

**MINUTES OF REGULAR MEETING
HURST CREEK MUNICIPAL UTILITY DISTRICT
SEPTEMBER 15, 2014**

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

The Board of Directors of Hurst Creek Municipal Utility District (the “District”) met this date in regular 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:

Wilson Smith	President
James M. Wingard	Vice-President
William L. Warmuth	Treasurer
Raymond Arvay	Secretary
Mike Maroney	Assistant Secretary

And all of said persons were present thus constituting a quorum.

Also present were Dan Roark, Earl Wood, K. C. Belote and Linda Lunney, representing general management for the District; Hilda Potsavich, representing the Village Board of Aldermen and Hal Lanham representing the Hills POA.

1. Discuss and act on adoption of Order Declaring the Result of Uncontested Directors Election

Director Arvay moved adoption of Order Declaring the Result of Uncontested Directors Election; Director Wingard seconded the motion which carried unanimously.

2. Statement of Officers, Oath of Office and election of officers to the Board

Linda Lunney administered the Oath of Office to Bill Warmuth, Ray Arvay and Mike Maroney.

Director Arvay moved to retain current Board positions; Director Warmuth seconded the motion which carried unanimously.

3. Consider, discuss and take necessary action adopting the 2014 Tax Rate, including holding a public hearing on the Tax Rate.

There were several comments from citizens.

Director Warmuth moved to close the public hearing; Director Maroney seconded the motion which carried unanimously.

4. Consider, discuss and take necessary action adopting the 2014 Tax Rate and executing the Order Levying Taxes 2014.

Director Wingard moved adoption of the 2014 Tax Rate of \$0.3692 and execution of the Order Levying Taxes 2014; Director Arvay seconded the motion which carried unanimously.

5. Consider, discuss and take any necessary action on ground water wells and backwash recovery.

Dan Roark briefed the Board on the progress of the backwash recovery and the ground water wells.

6. Consider, discuss and take any necessary action regarding drainage.

K.C. Belote reported on two drainage plans that were under review.

7. Consider approving minutes of the August 18, 2014 regular Board meeting.

Director Warmuth moved approval of the Minutes of August 18, 2014 with the addition of "motion seconded by Director Warmuth which carried unanimously" on item #2; Director Wingard seconded the motion which carried unanimously.

8. Consider and take action approving Bookkeepers Report and approval of paid and to be paid invoices.

The Bookkeepers Report was not available and will be presented at the next meeting.

9. Consider, discuss and take any necessary action to approve the Managers Operating Report.

Dan Roark and K.C. Belote reviewed the written report.

Director Arvay moved approval of the Manager's Operating Report; Director Maroney seconded the motion which carried unanimously.

10. Consider, discuss and take any necessary action regarding Fiscal Year 2014-2015 Budget.

Earl Wood reviewed the proposed budget showing revenues of \$2,394,000 and expenditures of \$2,232,000.

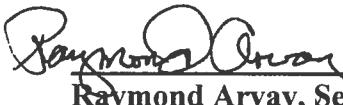
Director Warmuth moved approval of the 2014-2015 Budget; Director Maroney seconded the motion which carried unanimously.

The Board went into executive session to discuss personnel matters at 10:17 am and adjourned the session at 10:55 am. No action was taken.

Signed and sealed this 20th day of October, 2014.

(Seal)



 /s/
Raymond Arvay, Secretary Board of Directors