staking in front of the Amenity Center. Mr. Canady stated the surveyor had tied in property corners on the Amenity Center project, but the survey of the actual facilities locations had not been done. Director Golde had a comment regarding a prior survey to determine a right-of-way and how the surveyor had gone up one mile on Hamilton Pool Road, and asked if the current surveying would include this as well, to which Mr. Canady stated no. The survey would be focused solely on the Amenity Center and related facilities. Mr. Canady stated the surveyor would be out to survey the facilities' sites and requested a day notice to let the Board know should anyone like to attend. Mr. Canady stated he identified three architects for the proposed storage building design project and at this point, he would like to receive and review their statements of qualifications along with the subcommittee. Then, if the subcommittee wanted to move forward, the architects would provide a proposal for the building based on the information provided to them and bring those proposals before the Board. Mr. Canady noted preliminary schematics were provided by Director Golde, and asked if there was any additional information they should supply to the architect to assist with the proposals. Director Golde noted that he had previously provided Mr. Blanton's drawings to Murfee Engineering. Mr. Canady stated he would email Director Golde to identify any information gaps. Director Ubertini asked if the specifications met all of the Architectural Control Committee's (ACC) requirements. Director Golde asked Mr. Canady if he had a copy of the Covenants, Conditions, and Restrictions (CCRs) to provide to the potential architects. Mr. Canady noted that he had seen requirements for general contractors

approved for the neighborhood but had not seen any requirements on architects in the Belvedere CCRs. Director Ubertini stated the Board should follow the ACC's CCRs. Director Clifford noted the need to look at the ACC guidelines probably more than the CCRs. Mr. Canady stated he would be sure to include that information to include in any info sent to the architects.

Mr. Blanton stated some architectural requirement documents were updated on the website before year-end. Mr. Canady stated he would review the website for current versions. A discussion ensued regarding the software used by Mr. Blanton to prepare the initial rendering and Director Koerner asked if the software generated a file and if he would provide same to Mr. Canady. Mr. Canady stated he could print full size schematics with digital files. Mr. Blanton agreed to provide the electronic file once he had an email address for where it should be sent. Director Golde asked Mr. Wiles if he had any input on the three architects identified, to which he stated no, but recommended putting an item on the ACC agenda for it to address. Mr. Canady asked if the HOA's representatives for the Amenity Center improvements subcommittee had been selected. Director Ubertini stated the HOA would be meeting later that week and their subcommittee representatives would be designated at that time. A discussion ensued regarding the impervious cover requirements and the limits applied to the current proposal for the parking lot. Director Clifford suggested Mr. Canady ask Mr. Ryan, and Director Sartain recommended Mr. Canady also ask what square footage was allocated to public spaces and what was left, if anything. Director Golde stated he assumed someone was keeping a tally. Mr. Canady stated he would follow-up with Mr. Ryan. Mr. Wiles stated he would follow-up with the chairman of the ACC to verify the formula. Secondly, Mr. Wiles had a question regarding the subcommittee's roles and whether Murfee Engineering would be managing the projects. Director Ubertini stated Murfee Engineering was going to officially manage this project but the purpose of the subcommittee was to help make decisions. The Board discussed the management of the projects, and agreed with Mr. Ubertini that Murfee Engineering would have overall management responsibility of the District projects. Mr. Canady stated the next few follow-up tasks included: identifying an architect, staking out the proposed facilities, and finalizing the site plan. He stated he had not heard back from Travis County. Director Ubertini had questions regarding choosing an architect, to which Mr. Canady stated he would prefer meeting with the subcommittee first, then they could schedule a time for the chosen architect to come forward with a proposal.

Next, Mr. Canady provided a status update on the installation of the game fencing in the District easement and stated he received approval from Travis County with the condition that the District approves the fence, so long as it was a wire fence with nothing to impede flow. **Upon motion by Director Clifford, seconded by Director Ubertini, and unanimously carried, the Board approved allowing the HOA to install a wire fence in the gap on Lot 51.**

Mr. Canady stated he sent a letter to Dan Ryan regarding the rock berms and would follow-up once a response was received.

Director Golde stated the next item before the Board was to discuss, consider, and take action on Bond Issue No. 4 regarding recreational facilities, including the easement for the Amenity Center lot facilities and utility conveyance agreement. Ms. Albright stated there was no action needed at this time, but when the District was ready to move forward and execute the JMA, one issue that would arise was when the HOA takes ownership of the real property underneath the

Amenity Center the District would need permission to have the Amenity Center located on HOA's land. Ms. Albright proposed, and said she would coordinate with the HOA's attorney, a blanket easement with the HOA saying that the District had the ability to put any recreational facilities on the amenity center lot. It would be general and would eliminate having a survey of the easement property, which would be expensive. In regards to the Utility Conveyance Agreement (UCA) from Mr. Robuck conveying facilities over to the District, Ms. Albright stated once Mr. Robuck signed the UCA all facilities would be owned by the District and the money from the bond issuance would be released to Mr. Robuck. Director Clifford had a question regarding the use of "Utility" in the title of the document to which Ms. Albright stated the agreement could be changed to "Recreational Conveyance Agreement" which would include a list of items to be conveyed and would work with the HOA's attorney. Director Ubertini asked for a timeframe for completion, to which Ms. Albright stated by April or May at the latest, and that once the JMA was ready, the remaining items could be worked out quickly. Ms. Albright stated she would get feedback from the HOA's attorney before the April meeting. Ms. Albright stated that Mr. Robuck was aware that he was required to convey the Amenity Center and that by not bidding out the construction of the Amenity Center had made the reimbursement process more difficult and the timeline longer. Director Koerner asked if there would be a physical closing by April, to which Ms. Albright stated no, the documents would all be executed independently. Mr. Wiles stated the issue was with the District owning the building and the HOA owning the land, and that the HOA's attorney was ready to engage in conversations on how to clearly word the JMA. A discussion ensued regarding someone tripping and falling on the parking lot and the liability involved. Ms. Albright stated it would be good to have the District own these things, but the HOA could transfer to the District should they decide to own later, but the District could not transfer property from the District to the HOA. Director Ubertini stated they should review this as a further opportunity to help both the District and the HOA after this first phase of conveyance documents.

The next item before the Board was to discuss, consider and take action regarding the approval of the JMA. Director Ubertini provided an update and stated in follow-up from the last meeting where Ms. Albright had provided guidance and certain criteria the District should follow: 1) District funds need to be clearly identified where they were spent; and 2) confirmation that funds would not be used on any pool related recreation areas or items. Given that criteria, Directors Ubertini and Koerner, and Mr. Wiles came up with the following proposed approach: 1) not advancing an amount to cover repair and maintenance contingencies, but rather agreeing to reimburse for such expenses, in arrears, which would lead to clear documentation of the expenses for which the District had paid pursuant to the JMA; 2) the District would have to agree and document that it would pay for all District asset improvements, repairs, replacement and maintenance; and 3) rather than paying the HOA upfront for an agreed-upon share of operating expenses, the HOA would provide copies of what was spent, so the District would be paying for expressly documented items as incurred, and would not be requiring the HOA to do any auditing or maintain any separate bank account or bookkeeping, which accomplishes the goals provided by Ms. Albright. The downside would be the HOA would be waiting 90 days for payment rather than receiving payment 90 days before spent. Director Ubertini stated these conditions seemed amenable to the HOA and the percentages allocated for shared operating expenses could be revisited once a year. Ms. Albright stated this approach would give the District some flexibility and an opportunity of changes going forward. The District could have a subcommittee at some point that could have authorization to approve repairs and/or make certain payments. The Board

discussed the two items the District agreed to pay for 100%, which was cleaning and supplies, and whether they should just be paid by the District. Ms. Albright recommended having Kim Bigley submit receipts for reimbursement on a monthly basis, rather than a true-up at the end of the year. Director Sartain stated the update from Director Ubertini sounded like good alignment and collaboration, and Director Korner added it was brilliant. Mr. Wiles addressed the Board and stated he was curious about the insurance coverage and the need to revisit the subject so the HOA could have its policy changed. Director Ubertini stated the day the title transferred the insurance coverage should be changed. Ms. Albright stated that when the remaining items were approved, the TML proposal would be included in the packet.

The next item before the Board was to discuss management of the District and HOA facilities. Director Clifford had two comments: 1) based on the Board's discussion at this meeting, it was now clear that the JMA would clearly provide that financial responsibility for all maintenance for District facilities would stay with the District; and 2) in light of the HOA's formation of a maintenance committee, the Board should now decide how the actual maintenance work would get done. In particular, the Board should consider how it wanted to work with the maintenance committee on long term maintenance items including the Reserve Study update for all Belvedere facilities. Mr. Blanton addressed the Board and stated the three member maintenance committee was charged with getting an update to the Reserve Study and would share the study with the District once updated. Mr. Blanton stated it would be helpful to have the study broken out to include a list of District facilities separated from HOA facilities. Director Clifford inquired whether the District should consider having Murfee Engineering monitor the District's maintenance needs in accordance with the updated Reserve Study once received. Director Ubertini stated he did not think future maintenance needed to be actively managed, and viewed the report as more as a suggestion on financial planning. Director Clifford commented that she thought someone needed to actively manage maintenance or it often gets overlooked as evidenced by items mentioned in the 2014 Transition Study that had not been done. Director Sartain summarized that the HOA would provide an updated study and per Mr. Blanton's comment, segment the District's to-do list at the end of the report. At that point, the Board could evaluate and determine if a schedule was needed and that would be the next point of time to address issues. Mr. Blanton stated the maintenance subcommittee was prepared to be responsible for managing maintenance of all Belvedere facilities (i.e., District and HOA), and that the committee would come to the District on District items as needed and inquire whether to pursue or not. Director Clifford asked if the District should share in the cost of the study, to which Director Sartain stated if the HOA had the study budgeted then it was not necessary for the District to share in the cost.

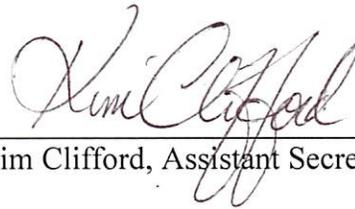
Director Golde stated the next item before the Board was to discuss, consider, and take action on funding for District projects and allocations of costs. Director Golde stated the District was aware there was not enough bond money (plus some portion of surplus funds if approved) to complete the projects and that some operating funds would need to be used. Further, Director Golde stated that the Board needed to decide how many of the projects they wanted to do and determine the goal for the operating reserve fund. The Board discussed having a two-year reserve fund goal and determining how much out of the District's operating fund could be used for the projects, taking into account the cost estimates that were provided by Mr. Canady. Director Sartain stated the action item was to take the data on pricing amounts plus some amount of operating reserves, and put those figures together at which point they could decide how much the District

could spend and stay above a minimum buffer. Director Clifford stated the Board needed to make a decision on the reserve amount. The Board asked Mr. Monzingo if there were any concerns with a 2-year reserve, to which Mr. Monzingo stated it was a conservative amount. Director Sartain recommended a special meeting to address this one topic and come to a conclusion. Director Golde asked if Directors Ubertini and Koerner could provide a revised spreadsheet to review at the special meeting. Director Koerner stated if the Board had a special meeting it would be one more opportunity for the Belvedere community to attend. The Board scheduled a special meeting for Monday, March 26, 2018 at 6:00 p.m. to determine the District's reserve fund goal.

Director Golde stated Item 7 was previously covered.

**There being no further business and upon motion made by Director Sartain, seconded by Director Ubertini, and unanimously carried, the meeting adjourned at 7:40 p.m.**

PASSED, APPROVED AND ADOPTED THIS 17th day of April, 2018.



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Kim Clifford, Assistant Secretary

# **EXHIBIT A**



The next item before the Board was to consider the bookkeeper's report, including, but not limited to, payment of invoices. Mr. Monzingo addressed the Board and reviewed the Bookkeeper's report, provided as **Exhibit B**. Mr. Monzingo stated a transfer of \$157,977.94 from property taxes would be made to the debt service fund, and after the payment of the invoices the operating fund balance would be approximately \$600,000. Mr. Monzingo stated the budget was tracking as planned and that 89.97% of the property taxes had been collected, with \$74,000 outstanding. Director Koerner asked if the collection rate was on target, to which Mr. Monzingo stated it was slightly lower as compared to his other district clients. He stated his report provided the figures through the end of January, so taxes not yet paid were late. **Upon motion by Director Clifford, seconded by Director Koerner, and unanimously carried by the Board members present, the Board approved the Bookkeeper's report, transfers, and payment of invoices.**

Director Golde stated the Board would next consider the Report on the Application of Certain Agreed Upon Procedures relating to Belvedere Municipal Utility District \$1,220,000 Unlimited Tax Park Bonds, Series 2018 (Reimbursement Audit) provided as **Exhibit C**. Mr. West addressed the Board and provided an overview of his findings. Mr. West noted the total reimbursed cost due to the developer was \$769,517. He stated he reviewed the appraisal report for the Amenity Center and cancelled checks for Phases 1 and 2 of the trails. Mr. West directed the Board to column six, page three of the Reimbursement Audit where he reconciled the amount to be paid versus what had been approved by the TCEQ and noted a net difference of \$5,096, which would go to the District's capital projects fund. Director Clifford referred to column five of page three and asked if the \$210,000 for the Amenity Center and \$40,000 for the trails had to be spent that way. Mr. Monzingo stated that while the District had money that would go back to the operating fund which could be spent on any project, those specifically itemized funds in column five, page three must be used as allocated. Next, Mr. West noted a tax issue raised by bond counsel over trail repairs that occurred over three years ago and which were paid by the District. Bond counsel recommended the amount being reimbursed to the District's general operating account be reduced by either the lesser of 5% of the bonds or \$100,000. It was determined to reduce that amount by approximately \$5,000, such funds then going to the District's capital projects fund rather than the operating fund. Mr. West stated there would be \$385 in excess funds which could be included in the proposed surplus funds application to TCEQ to authorize those funds for expenditure. Mr. Monzingo distributed a handout, provided as **Exhibit D**, which identified the disbursements from the bond proceeds and which reconciled with Mr. West's schedules provided in his Reimbursement Audit. Mr. West stated that bond counsel had provided a closing and post-closing memo which also reconciled with this Reimbursement Audit. Director Golde noted that there had been a third revision of the memos prepared by bond counsel that he had not received and was unclear on what additional changes had been made. Following discussion, it was confirmed by Director Golde that the third version of the memo was the version he reviewed, and no other changes had been made.

Director Ubertini asked if the \$769,517 due to the developer would be wired the next day, or would the District need a conveyance agreement beforehand, to which Ms. Albright said a utility conveyance agreement from the developer, an easement grant from the HOA, and insurance would need to be put in place before those funds could be dispersed. Director Ubertini stated the District should not release the funds until the required documents were signed and received. Director Ubertini asked if the developer owed taxes on the Amenity Center to which Ms. Albright

stated she was not sure who paid those taxes and that the Travis County Appraisal District would need to be contacted to verify. Ms. Albright stated she would follow-up with Tom Wiles and Kim Bigley to determine if the Amenity Center property had already been conveyed to the HOA and, if so, then only the easement would be needed. Further, Ms. Albright stated she would review the bond application to confirm facilities to be conveyed to the District versus what was to be conveyed to the HOA, and would ensure that the conveyance agreement clearly identified what was being used with bond funds. Director Golde noted that in his review of the appraisal, the mail kiosks had been included, to which Director Clifford stated that meant the structure over the mailboxes. Ms. Albright stated she would review the bond application and that the remaining close-out items could be done within the next two meetings.

Director Golde noted several issues he became aware of through the Reimbursement Audit which he wanted to be sure all of the Board Members were also aware : 1) the amount due to the developer was less than previously estimated; and 2) the amount to the District's operating fund was greater than previously estimated. The engineering report included with the bond application had shown two trail repairs as paid by the developer, but were actually paid by the District, an error that Mr. West discovered in his review of the cancelled checks. Thus, an extra \$65,000 was allocated to the District's general fund from the bond proceeds. The Board thanked Mr. West for his diligence. Director Golde stated the surplus was bigger and along the same lines, Mr. West mentioned the overage of bond costs was due in large part to two incorrect numbers. The underwriters discount was 40% too high and the bond issuance costs was too low by 50% which cancelled each other out by \$5,000. Director Golde wanted the Board to be aware of the discrepancies. Director Clifford asked if this would have any net effect on the bottom line from the bond sale, to which Mr. West stated no. Director Golde reviewed several aspects of the Federal Tax Certificate for the Board's information including that the District was required to have a binding obligation in place within six months of bond closing, and noted further that there was a three year requirement to spend the bond money. **Upon motion by Director Koerner, seconded by Director Ubertini, and unanimously carried by the Board members present, the Board approved the Report on the Application of Certain Agreed Upon Procedures related to Belvedere Municipal Utility District \$1,220,000 Unlimited Tax Park Bonds, Series 2018 and authorized the District's Bookkeeper to make disbursements consistent with said Report subject to holding proceeds to the developer until closing requirements were met.**

Mr. West commented he had not received payment for the annual financial report, to which Mr. Monzingo stated it had been placed in the mail following the January 16, 2018 Board meeting. The Board authorized Mr. Monzingo to stop payment of the mailed check and issue new check to Mr. West for the annual financial report.

The next item before the Board was to discuss, consider, and take action regarding a report from the District's Engineer. Mr. Canady directed the Board to the proposed Agreement for Provision of Limited Professional Services for Surplus Funds Application to TCEQ, provided as **Exhibit D**. Director Clifford asked if the Board had determined what the surplus funds would be used for, to which Ms. Albright replied that the funds could only be used for drainage or water-related expenses. Director Clifford stated the estimated cost associated with filing the application to use \$92,000 was approximately \$12,000, and asked what would be the risk if the District spent the surplus funds without TCEQ approval. Ms. Albright stated she would have to look into this

but the District risked the misuse of public funds and any associated liability. Director Clifford said it would not be worth the risk. Mr. Canady stated he did not anticipate going over the \$12,000 estimation. Director Clifford asked if the Terms and Conditions were consistent with the Terms and Conditions in the general contract with Murfee Engineering, to which Mr. Canady stated the Terms and Conditions would be updated if necessary following review. Director Clifford asked if including the additional \$385 surplus would change the amount to process the application. Mr. Canady stated the agreement was priced based on a surplus funds application, not the amount of the surplus funds. **Upon motion by Director Koerner, seconded by Director Ubertini, and unanimously carried by the Board members present, the Board approved the Agreement for Provision of Limited Professional Services for Surplus Funds Application to TCEQ with substitution of the Terms and Conditions.**

Next, the Board discussed the new proposed site plan, provided as **Exhibit E**. Director Golde noted the location of the septic line for Mr. Canady's consideration. Mr. Canady stated he would note the anticipated conflict with the septic and confirm its location via survey, but that according to the CAD drawing, the proposed site was further away. Director Golde also noted a fiber optic cable that ran to Kim Bigley's office. Mr. Canady stated he had reached out to Travis County and was waiting for a response on the next steps. Mr. Canady next directed the Board to the proposed cost estimates, provided as **Exhibit F**. Director Clifford asked if lighting and landscaping costs had been included, to which Mr. Canady said no. A discussion ensued regarding the lighting, landscaping plan, and material of the new parking lot. Mr. Canady stated the site plan provided as **Exhibit E** included 14 parking spaces to also include room for handicapped parking and loading and wheelchair access. Mr. Canady requested authorization to move forward with ordering the survey so the HOA and MUD could review. Director Clifford requested the surveyors stay away from the large oak tree when staking the storage building, to which Mr. Canady stated this was preliminary staking and he would keep the tree in mind. Mr. Canady recommended authorization to move forward with Task 3 and partially Task 4. Director Ubertini asked if the contract combined both projects, the parking lot and storage building, to which Mr. Canady stated yes. Director Ubertini stated the District could not move forward without knowing how it would pay for each project. Director Golde requested a new agenda item at the next meeting to formally determine payment for each project.

Mr. Wiles addressed the Board and asked why the \$250,000 was not all for the Amenity Center projects. Director Clifford stated at the time, the District thought it could spend the \$92,000 in surplus funds, and it was a combination of misunderstanding and underestimation of costs of the Amenity Center projects. A discussion ensued regarding the costs of the projects and whether bids would need to be received, to which Mr. Canady stated based on the amount, the project would not need to be advertised. Mr. Wiles stated there was a disconnect between the HOA and MUD regarding the status of the projects. Mr. Canady stated it was his understanding there would be a subcommittee formed by the MUD and the HOA for coordination purposes, and that it would be helpful to have the subcommittee for him to communication between Board meetings. Director Ubertini stated he and Director Sartain would be responsible for reaching out to the HOA and requested Mr. Wiles provide them with the HOA subcommittee members' names to arrange a meeting between the two groups. Mr. Wiles noted the HOA budgeted \$70,000 in its 2018 budget for landscaping project. Director Golde stated that based on previous discussions with District consultants, the Board had been advised that the bond proceeds could be used for the landscaping

areas around the parking lot and storage building. Director Golde stated there would be an agenda item to allocate costs and next steps, but that in the meantime, some of the preliminary engineering by Murfee Engineering could be complete. **Upon motion by Director Koerner, seconded by Director Ubertini, and unanimously carried by the Board members present, the Board approved Murfee Engineering to proceed with Tasks 3 and 4 of the Agreement for the Amenity Center Improvements.**

Director Clifford asked for the status of the berms discussed at previous meetings. Mr. Canady stated his office had prepared a draft letter to Dan Ryan inquiring regarding the removal of the berms. The Board authorized Mr. Canady to send the letter, which would be included in the next meeting's packet.

The next item before the Board was to discuss, consider and take action regarding the May 5, 2018 Directors election, including Declaration of Unopposed Candidates and Cancellation. Ms. Albright stated all three incumbents and no others timely filed and the District could proceed with ordering the cancellation of election which would be posted at each election polling place on election day by Travis County. **Upon motion by Director Clifford, seconded by Director Koerner, and unanimously carried by the Board members present, the Board approved the Order Declaring the Result of Uncontested Election and Order Cancelling the May 5, 2018 Directors Election.**

Director Golde asked the Board to keep in mind that Director Sartain wanted other members in the community to have an opportunity to serve on the MUD Board and that they should look to appoint someone to fill Director Sartain's position in the future.

The next item before the Board was to discuss, consider, and take action on the JMA between the District and the HOA. Ms. Albright distributed a revised draft of the agreement, provided as **Exhibit G**, which incorporated edits that she received from Directors Koerner and Clifford. The Board discussed the controls over the funds to be provided by the District to the HOA, specifically focusing on the suggestion for the HOA to open and maintain a separate bank account for those funds. Ms. Albright stated the JMA called for heightened controls and oversight since the District is transferring public funds to the HOA for the maintenance of the District's property. To that end, it was Ms. Albright's recommendation to have a separate bank account to avoid co-mingling of funds and to easily track expenses at year's end. Director Ubertini asked if this could be done through the annual budgeting process based on the nine line items provided in the Amenity Center and Landscaping Cost Sharing Agreement spreadsheet, provided as **Exhibit H**. Director Ubertini recommended at year's end reviewing the HOA's budget versus actual to determine if the \$72,211 was used/reasonable. A discussion ensued regarding the maintenance items and repairs that would be covered by the JMA and items that would not be covered, such as pool maintenance. Ms. Albright stated the agreement provided general language regarding operations, maintenance, and repairs, and if there was a project over \$25,000 it would be outside the JMA. Director Clifford stated the reserve studies discussed painting of the amenity center and sealant of the floors and how those types of tasks were not covered by the JMA. Director Ubertini asked how the District could keep the contract as simple as possible while still being in compliance. Director Koerner stated he wanted the contract to have flexibility as well. Ms. Albright asked the Board to review the revised redline she distributed and she would provide the revised draft to the

HOA's attorney for review. Director Clifford asked why the reference to trails was included, to which Ms. Albright replied the District would be doing away with the JMA currently in place, and Director Golde added that the trails needed to be maintained under the new agreement. Director Clifford stated based on the current draft, it was unclear who was maintaining the trail system. Director Koerner recommended Director Clifford provide language to Ms. Albright to remedy the confusing language and to make the agreement clearer. Director Koerner requested an electronic copy of the revised draft to provide additional comments. Director Koerner asked if there was a need to have the HOA set-up a separate bank account, to which Ms. Albright stated that was her recommendation but that she would follow-up with Bob West to confirm. The Board requested a revised draft for review at the next meeting.

Director Golde stated the next item before the Board was to discuss, consider, and take action on Texas Municipal League (TML) insurance coverage for District facilities, Directors, and volunteers. Ms. Albright stated her office had contacted TML regarding covering the amenity center and was waiting on a proposal to present to the Board.

**There being no further business and upon motion made by Director Clifford, seconded by Director Ubertini, and unanimously carried, the meeting adjourned at 8:31 p.m.**

PASSED, APPROVED AND ADOPTED THIS 20th day of March, 2018.

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Ronald Ubertini, Secretary

# **EXHIBIT B**

**BELVEDERE MUD  
SCHEDULE OF CASH ACTIVITY  
GENERAL FUND  
MEETING DATE: MARCH 20, 2018**

**CASH BALANCE AS OF 2/28/18** **\$ 216,354.47**

Revenue:

Deposit Date	Description	Amount
		\$ -
	Cash Balance Before Expenditures	\$ 216,354.47

Expenditures:

Check Number	Description	Amount
1020	Lloyd Gosselink      Legal Fees	\$ 9,538.25
1021	Montoya & Monzingo LLP      Accounting Fees	\$ 1,200.00
1022	Murfee Engineering Company      Engineering Fees	\$ 2,873.43
1023	Travis Central Appraisal District      Appraisal Fees	\$ 852.84
Transfer	Belvedere - Money Market	\$ 145,000.00
Transfer	Belvedere - Debt Service      Property Taxes	\$ 46,443.46
	Total Expenditures	\$ 205,907.98

**ENDING CASH BALANCE - CHECKING OPERATING AS OF MARCH 20, 2018** **\$ 10,446.49**

**CASH BALANCE - MONEY MARKET OPERATING** **\$ 625,295.12**

Deposit	Transfer from Checking	\$ 145,000.00
	Total Deposit	\$ 145,000.00

**ENDING CASH BALANCE - MONEY MARKET OPERATING** **\$ 770,295.12**

**TOTAL CASH BALANCE OPERATING** **\$ 780,741.61**

**CASH BALANCE - CAPITAL PROJECTS** **\$ 1,112,539.12**

**TOTAL CASH BALANCE - CAPITAL PROJECTS** **\$ 1,112,539.12**

**CASH BALANCE - DEBT SERVICE FUND** **\$ 614,496.71**

Deposits	Property Taxes	\$ 46,443.46
	Total Deposits:	\$ 46,443.46

**ENDING CASH BALANCE - DEBT SERVICE FUND** **\$ 660,940.17**

Belvedere Municipal Utility District  
Statement of Revenues and Expenditures Budget vs. Actual  
For the Year to Date Ended March 20, 2018  
Unaudited

	Year to Date Actual	Year to Date Budget	Year to Date Variance Favorable (Unfavorable)	2018 Annual Budget	2018 Annual Variance Favorable (Unfavorable)
<u>Revenues</u>					
Maintenance Taxes	\$ 326,491	163,328	\$ 163,164	\$ 326,655	\$ (164)
Bond Proceeds	61,000	-	-	-	-
Interest Income	532	250	282	500	32
<b>Total Revenues</b>	<b>388,023</b>	<b>163,578</b>	<b>163,446</b>	<b>327,155</b>	<b>(132)</b>
<u>Expenditures</u>					
Solid Waste Disposal	19,490	19,000	(490)	38,000	18,510
Legal Fees	33,566	27,500	(6,066)	55,000	21,434
Audit Fees	7,500	8,500	1,000	8,500	1,000
Accounting Fees	7,200	7,200	-	14,400	7,200
Engineering Fees	11,022	9,000	(2,022)	18,000	6,978
Engineering Design	-	7,500	7,500	15,000	15,000
Landscaping	-	12,534.50	12,535	25,069	25,069
Amenity Center Operations & Maintenance	-	11,750	11,750	23,500	23,500
Maintenance	-	17,500	17,500	35,000	35,000
Insurance	966	1,000	34	2,000	1,034
Tax Appraisal and Collection Fees	2,093	2,000	(93)	4,000	1,907
Bank Charges	5	100	95	200	195
Other Fees	-	50	50	100	100
Newspaper notices	-	1,000	1,000	2,000	2,000
<b>Total Expenditures</b>	<b>81,842</b>	<b>124,635</b>	<b>42,793</b>	<b>240,769</b>	<b>158,927</b>
Projected Excess Revenue Over Expenditures	<u>\$ 306,181</u>	<u>\$ 28,796</u>	<u>\$ 277,385</u>	<u>\$ 86,386</u>	<u>\$ 219,795</u>

Solid Waste Disposal year to date budget reflects 6 months because 6 month of payments have been made.  
Audit Fees year to date budget reflects the full audit budget because the audit is completed and billed.

**Belvedere Municipal Utility District**  
**Balance Sheet**  
As of March 20, 2018

---

	<u>Mar 20, 18</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
CASH	
Money Market - ABC Bank	770,295.12
Checking Account - ABC Bank	10,446.49
Total CASH	<u>780,741.61</u>
Total Checking/Savings	780,741.61
Accounts Receivable	
Taxes Receivable	13,686.32
Total Accounts Receivable	<u>13,686.32</u>
Total Current Assets	<u>794,427.93</u>
<b>TOTAL ASSETS</b>	<b><u>794,427.93</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deferred Revenue	13,686.32
Total Other Current Liabilities	<u>13,686.32</u>
Total Current Liabilities	<u>13,686.32</u>
Total Liabilities	13,686.32
Equity	
Unassigned	474,561.35
Net Income	306,180.26
Total Equity	<u>780,741.61</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>794,427.93</u></b>

# Belvedere Municipal Utility District

## Profit & Loss

October 1, 2017 through March 20, 2018

---

	Oct 1, '17 - Mar 20, 18
Ordinary Income/Expense	
Income	
Interest Income	532.28
Income	
Property Taxes	326,490.94
Total Income	326,490.94
Total Income	327,023.22
Expense	
Audit Fees	7,500.00
Bank Service Charges	5.00
Bookkeeping Fees	7,200.00
Engineering	
District Engineering	11,022.18
Total Engineering	11,022.18
Insurance	966.46
Legal Fees	
Legal Fees	33,566.19
Total Legal Fees	33,566.19
Collection and Appraisal Fees	2,092.78
Waste Disposal	19,490.35
Total Expense	81,842.96
Net Ordinary Income	245,180.26
Other Income/Expense	
Other Income	
Bond Proceeds	61,000.00
Total Other Income	61,000.00
Net Other Income	61,000.00
Net Income	306,180.26

Belvedere MUD - Capital Projects Fund

Balance Sheet

As of March 20, 2018

---

	<u>Mar 20, 18</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Cash	1,112,539.12
Total Checking/Savings	<u>1,112,539.12</u>
Total Current Assets	<u>1,112,539.12</u>
<b>TOTAL ASSETS</b>	<u><u>1,112,539.12</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Restricted	92,182.54
Net Income	1,020,356.58
Total Equity	<u>1,112,539.12</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,112,539.12</u></u>

**Belvedere MUD - Capital Projects Fund**  
**Profit & Loss**

October 1, 2017 through March 20, 2018

---

	<u>Oct 1, '17 - Mar 20, 18</u>
Ordinary Income/Expense	
Income	
Bond Proceeds	1,136,656.10
Total Income	<u>1,136,656.10</u>
Gross Profit	1,136,656.10
Expense	
Bond Expenses	116,354.30
Bank Service Charges	77.00
Total Expense	<u>116,431.30</u>
Net Ordinary Income	1,020,224.80
Other Income/Expense	
Other Income	
Interest Income	131.78
Total Other Income	<u>131.78</u>
Net Other Income	<u>131.78</u>
Net Income	<u><u>1,020,356.58</u></u>

**Belvedere MUD-Debt Service Fund**  
**Balance Sheet**  
As of March 20, 2018

---

	Mar 20, 18
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Cash	
MUD Debt Service Fund	660,940.17
Total Cash	660,940.17
Total Checking/Savings	660,940.17
Accounts Receivable	
Taxes Receivable	16,593.88
Total Accounts Receivable	16,593.88
Total Current Assets	677,534.05
<b>TOTAL ASSETS</b>	<b>677,534.05</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deferred Revenue	16,593.88
Total Other Current Liabilities	16,593.88
Total Current Liabilities	16,593.88
Total Liabilities	16,593.88
Equity	
Restricted	359,111.02
Net Income	301,829.15
Total Equity	660,940.17
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>677,534.05</b>

**Belvedere MUD-Debt Service Fund**  
**Profit & Loss**  
October 1, 2017 through March 20, 2018

---

	<u>Oct 1, '17 - Mar 20, 18</u>
Ordinary Income/Expense	
Income	
Tax Revenue	383,267.29
Total Income	383,267.29
Expense	
Bank Service Charges	72.00
Interest Expense	81,193.75
Paying Agent Fee	600.00
Total Expense	81,865.75
Net Ordinary Income	301,401.54
Other Income/Expense	
Other Income	
Interest Income	427.61
Total Other Income	427.61
Net Other Income	427.61
Net Income	<u><u>301,829.15</u></u>

Montoya & Monzingo, LLP

P.O. Box 2029  
Pflugerville, TX 78691  
(512) 251-5668

# Invoice

Date	Invoice #
03/01/2018	22622

Bill To
Belvedere MUD P.O. Box 2029 Pflugerville, TX 78691

Terms
Due on receipt

Description	Amount
March 2018 accounting services.	1,200.00
	
Thank you for your business.	<b>Total</b> \$1,200.00



Murfee Engineering Company

Belvedere Municipal Utility District  
c/o Montoya & Monzingo, LLP  
via email: Jeff Monzingo jeff@jeffmcpa.com  
cc: Michele michele@jeffmcpa.com

Invoice number 38643  
Date 03/09/2018

Project 17031 BELVEDERE MUNICIPAL UTILITY DISTRICT

Professional Engineering Services Rendered Through February 25, 2018

Description	Contract Amount	Prior Billed	Current Billed
17031-10 District Engineering Oct 2017 to Sept 2018	18,000.00	6,000.00	1,500.00
Total	18,000.00	6,000.00	1,500.00

District Engineering Oct 2017 to Sept 2018  
Reimbursables

	Units	Rate	Billed Amount
Mileage or Tolls			19.68

Invoice total 1,519.68

RECEIVED  
3/13/18



Murfee Engineering Company

Belvedere Municipal Utility District
c/o Montoya & Monzingo, LLP
via email: Jeff Monzingo jeff@jeffmcpa.com
cc: Michele michele@jeffmcpa.com

Invoice number 38644
Date 03/09/2018

Project 17031 Belvedere Municipal Utility District

Professional Engineering Services Rendered Through February 25, 2018

Professional Fees

17031-20 Amenity Center Improvements

Table with 4 columns: Role, Hours, Rate, Billed Amount. Rows include Senior Project Manager, Project Engineer, Project Administration Manager, and CAD Design Technician with their respective hours and billed amounts.

Billing Summary

Summary table with 5 columns: Description, Estimated Fee, Total Earned, Prior Billed, Current Billed. Shows a total estimated fee of 37,400.00 and a total earned of 1,353.75.



**TRAVIS CENTRAL APPRAISAL DISTRICT**

8314 Cross Park Dr.  
 P.O. Box 149012  
 Austin, TX 78714

	Invoice Date	Invoice Number
<b>Invoice</b>	3/1/2018	4151

Jurisdiction ID: 1K

Belvedere MUD  
 P.O. Box 2029  
 Pflugerville, TX 78691

You may remit via ACH to Wells Fargo Bank, N.A.,  
 account #7556188477, ABA #111900659.

To remit via wire, please contact the Finance  
 Department.

Invoice Date	Charge Code	Description	Amount
3/1/2018	Appraisal Revenue	Appraisal Fees	\$852.84

Due Date: 3/31/2018	<b>RECEIVED</b> 3/15/18	Total:	\$852.84
---------------------	----------------------------	--------	----------

4151 3/1/2018

Invoice Date	Charge Code	Description	Amount
3/1/2018	Appraisal Revenue	Appraisal Fees	\$852.84

1K Belvedere MUD

Total Due: \$852.84

Due Date: 3/31/2018

Amount Remitted: \_\_\_\_\_

Please remit payment at your earliest convenience. Should you have any questions, please contact Leana H. Mann at (512)834-9317 Ext. 405 or by e-mail at Lmann@tcadcentral.org.

**Belvedere Municipal Utility District**  
**Reconciliation Detail**  
**Checking Account - ABC Bank, Period Ending 02/28/2018**

Type	Date	Num	Name	Clr	Amount	Balance
<b>Beginning Balance</b>						307,095.68
<b>Cleared Transactions</b>						
<b>Checks and Payments - 4 items</b>						
Check	01/16/2018	1014	Attorney General of ...	X	-1,220.00	-1,220.00
Check	02/27/2018	Transfer	Belvedere MUD Deb...	X	-157,977.94	-159,197.94
Transfer	02/27/2018			X	-100,000.00	-259,197.94
Check	02/27/2018	EFT	American Bank of C...	X	-5.00	-259,202.94
<b>Total Checks and Payments</b>					-259,202.94	-259,202.94
<b>Deposits and Credits - 11 items</b>						
Check	01/16/2018	1011	West, Davis & Com...	X	0.00	0.00
Deposit	02/01/2018			X	11,223.57	11,223.57
Deposit	02/02/2018			X	30,779.12	42,002.69
Deposit	02/05/2018			X	6,994.26	48,996.95
Deposit	02/06/2018			X	811.08	49,808.03
Deposit	02/07/2018			X	6,200.76	56,008.79
Deposit	02/08/2018			X	12,727.04	68,735.83
Deposit	02/09/2018			X	6,743.05	75,478.88
Deposit	02/12/2018			X	1,169.03	76,647.91
Deposit	02/23/2018			X	9,278.93	85,926.84
Deposit	02/27/2018			X	104,552.23	190,479.07
<b>Total Deposits and Credits</b>					190,479.07	190,479.07
<b>Total Cleared Transactions</b>					-68,723.87	-68,723.87
<b>Cleared Balance</b>					-68,723.87	238,371.81 <i>pk</i>
<b>Uncleared Transactions</b>						
<b>Checks and Payments - 4 items</b>						
Check	02/27/2018	1016	Lloyd Gosselink		-9,668.59	-9,668.59
Check	02/27/2018	1019	West, Davis & Com...		-7,500.00	-17,168.59
Check	02/27/2018	1018	Murfee Engineering ...		-3,648.75	-20,817.34
Check	02/27/2018	1017	Montoya & Monzing...		-1,200.00	-22,017.34
<b>Total Checks and Payments</b>					-22,017.34	-22,017.34
<b>Total Uncleared Transactions</b>					-22,017.34	-22,017.34
<b>Register Balance as of 02/28/2018</b>					-90,741.21	216,354.47
<b>Ending Balance</b>					-90,741.21	216,354.47

**Belvedere Municipal Utility District**  
**Reconciliation Detail**  
**Money Market - ABC Bank, Period Ending 02/28/2018**

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						525,132.89
Cleared Transactions						
Deposits and Credits - 2 items						
Transfer	02/27/2018			X	100,000.00	100,000.00
Deposit	02/28/2018			X	162.23	100,162.23
Total Deposits and Credits					100,162.23	100,162.23
Total Cleared Transactions					100,162.23	100,162.23
Cleared Balance					100,162.23	625,295.12
Register Balance as of 02/28/2018					100,162.23	625,295.12
Ending Balance					<u>100,162.23</u>	<u>625,295.12</u> W

# Belvedere MUD - Capital Projects Fund

## Reconciliation Detail

Cash, Period Ending 02/28/2018

Type	Date	Num	Name	Clr	Amount	Balance
<b>Beginning Balance</b>						92,247.26
<b>Cleared Transactions</b>						
<b>Checks and Payments - 9 items</b>						
Check	02/27/2018	EFT	American Bank of C...	X	-5.00	-5.00
Check	02/28/2018	Wire	McCall Parkhurst & ...	X	-26,989.52	-26,994.52
Check	02/28/2018	Wire	Specialized Public F...	X	-20,500.00	-47,494.52
Check	02/28/2018	Wire	Moody's Investor Se...	X	-12,000.00	-59,494.52
Check	02/28/2018	Wire	IPreo LLC	X	-1,000.00	-60,494.52
Check	02/28/2018	EFT	American Bank of C...	X	-18.00	-60,512.52
Check	02/28/2018	EFT	American Bank of C...	X	-18.00	-60,530.52
Check	02/28/2018	EFT	American Bank of C...	X	-18.00	-60,548.52
Check	02/28/2018	EFT	American Bank of C...	X	-18.00	-60,566.52
<b>Total Checks and Payments</b>					-60,566.52	-60,566.52
<b>Deposits and Credits - 3 items</b>						
Check	02/27/2018	310	Specialized Public F...	X	0.00	0.00
Deposit	02/27/2018			X	1,093,103.87	1,093,103.87
Deposit	02/28/2018			X	67.06	1,093,170.93
<b>Total Deposits and Credits</b>					1,093,170.93	1,093,170.93
<b>Total Cleared Transactions</b>					1,032,604.41	1,032,604.41
<b>Cleared Balance</b>					1,032,604.41	1,124,851.67 <i>W</i>
<b>Uncleared Transactions</b>						
<b>Checks and Payments - 4 items</b>						
Check	02/27/2018	314	West, Davis & Com...		-8,000.00	-8,000.00
Check	02/27/2018	313	TCEQ		-3,050.00	-11,050.00
Check	02/27/2018	311	S & P Global Market...		-673.00	-11,723.00
Check	02/27/2018	312	Financial Printing Re...		-589.55	-12,312.55
<b>Total Checks and Payments</b>					-12,312.55	-12,312.55
<b>Total Uncleared Transactions</b>					-12,312.55	-12,312.55
<b>Register Balance as of 02/28/2018</b>					1,020,291.86	1,112,539.12
<b>Ending Balance</b>					<b>1,020,291.86</b>	<b>1,112,539.12</b>

**Belvedere MUD-Debt Service Fund**  
**Reconciliation Detail**  
Cash, Period Ending 02/28/2018

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						456,410.75
Cleared Transactions						
Deposits and Credits - 2 items						
Deposit	02/27/2018			X	157,977.94	157,977.94
Deposit	02/28/2018			X	108.02	158,085.96
Total Deposits and Credits					158,085.96	158,085.96
Total Cleared Transactions					158,085.96	158,085.96
Cleared Balance					158,085.96	614,496.71
Register Balance as of 02/28/2018					158,085.96	614,496.71
<b>Ending Balance</b>					<b>158,085.96</b>	<b>614,496.71</b> <i>M</i>

UIK	BEGINNING TAX BALANCE	TAX ADJ	BASE TAX COLLECTED	REVERSALS	NET BASE TAX COLLECTED	PERCENT COLLECTED	ENDING TAX BALANCE	P & I COLLECTED	P & I REVERSALS	LRP COLLECTED	OTHER PENALTY COLLECTED	TOTAL DISTRIBUTED
2006	.00	.00	.00	.00	.00	.00 %	.00	.00	.00	.00	.00	.00
2007	.00	.00	.00	.00	.00	.00 %	.00	.00	.00	.00	.00	.00
2008	.00	.00	.00	.00	.00	.00 %	.00	.00	.00	.00	.00	.00
2009	.00	.00	.00	.00	.00	.00 %	.00	.00	.00	.00	.00	.00
2010	.00	.00	.00	.00	.00	.00 %	.00	.00	.00	.00	.00	.00
2011	.00	.00	.00	.00	.00	.00 %	.00	.00	.00	.00	.00	.00
2012	.00	.00	.00	.00	.00	.00 %	.00	.00	.00	.00	.00	.00
2013	.00	.00	.00	.00	.00	.00 %	.00	.00	.00	.00	.00	.00
2014	2371.31	.00	.00	.00	.00	.00 %	2371.31	.00	.00	.00	.00	.00
2015	3336.25	.00	.00	.00	.00	.00 %	3336.25	.00	.00	.00	.00	.00
2016	7741.28	.00	4377.35	.00	4377.35	56.55 %	3363.93	1042.02	.00	.00	.00	5419.37
TOTL	13448.84	.00	4377.35	.00	4377.35	32.55 %	9071.49	1042.02	.00	.00	.00	5419.37
2017	725464.67	50.97-	704255.96	50.97	704204.99	97.08 %	21208.71	690.23	.00	.00	.00	704895.22
ENTITY												
TOTL	738913.51	50.97-	708633.31	50.97	708582.34	95.90 %	30280.20	1732.25	.00	.00	.00	710314.59

Outstanding property tax receivable

Debt Service: 2014 = 1440.81  
 2015 = 1962.38  
 2016 = 1727.38  
 2017 = 11,463.31  
 > 16,593.88

Operating: 2014 = 930.50  
 2015 = 1373.87  
 2016 = 1636.55  
 2017 = 9745.40  
 > 13,686.32

Current tax rate  
 Operating: .17  
 Debt Service: .20  
 Total: .37