

**EMERALD BAY MUNICIPAL UTILITY DISTRICT**  
**FINAL AND APPROVED**  
**MINUTES OF SPECIAL MEETING**  
**MARCH 31, 2011**

The Board of Directors of the Emerald Bay Municipal Utility District met in special session on Thursday, March 31, 2011, at 10:30 a.m. at the District office, 155 LaSalle Drive, Bullard, TX 75757. Present were Directors Dwight Cole, Jaymie Foote, Bill Harris, Deena Johnson, and Paul Randolph. Three (3) District residents attended the meeting.

Director Harris called the meeting to order at 10:30 a.m. and advised the first order of business was to review and act on the revised customer billing list to include fees for water, sewer, road maintenance, golf course drainage, and lots.

The District purchased Enhance which is a utility billing system program written by Harris Computing Systems (no relation to Director Bill Harris) located in Tyler, Texas. This program is designed to generate customer billings from meter readings. This program is also designed to interface with QuickBooks, produce work orders, track the history of accounts, and compliance issues with state inspectors. The EB Club uses the Jonus computer system for billing the membership accounts, but Jonus is not capable of producing the type of utility billing required by the TCEQ. Additionally, when data is created by the District to bill customers for water, Jonus is not capable of effectively updating the District's system accurately and in real time. **Director Randolph made a motion to enable President Harris to notify the financial advisory group that the Board wishes to convert to direct billing from the District. Mr. Harris will work with the financial advisory group to develop the proper process to execute the conversion and the best way to effectively notify the membership of the change and the major reasons for the change. Upon second (Foote), the motion was approved by unanimous consent.**

Secondly, Director Harris proposed the District establish a fee for reading a resident customer's water meter and/or checking for leaks more than two times within the same month. Director Cole stated customers will be informed that the District will check the meter. If there is a leak on the MUD's side, the MUD will fix it. If not, the customer will be billed for the service. George Holmes stated that the financial advisory group will consider this issue in its meeting and make recommendations.

Director Harris also noted that the QuickBooks program requires set up of subcategories to distinguish between the many expense items; i.e. leak repairs, etc. Alicia Freeman, the District's office manager/bookkeeper, will set up system to print checks for each category. Mr. Harris added this procedure would be easier using a voucher form system to code each charge to the appropriate account.

There being no further business, the meeting was adjourned at 11:54 a.m. upon motion duly made (Randolph) and seconded (Foote) with unanimous consent.

Respectfully submitted,

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Deena M. Johnson  
Secretary

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William F. Harris  
President