

**MINUTES OF SPECIAL MEETING  
HURST CREEK MUNICIPAL UTILITY DISTRICT  
AUGUST 31, 2009**

THE STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS           §

The Board of Directors of Hurst Creek Municipal Utility District (the “District”) met this date in special session, open to the public, in the District’s offices at 102 Trophy Drive, The Hills, Texas 78738, and the roll was called of the duly constituted officers and members of the Board to wit:

Haskell Wotkyns, Jr.	President
J.L. Hall	Vice-President
Wilson Smith	Treasurer
James M. Wingard	Secretary
Raymond Arvay	Asst. Secretary

and all of said persons were present, except for Directors Jim Wingard and Ray Arvay, thus constituting a quorum.

Also present were Dan Roark, Earl Wood, and Chris Redd, representing general management for the District; and, Ladd Pattillo, Financial Advisor for the District.

1. The Board met to consider and take action as necessary setting the 2009 Ad Valorem Tax Rate and to schedule a public hearing regarding same.

Mr. Pattillo reviewed three analyses he prepared and gave his recommendation based on one of those analyses, which would be a debt service rate of \$0.24 per \$100 of assessed valuation, and an operations and maintenance rate of \$0.18, for a total tax rate of \$0.42.

After some discussion, Director Smith moved to adopt a tax rate for 2009 in the amount of \$0.42 and schedule a public hearing for September 21, 2009. Director Hall seconded the motion, which carried unanimously.

2. The Board’s next item of consideration and action was to adopt the Budget for Fiscal Year 2009-2010.

Following a review of the proposed budget, Director Hall moved approval as presented and Director Smith seconded the motion, which carried unanimously. A copy of said budget is attached as an exhibit to these minutes.

3. The next item for discussion was a Paving Program with Travis County.

Mr. Roark summarized the upcoming paving program with Travis County and is awaiting cost estimates from them.

4. The Board's next consideration was with regards to the Village of The Hills' proposed sales tax election.

No action was taken on this matter.

There being no further business, the meeting was adjourned.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

(Seal)

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James M. Wingard, Secretary  
Board of Directors