

**EMERALD BAY MUNICIPAL UTILITY DISTRICT**  
**FINAL AND APPROVED**  
**MINUTES OF REGULAR MEETING**  
**NOVEMBER 16, 2009**

The Board of Directors of the Emerald Bay Municipal Utility District met in regular session on Monday, November 16, 2009, at 5:30 p.m. in the Emerald Bay Club, 208 South Bay Drive, Bullard, TX 75757. Present were Directors Ray Hartley, Deena Johnson, Paul Randolph, and Jo Sharp. Director Bill Harris was excused. Fourteen (14) Emerald Bay residents attended.

Director Randolph called the meeting to order at 5:35 p.m. and asked for comments on the Minutes of the October 14 (town hall), October 19 (Regular), and November 5 (Special) meetings. **Director Sharp made a motion to approve the aforementioned Minutes as written with a second (Randolph); the Minutes were approved by unanimous consent.**

Treasurer Hartley presented for review a list of checks written during the month of October, 2009. Director Randolph asked for clarification of the check written to the Texas Municipal League for \$9,131. Hartley noted the District had employed Leonard Timms to operate the sewer plant and must carry worker's compensation insurance.

Treasurer Hartley presented the financial report as of October 31, 2009 (which is first month of new fiscal year). Under sewer system operations, higher than budgeted expenses for repairs, administrative costs, and legal fees produced a negative net income of (\$7,226). Under water system operations, lower revenue (\$3,000 less than budgeted due to heavy rainfall), higher administrative costs (insurance), and legal fees resulted in net income of \$1,676. The balance sheet shows total cash as \$546,357. Hartley noted the cash position is \$38,000 less than budgeted and the accounts payable is \$52,680 less than budgeted due to delayed start of new water well. **Director Hartley made a motion to approve the checks written and the financial summary for October 2009. Upon second (Sharp); the October financials were approved by unanimous consent.**

Treasurer Hartley discussed the necessity to transfer \$100,000 from the sewer fund to the water fund for the third water well project. Director Randolph noted the accepted bid to drill the well was \$250,000 (the estimated total cost of the well is \$400,000). Hartley has contacted bankers to set up an interim line of credit for the project in the amount of \$300,000. **Director Hartley made a motion to transfer the \$100,000 from the sewer fund to the water fund for the water well project. Upon second (Sharp), the motion was approved by unanimous consent.**

Director Johnson presented the proposed Resolution to change the District's voting procedures. The District will hold its elections jointly with Smith County sharing its polling locations, electronic voting equipment, poll workers, etc., in accordance with state and county regulations beginning in 2010. **Director Sharp made a motion to approve the Resolution and authorize Director Johnson to publish said Resolution. Upon second (Hartley), the motion was approved by unanimous consent.**

Director Johnson presented a letter requesting pre-clearance from the Department of Justice for the changes proposed to the District's voting procedures; namely, to hold its elections jointly with Smith County sharing its polling locations, electronic voting equipment, and poll workers in accordance with state and county regulations to be effective with the next election cycle of 2010. **Director Sharp made a motion to approve the letter and authorize Director Johnson to act as election official in this matter. Upon second (Hartley), the motion was approved by unanimous consent.**

**Director Johnson made a motion to change the December regular meeting date from December 21 to December 14 at 5:30 p.m. Upon second (Sharp), the motion was approved by unanimous consent.**

There being no further business, the meeting was adjourned at 6:09 p.m. upon a motion by (Johnson) and a second (Sharp) with unanimous consent.

Respectfully submitted,

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Deena M. Johnson  
Secretary

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Paul Randolph  
Presiding Officer

Attachments:

Check Detail 10/31/09

Financial Summary 10/31/09

Voting Resolution

Department of Justice letter (pre-clearance of voting changes)