

## **WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 35**

Minutes of the Special Meeting of Board of Directors  
July 22, 2024

The Board of Directors (the "Board") of Waller County Municipal Utility District No. 35 (the "District") met in special session, open to the public, on July 22, 2024, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted members of the Board, as follows:

Victoria A. Battistini, President  
Ryan C. Ward, Vice President  
Jaclyn Day, Secretary  
Daniel C. Feiler, Assistant Secretary  
Tiffani S. Walker, Assistant Secretary

all of whom were present with the exception of Directors Battistini and Walker, thus constituting a quorum.

Also present were: Blair Bozoarth of Quiddity Engineering, LLC ("Quiddity"); Jennifer Abad of Municipal Accounts & Consulting, L.P. ("MA&C"); Dana Hollingsworth of Municipal District Services, LLC ("MDS"); David Wood of Robert W. Baird & Co., Inc. ("Baird"); Patty Rodriguez of BLICO, Inc., dba Bob Leared Interests ("BLICO"); Damon Vela of Kudela & Weinheimer ("K&W"); Shamar O'Bryant on behalf of Astro Sunterra, L.P. ("Astro Sunterra"), who entered later in the meeting as noted herein; and Christina Cole and Kris Eddlemon of Schwartz, Page & Harding, L.L.P. ("SPH").

The Vice President called the meeting to order and declared it open for such business as might regularly come before the Board.

### **PUBLIC COMMENTS**

There were no comments from members of the public.

### **MINUTES**

The Board considered the minutes of its meeting held on June 10, 2024. After discussion regarding the minutes previously forwarded for review, it was moved by Director Feiler, seconded by Director Day, and unanimously carried, that said minutes be approved, as written.

### **TAX ASSESSOR-COLLECTOR REPORT**

Ms. Rodriguez presented to and reviewed with the Board a written Tax Assessor-Collector Report ("TAC Report") for the period ended June 30, 2024, including the disbursements presented therein for payment from the District's tax account, a copy of which TAC Report is attached hereto

as **Exhibit A**. After discussion, on motion made by Director Feiler, seconded by Director Day and unanimously carried, the Board approved the TAC Report and authorized the payments listed therein.

### **OPERATOR'S REPORT**

Ms. Hollingsworth presented to and reviewed with the Board the Operations Report dated July 22, 2024, a copy of which is attached hereto as **Exhibit B**. She noted that no Board action was required in connection with the Operations Report at this time.

### **BEST TRASH**

Ms. Cole next advised that Best Trash, LLC, the District's solid waste collection and disposal provider, provided correspondence to Harris County Municipal Utility District No. 569 regarding its annual CPI rate adjustment to become effective in the August 2024 billing cycle, and that she anticipates receipt by the District of the same notice. She noted that the rate for solid waste collection and recycling services will increase from \$23.80 to \$25.45 per month per residence, and that no changes are being recommended to the District's Rate Order at this time.

Mr. O'Bryant entered the meeting at this time.

### **ENGINEERING REPORT**

Mr. Bozoarth next presented to and reviewed with the Board an Engineering Report dated July 22, 2024, a copy of which report is attached hereto as **Exhibit C**, relative to the status of various engineering and construction projects within the District. Upon review, Director Feiler moved that the Engineering Report and all actions noted therein be approved as recommended by Quiddity, including (i) award of the construction contracts to the lowest qualified bidder, subject to SPH's review of the payment and performance bonds and insurance certificates submitted in connection with the contracts to determine if the payment and performance bonds and insurance meet the requirements of the bid specifications, the Texas Insurance Code, the rules of the Texas Commission on Environmental Quality ("TCEQ") and the provisions of the Texas Water Code and Astro Sunterra's or Sunterra 6A-Katy, L.P., as applicable, execution of the special conditions of the contracts under which Astro Sunterra or Sunterra 6A-Katy, L.P., as applicable, guarantees payment of all sums due thereunder, and (ii) acceptance and approval of (a) Quitclaim Conveyance of Utility Facilities (Water, Sanitary and Drainage Facilities to serve Sunterra Section 48), and (b) Special Warranty Deed (Recreational Site(s) in Sunterra Section 55). Director Day seconded the motion, which unanimously carried.

### **STATUS OF BOND APPLICATION REPORT**

The Board next discussed the status of the Bond Application Report for the District's \$1,170,000 Unlimited Tax Bonds, Series 2024 Bonds (the "Bonds"). In that regard, Ms. Cole advised that the District received a copy of the final order and staff memo from the TCEQ approving and authorizing the issuance of the Bonds.

Mr. Wood then presented to and reviewed with the Board the draft Preliminary Official Statement ("POS") and Official Notice of Sale in connection with the proposed sale of the Bonds with the Board. He recommended that the sale of the Bonds be scheduled for August 2024, and that the Board approve the POS and authorize publication of the Official Notice of Sale in accordance with applicable legal requirements. After discussion concerning the POS, Director Feiler moved that, subject to final review and approval by the Board and the District's consultants, such offering materials be approved, completed and distributed in anticipation of the sale of the Bonds, and that such POS be deemed to be final for all purposes with the exception of any additional materials or information relating to subsequent material events, offering prices, interest rates, selling compensation, identity of the underwriters, aggregate principal amounts and other similar information, terms and provisions to be specified in the competitive bidding process. Director Day seconded said motion, which unanimously carried.

#### **AUTHORIZE FINANCIAL ADVISOR TO ADVERTISE FOR SALE OF THE BONDS**

The Board then considered authorizing the District's financial advisor to advertise for the sale of the Bonds. After discussion on the matter, Director Feiler moved that Baird be authorized to advertise for the sale of the Bonds in accordance with applicable legal requirements. Director Day seconded said motion, which unanimously carried.

#### **DESIGNATION OF PAYING AGENT/REGISTRAR FOR THE BONDS**

The Board next considered the designation of a Paying Agent/Registrar in connection with the Bonds. Mr. Wood recommended designating The Bank of New York Mellon Trust Company, N.A. ("BONY") as the Paying Agent/Registrar for the District's proposed Bonds. After discussion, Director Feiler moved that BONY be designated as Paying Agent/Registrar for the Bonds. Director Day seconded the motion, which unanimously carried.

#### **ATTORNEY GENERAL'S FEES FOR THE BONDS**

The Board next considered authorizing the District's bookkeeper to prepare a wire transfer authorization for payment of the Attorney General's fees in connection with the review of the transcript of proceedings relative to the Bonds. After discussion on the matter, Director Feiler moved that the District's bookkeeper be authorized to prepare a wire transfer authorization payable to the Attorney General of Texas, as discussed. Director Day seconded the motion, which unanimously carried.

#### **UNLIMITED TAX ROAD BONDS, SERIES 2024 (THE "ROAD BONDS")**

Mr. Wood next presented to and reviewed with the Board the draft POS and Official Notice of Sale in connection with the proposed sale of the Road Bonds. He recommended that the sale of the Road Bonds be scheduled for August 2024, and that the Board approve the POS and authorize publication of the Official Notice of Sale in accordance with applicable legal requirements. Ms. Cole advised that the District's auditor is in the process of preparing the pre-audit for the proceeds of the Road Bonds for review and consideration by the Board at the next meeting. After discussion, Director Feiler moved that, subject to final review and approval by the Board and the District's

consultants, the POS be deemed to be final for all purposes, with the exception of any additional materials or information relating to subsequent material events, offering prices, interest rates, selling compensation, identity of the underwriters, aggregate principal amounts and other similar information, terms and provisions to be specified in the competitive bidding process. Director Day seconded the motion, which unanimously carried. The Board deferred approval of the pre-audit relative to payment of proceeds of the Road Bonds until the next meeting.

#### **AUTHORIZE FINANCIAL ADVISOR TO ADVERTISE FOR SALE OF THE ROAD BONDS**

The next item considered by the Board was authorizing the District's financial advisor to advertise for the sale of the Road Bonds. After discussion on the matter, Director Feiler moved that Baird be authorized to advertise for the sale of the Road Bonds in accordance with applicable legal requirements. Director Day seconded said motion, which unanimously carried.

#### **DESIGNATION OF PAYING AGENT/REGISTRAR FOR THE ROAD BONDS**

The Board next considered the designation of a Paying Agent/Registrar in connection with the Road Bonds. Mr. Wood recommended designating BONY as the Paying Agent/Registrar for the District's proposed Road Bonds. After discussion, Director Feiler moved that BONY be designated as the Paying Agent/Registrar for the Road Bonds. Director Day seconded the motion, which unanimously carried.

#### **ATTORNEY GENERAL'S FEES FOR THE ROAD BONDS**

The Board next considered authorizing the District's bookkeeper to prepare a wire transfer authorization for payment of the Attorney General's fees in connection with the review of the transcript of proceedings relative to the proposed Road Bonds. After discussion on the matter, Director Feiler moved that the District's bookkeeper be authorized to prepare a wire transfer authorization payable to the Attorney General, as discussed. Director Day seconded said motion, which unanimously carried.

#### **RESOLUTION TO COMPLY WITH SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12 AND GENERAL CERTIFICATES IN CONNECTION THEREWITH**

The Board deferred approval of a Resolution to Comply with Securities and Exchange Commission Rule 15c2-12 and General Certificates in connection therewith until the next meeting.

#### **REVISED EXHIBIT TO MAINTENANCE AGREEMENT RELATING TO RECREATIONAL FACILITIES**

The Board deferred approval of a revised exhibit to the Maintenance Agreement Relating to Recreational Facilities between the District and Sunterra Property Owners Association, Inc. until the next meeting.

## **SILT SOLUTIONS, INC.**

The Board next considered report(s) from Silt Solutions, Inc. ("SSI") in connection with storm water pollution and prevention services. Ms. Cole advised that SSI provided reports for the periods May 13, 2024 – June 3, 2024, and June 10, 2024 – July 1, 2024, copies of which are attached hereto as **Exhibit D**.

## **LANDSCAPE ARCHITECTURE REPORT(S)**

Mr. Vela presented to and reviewed with the Board a monthly report prepared by K&W regarding the status of various recreational projects, a copy of which report is attached hereto as **Exhibit E**. Following discussion, Director Feiler moved that K&W's report and all actions noted therein be approved as recommended by K&W, including approval and acceptance of a Quitclaim Conveyance of Facilities (Hardscape, Landscape and Irrigation Improvements (Sunterra Sections 49 and 50)). Director Day seconded the motion, which unanimously carried.

## **BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT REPORT**

Ms. Abad presented to and reviewed with the Board the Bookkeeper's Report, dated July 22, 2024, attached hereto as **Exhibit F**, including the disbursements presented for payment, as prepared by MA&C. Ms. Abad also presented to and reviewed with the Board a Quarterly Investment Inventory Report for the investment period ended May 31, 2024, a copy of which report is included in the Bookkeeper's Report. After discussion, it was moved by Director Feiler that (i) the Bookkeeper's Report be approved, and that the disbursements identified in the Bookkeeper's Report be authorized for payment, and (ii) the Quarterly Investment Report for the investment period ended May 31, 2024, be approved as presented, and the Investment Officers of the District be authorized to execute same on behalf of the Board and the District. Director Day seconded said motion, which unanimously carried.

## **DEVELOPER'S REPORT**

Mr. O'Bryant discussed the status of development within the District.

## **SECURITY PATROL REPORT**

Ms. Cole presented to and reviewed with the Board the Security Patrol Report prepared by On-Site Services, LLC for the month of June 2024, a copy of which is attached hereto as **Exhibit G**.

## **RECORDS MANAGEMENT**

Ms. Cole next presented to and reviewed with the Board a memorandum from SPH, which is attached hereto as **Exhibit H**, regarding the legal requirements to electronically store District records and destroy the paper copies of such records. In this regard, she recommended that the Board approve the Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records attached hereto as **Exhibit I** (the "Records Resolution"). After discussion, Director Feiler moved to approve the Records Resolution, and authorize the

Records Management Officer to execute the related certifications, and that same be submitted to the Texas State Library and Archives Commission for review and approval. Director Day seconded the motion, which unanimously carried.

Ms. Cole reported that the District's Records Retention Schedules adopted in connection with its Records Management Program require that records of the District be retained only for specific periods of time based on the type of record. As an example, she explained that notes taken during meetings and which are used to prepare the official minutes of Board meetings are to be retained for ninety days after approval of such minutes by the Board. She next presented a request from the Records Management Officer for approval to destroy certain records (which will not be scanned in and stored electronically) in accordance with the District's Records Retention Schedules, a copy of which request is attached hereto as **Exhibit J** (the "Request"). After discussion, Director Feiler moved that SPH be authorized to destroy the records described in the Request. Director Day seconded said motion, which carried unanimously.

### ATTORNEY'S REPORT

The Board next considered the attorney's report. In connection therewith, Ms. Cole presented correspondence from Baird relative to disclosure requirements imposed by the Municipal Securities Rulemaking Board's Rule G-42, a copy of which is attached hereto as **Exhibit K**. After discussion, the Board concurred to formally acknowledge receipt of such disclosures.

Ms. Cole next advised the Board that the District is in receipt of an open records request from Real Cost Analytics requesting copies of certain documents related to the construction of facilities to serve Sunterra Sections 69, 70, 71, 72, and 75. She further advised that SPH will provide the requested documents to Real Cost Analytics on behalf of the District. It was noted that no action was required of the Board at this time in connection with said request.

### FUTURE AGENDA ITEMS

The Board considered items for placement on future agendas. No items were requested to be added to future agendas other than those items discussed hereinabove.

### ADJOURNMENT

There being no further business to come before the Board, on motion made by Director Feiler, seconded by Director Day, and unanimously carried, the meeting was adjourned.

(SEAL)

  
Secretary

### LIST OF ATTACHMENTS

- EXHIBIT A Tax Assessor-Collector's Report
- EXHIBIT B Operations Report
- EXHIBIT C Engineering Report
- EXHIBIT D Reports provided by Silt Solutions, Inc.
- EXHIBIT E Report provided by Kudela & Weinheimer
- EXHIBIT F Bookkeeper's Report
- EXHIBIT G Security Patrol Report
- EXHIBIT H Memorandum prepared by Schwartz, Page & Harding, L.L.P.
- EXHIBIT I Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records
- EXHIBIT J Request from the Records Management Officer
- EXHIBIT K Rule G-42 Disclosure from Robert W. Baird & Co., Inc.

# **Exhibit A**

TAX COLLECTOR'S OATH

Waller Co. MID #35 }

STATE OF TEXAS

COUNTY OF Waller }

BRENDA MCLAUGHLIN, BEING duly sworn, states that she is the Tax Collector for the above named taxing unit and that the foregoing contains a true and correct report, accounting for all taxes collected on behalf of said taxing unit during the month therein stated.

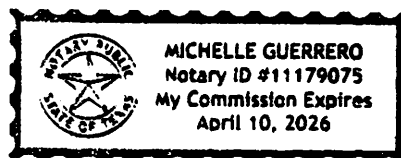
Brenda McLaughlin

BRENDA MCLAUGHLIN

SWORN TO AND SUBSCRIBED BEFORE ME, this 1st day of July, 2024.

Michelle Guerrero  
NOTARY PUBLIC, STATE OF TEXAS

(SEAL)



Submitted to Taxing Unit's Governing Body on \_\_\_\_\_.

**WALLER COUNTY M.U.D. #35**  
**TAX ASSESSOR/COLLECTOR'S REPORT**

6/30/2024

|                             |    |            |                 |
|-----------------------------|----|------------|-----------------|
| Taxes Receivable: 8/31/2023 | \$ | 22.50      |                 |
| Reserve for Uncollectables  | (  | .00)       |                 |
| Adjustments                 |    | <u>.00</u> | \$ <u>22.50</u> |

|                        |    |                 |                   |
|------------------------|----|-----------------|-------------------|
| Original 2023 Tax Levy | \$ | 555,611.07      |                   |
| Adjustments            | (  | <u>3,946.06</u> | <u>551,665.01</u> |

|                               |           |                   |  |
|-------------------------------|-----------|-------------------|--|
| <b>Total Taxes Receivable</b> | <b>\$</b> | <b>551,687.51</b> |  |
|-------------------------------|-----------|-------------------|--|

|                             |    |       |  |
|-----------------------------|----|-------|--|
| Prior Years Taxes Collected | \$ | 22.50 |  |
|-----------------------------|----|-------|--|

|                               |  |                   |                   |
|-------------------------------|--|-------------------|-------------------|
| 2023 Taxes Collected ( 99.2%) |  | <u>547,719.20</u> | <u>547,741.70</u> |
|-------------------------------|--|-------------------|-------------------|

|                                       |           |                        |  |
|---------------------------------------|-----------|------------------------|--|
| <b>Taxes Receivable at: 6/30/2024</b> | <b>\$</b> | <b><u>3,945.81</u></b> |  |
|---------------------------------------|-----------|------------------------|--|

2023 Receivables:

|             |          |
|-------------|----------|
| Maintenance | 1,604.63 |
|-------------|----------|

|          |          |
|----------|----------|
| Contract | 2,341.18 |
|----------|----------|

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*bob leared interests*

11111 Katy Freeway, Suite 725  
Houston, Texas 77079-2197

Phone: (713) 932-9011  
Fax: (713) 932-1150

WALLER COUNTY M.U.D. #35

|                                   | Month of<br>6/2024   | Fiscal to Date<br>6/01/2024 - 6/30/2024 |
|-----------------------------------|----------------------|-----------------------------------------|
| Beginning Cash Balance            | \$ 9,633.00          | 9,633.00                                |
| <b>Receipts:</b>                  |                      |                                         |
| Current & Prior Years Taxes       | 22.50-               | 22.50-                                  |
| Tax Certificates                  | 200.00               | 200.00                                  |
| Erroneous Payment                 | 22.50                | 22.50                                   |
| <b>TOTAL RECEIPTS</b>             | <b>\$ 200.00</b>     | <b>200.00</b>                           |
| <b>Disbursements:</b>             |                      |                                         |
| CAD Quarterly Assessment          | 1,783.50             | 1,783.50                                |
| Tax Assessor/Collector Fee        | 500.00               | 500.00                                  |
| Postage/Deliveries                | 105.68               | 105.68                                  |
| Mileage Expense                   | 6.70                 | 6.70                                    |
| Positive Pay                      | 25.00                | 25.00                                   |
| SB2 Webpage                       | 110.00               | 110.00                                  |
| <b>TOTAL DISBURSEMENTS</b>        | <b>(\$ 2,530.88)</b> | <b>( 2,530.88)</b>                      |
| <b>CASH BALANCE AT: 6/30/2024</b> | <b>\$ 7,302.12</b>   | <b>7,302.12</b>                         |

WALLER COUNTY M.U.D. #35

Disbursements for month of July, 2024

| Check #                | Payee                | Description                 | Amount             |
|------------------------|----------------------|-----------------------------|--------------------|
| 1035                   | Waller Co M.U.D. #37 | Refund - erroneous payments | \$ 22.50           |
| 1036                   | Bob Leared           | Tax Assessor/Collector Fee  | <u>1,692.17</u>    |
| TOTAL DISBURSEMENTS    |                      |                             | \$ 1,714.67        |
| Remaining Cash Balance |                      |                             | <u>\$ 5,587.45</u> |

Stellar Bank

WALLER COUNTY M.U.D. #35

HISTORICAL COLLECTIONS DATA

| Year                                             | Collections<br>Month Of<br>6/2024 | Adjustments To<br>Collections<br>6/2024 | Total Tax<br>Collections<br>at 6/30/2024 | Total Taxes<br>Receivable<br>at 6/30/2024 | Collection<br>Percentage |
|--------------------------------------------------|-----------------------------------|-----------------------------------------|------------------------------------------|-------------------------------------------|--------------------------|
| 2023                                             |                                   | 22.50-                                  | 547,719.20                               | 3,945.81                                  | 99.285                   |
| 2022                                             |                                   |                                         | 222,852.87                               |                                           | 100.000                  |
| (Percentage of collections same period last year |                                   |                                         |                                          | 99.970                                    | )                        |

## WALLER COUNTY M.U.D. #35

## HISTORICAL TAX DATA

| Year | Taxable<br>Value | SR/CR   | Tax<br>Rate | Adjustments | Reserve for<br>Uncollectibles | Adjusted<br>Levy |
|------|------------------|---------|-------------|-------------|-------------------------------|------------------|
| 2023 | 36,777,666       | 13 / 13 | 1.500000    | 3,946.06-   |                               | 551,665.01       |
| 2022 | 12,010,068       | 03 / 03 | 1.500000    | 42,701.85   |                               | 222,852.87       |

WALLER COUNTY M.U.D. #35

TAX RATE COMPONENTS

| Year | Maintenance<br>Rate | Maintenance<br>Levy | Contract<br>Rate | Contract<br>Levy |
|------|---------------------|---------------------|------------------|------------------|
| 2023 | .610000             | 224,343.79          | .890000          | 327,321.22       |
| 2022 | 1.500000            | 222,852.87          |                  |                  |

WALLER COUNTY M.U.D. #35

Notes:

|      |                       |            |
|------|-----------------------|------------|
| 2022 | Agriculture Deferment | 291,608.85 |
| 2023 | Agriculture Deferment | 299,025.90 |
|      | Total --->            | 590,634.75 |

\$ 22.50 - REPORTED AS TAXES COLLECTED ON PRIOR REPORT. UNPAID ACCOUNT  
DUE TO DEPOSIT ERROR, S/B APPLIED TO WALLER CO MUD 37 ACCT  
2023 TAXES; 568-0100-000-7100

WALLER COUNTY M.U.D. #35

|                        |        |        |        |
|------------------------|--------|--------|--------|
| <b>Tax Exemptions:</b> | 2023   | 2022   | 2021   |
| Homestead              | .00000 | .00000 | .00000 |
| Over 65                | 0      | 0      | 0      |
| Disabled               | 0      | 0      | 0      |

**Last Bond Premium Paid:**

|                        |               |        |
|------------------------|---------------|--------|
| Payee                  | Date of Check | Amount |
| McDonald & Wessendorff | 2/07/2024     | 50.00  |
| 3/31/24-3/31/25        |               |        |

|                            |            |           |
|----------------------------|------------|-----------|
| <b>Adjustment Summary:</b> | 2023       |           |
| 10/2023                    | / CORR 005 | 3,519.73- |
| 12/2023                    | / CORR 007 | 202.74-   |
| 1/2024                     | / CORR 008 | 223.59-   |
| <b>TOTAL</b>               |            | 3,946.06- |

WALLER COUNTY M.U.D. #35  
Homestead Payment Plans

| <u>Account no.</u> | <u>Tax</u><br><u>Year</u> | <u>Last</u><br><u>Payment</u><br><u>Amount</u> | <u>Last</u><br><u>Payment</u><br><u>Date</u> | <u>Balance</u><br><u>Due</u>       |
|--------------------|---------------------------|------------------------------------------------|----------------------------------------------|------------------------------------|
| *Total             | Count 0                   |                                                |                                              |                                    |
| (I) - BLI Contract |                           |                                                |                                              | (A) - Delinquent Attorney Contract |

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Standard Payment Plans

| <u>Account no.</u> | <u>Tax</u><br><u>Year</u> | <u>Last</u><br><u>Payment</u><br><u>Amount</u> | <u>Last</u><br><u>Payment</u><br><u>Date</u> | <u>Balance</u><br><u>Due</u> |
|--------------------|---------------------------|------------------------------------------------|----------------------------------------------|------------------------------|
| *Total             | Count 0                   |                                                |                                              |                              |

# **Exhibit B**

# **Waller County MUD #35**

## **OPERATIONS REPORT**

**July 22, 2024**

submitted by



#### I. Billing and Collections

| Connections               | 5/25/2024  | Billed Usage               |              |
|---------------------------|------------|----------------------------|--------------|
| Residential:              | 178        | Residential:               | 1.059        |
| Builder:                  | 164        | Builder:                   | 0.717        |
| Commercial:               | 0          | Commercial:                | 0            |
| Irrigation:               | 4          | Irrigation:                | 0.262        |
| Temporary:                | 3          | Temporary:                 | 0            |
| Rec Center:               | 0          | Rec Center:                | 0            |
| Vacant:                   | 2          | Vacant:                    | 0            |
| <b>Total Connections:</b> | <b>351</b> | Finalized Accounts:        | 0.12         |
|                           |            | <b>Total Billed Usage:</b> | <b>2.158</b> |

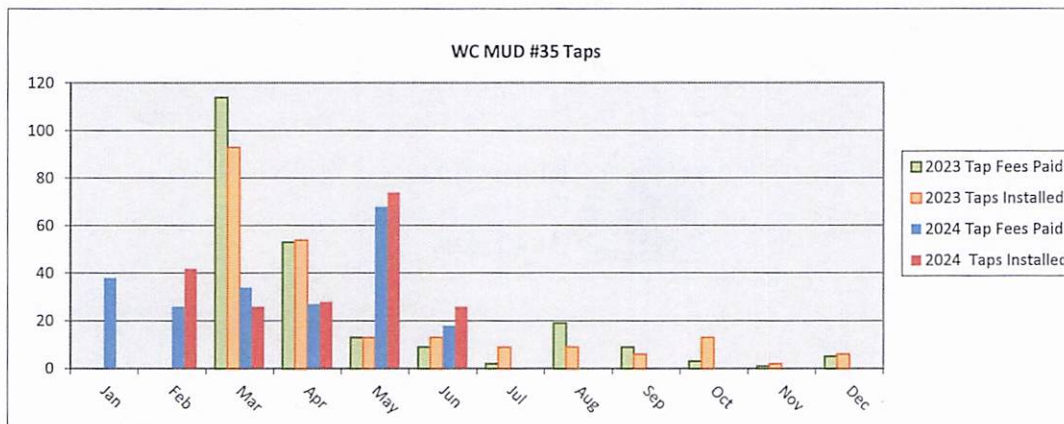
| Collections as of         | 6/4/2024           | Billing as of          | 5/25/2024          |
|---------------------------|--------------------|------------------------|--------------------|
| Penalty:                  | \$608.11           | Penalty:               | \$791.54           |
| Water:                    | \$17,982.71        | Water:                 | \$21,668.00        |
| Sewer:                    | \$12,708.31        | Sewer:                 | \$15,521.45        |
| Deposit:                  | \$19,307.25        | Deposit:               | \$5,650.00         |
| Inspection:               | \$0.00             | Backflow Annual Fee:   | \$0.00             |
| Back Charge:              | \$2,458.83         | Back Charge:           | \$2,707.79         |
| Delinquent Letter Fee     | \$251.25           | Inspection:            | \$427.00           |
| Inspection:               | \$68.09            | Rental Meter Fee:      | \$220.00           |
| Rental Meter Fee:         | \$300.00           | Transfer Fee:          | \$840.00           |
| Returned Pmt Fee:         | \$187.00           | Arrears:               | \$16,518.26        |
| Reconnect Fee:            | \$540.00           | Credits:               | (\$8,670.53)       |
| Transfer Fee:             | \$988.00           | <b>Net Receivable:</b> | <b>\$55,673.51</b> |
| Deposits Applied:         | \$7,150.00         |                        |                    |
| <b>Total Collections:</b> | <b>\$62,549.55</b> |                        |                    |

| Customer Aged Receivables |                    |
|---------------------------|--------------------|
| 30 Day:                   | \$13,750.79        |
| 60 Day:                   | \$2,410.86         |
| 90 Day:                   | \$1,854.25         |
| Overpayments:             | (\$706.10)         |
| <b>Total Receivables:</b> | <b>\$17,309.80</b> |

#### II. Tap Activity

|                                        |     |
|----------------------------------------|-----|
| • Taps fees paid in the month of June: | 18  |
| • Total tap fees paid to date:         | 439 |
| • Taps installed in the month of June: | 26  |
| • Total taps installed to date:        | 414 |



#### III. Repairs and Maintenance over \$1000

- Transferred sewage from collection system at the end of Cielo Lakes Dr, 4721 & 4688 Peony Green Dr and 5048 Steady Breeze Dr.

#### IV. Action Items

- Authorize service termination of delinquent accounts.

| Count of ADDRESS1                   | HC569 Total | HCW4 Total | HCW5 Total  | WC35 Total | WC37 Total | Grand Total |
|-------------------------------------|-------------|------------|-------------|------------|------------|-------------|
| BUILDER                             |             |            |             |            |            |             |
| ADAMS HOMES LONE STAR LLC           |             | 1          | 54          |            |            | 1           |
| ANGLIA HOMES,LP                     | 3           |            | 1           |            | 47         | 51          |
| ASHTON WOODS                        | 26          |            | 45          |            | 120        | 191         |
| BEAZER HOMES C/O RADIUSPOINT DEPT 1 | 107         |            |             |            |            | 107         |
| BRIGHTLAND HOMES                    | 33          |            | 85          | 49         | 29         | 196         |
| CASTLEROCK COMMUNITIES              | 3           |            | 42          |            | 38         | 83          |
| CHESMAR HOMES                       | 1           |            | 88          |            | 35         | 124         |
| COLINA HOMES                        |             |            | 79          |            | 8          | 87          |
| DAVIDSON HOMES LLC                  | 1           |            |             |            | 83         | 84          |
| DL MEACHAM CONSTRUCTION             |             |            | 1           |            |            | 1           |
| DR HORTON                           | 2           |            | 26          | 238        | 129        | 395         |
| EHT OF TEXAS, LP                    |             |            | 70          |            |            | 70          |
| EVERGREEN LIFESTYLES MANAGEMENT/ SU |             |            | 2           |            | 6          | 8           |
| GBFR SUNTERRA LP                    | 1           |            |             |            |            | 1           |
| HAMILTON THOMAS HOMES               |             |            | 24          |            |            | 24          |
| HIGHLAND HOMES                      |             |            | 118         |            |            | 118         |
| HISTORY MAKER HOMES                 | 1           |            | 94          |            | 35         | 130         |
| KA GREAT MINDS WEST LLC             |             | 1          |             |            |            | 1           |
| KATY 1093 LTD                       |             |            | 1           |            |            | 1           |
| KATY INDEPENDENCE SCHOOL DISTRICT   |             |            |             |            | 1          | 1           |
| KB HOMES                            | 1           |            | 1           | 39         | 118        | 159         |
| LENNAR HOMES                        | 246         |            | 112         | 84         | 106        | 548         |
| LGI HOMES GROUP LLC                 | 1           |            |             |            | 37         | 38          |
| LONG LAKE, LTD                      | 37          |            |             |            | 79         | 116         |
| MILLIS DEVELOPMENT & CONSTRUCTION   | 1           |            |             |            |            | 1           |
| NUWAY HOMES TEXAS LP                | 66          |            | 100         |            | 22         | 188         |
| ONM LIVING                          |             |            | 114         |            |            | 114         |
| PERRY HOMES                         |             |            | 75          |            |            | 75          |
| PULTE HOMES, LP                     |             |            | 286         |            |            | 286         |
| SHAHYAN KAROWADIYA                  |             | 2          |             |            |            | 2           |
| SHEA HOMES HOUSTON LLC              |             |            | 76          |            |            | 76          |
| STARLIGHT HOMES-HOUSTON             | 61          |            |             |            |            | 61          |
| SUNTERRA POA                        | 4           |            | 7           |            | 4          | 15          |
| SUNTERRA POA C/O PMG HOUSTON        |             |            | 24          | 2          | 8          | 34          |
| SUNTERRA POA INC                    | 6           |            |             | 4          | 1          | 11          |
| TRICOAST HOMES                      | 1           |            |             |            | 20         | 21          |
| TRIPLE C LANDSCAPES                 |             |            | 3           |            |            | 3           |
| WESTIN HOMES                        | 2           |            | 32          | 23         | 52         | 109         |
| <b>Grand Total</b>                  | <b>604</b>  | <b>4</b>   | <b>1560</b> | <b>439</b> | <b>978</b> | <b>3585</b> |

# **Exhibit C**



2322 W. Grand Parkway N, Suite 150  
Katy, Texas 77449  
Tel: 832.913.4000  
www.quiddity.com

July 22, 2024

Board of Directors  
Waller County Municipal Utility District No. 35  
Schwartz, Page & Harding, L.L.P.  
1300 Post Oak Boulevard, Suite 2500  
Houston, Texas 77056

Re: Engineering Report  
Board Meeting of July 22, 2024

Dear Directors:

This report summarizes our activities during the past month:

6a. Authorizing the design, advertisement for bids and/or award of the construction contracts or concurrence in the award of a contract for the construction of water, sanitary sewer, drainage, and/or paving facilities within the District, and authorize acceptance of a Texas Ethics Commission ("TEC") Form 1295, including:

**a) Sunterra Section 47 WS&D and Paving Facilities (Brightland):**

- i. Construction plans have been approved, and we are working on bid documents. We request approval to advertise and bid the WS&D and Paving projects.

**Action Item: Approval to bid the project.**

**b) Sunterra Section 56 WS&D and Paving Facilities (KB Home):**

- i. Construction plans have been approved, and we are working on bid documents.
- ii. We received bids on May 17, 2024, for Section 56 WSD, and the lowest three bid results are below.

|                                |                     |                |
|--------------------------------|---------------------|----------------|
| <b>TWM Land Services</b>       | <b>\$422,123.00</b> | <b>35 Days</b> |
| <b>Fellers &amp; Clark, LP</b> | <b>\$425,250.00</b> | <b>15 Days</b> |
| <b>Texas KB Utilities, LLC</b> | <b>\$433,000.00</b> | <b>21 Days</b> |

We have never worked with the low bidder and reviewed their references. Upon review of the references for TWM, we found Fellers & Clark to be the most advantageous for the District and recommend awarding to Fellers & Clark, LP.

- iii. We received bids on July 19, 2024, for Section 56 Paving, and the lowest three bid results are below.

|                                                      |                     |                |
|------------------------------------------------------|---------------------|----------------|
| <b>Allgood Construction Company, Inc.</b>            | <b>\$612,988.99</b> | <b>30 Days</b> |
| <b>Elite Construction &amp; Engineering Services</b> | <b>\$622,500.00</b> | <b>45 Days</b> |
| <b>HCG</b>                                           | <b>\$671,247.37</b> | <b>45 Days</b> |

We have worked with the low bidder and find them to be the most advantageous for the District and recommend awarding to Allgood.

**Action Item: Award Paving contract to Allgood Construction Company, Inc.**



**c) Sunterra Section 70 Paving Facilities (Astro):**

- i. We are in the approval stage for this section.
- ii. We received bids on May 21, 2024, for Section 70 Paving, and the lowest three bid results are below.

|                                     |                     |                |
|-------------------------------------|---------------------|----------------|
| <b>Hurtado Construction Company</b> | <b>\$777,060.22</b> | <b>45 Days</b> |
| <b>A&amp;M Contractors, Inc.</b>    | <b>\$867,195.90</b> | <b>45 Days</b> |
| <b>HCG</b>                          | <b>\$889,657.25</b> | <b>45 Days</b> |

We recommend awarding to Hurtado.

**Action Item: Award Paving contract to Hurtado Construction Company.**

**d) Sunterra Section 71 Paving Facilities (Astro):**

- i. We received bids on May 21, 2024, for Section 71 Paving, and the lowest three bid results are below.

|                                          |                       |                |
|------------------------------------------|-----------------------|----------------|
| <b>Daco Paving, Inc.</b>                 | <b>\$940,000.00</b>   | <b>45 Days</b> |
| <b>Allgood Construction Company, LLC</b> | <b>\$1,002,805.39</b> | <b>45 Days</b> |
| <b>Beyer Construction, LLC</b>           | <b>\$1,056,989.05</b> | <b>45 Days</b> |

We recommend awarding to Daco.

**Action Item: Award Paving contract to Daco Paving, Inc.**

**e) Sunterra Section 74 Paving Facilities (Astro):**

- i. We received bids on June 11, 2024, for Section 74 Paving, and the lowest three bid results are below.

|                                          |                       |                |
|------------------------------------------|-----------------------|----------------|
| <b>Allgood Construction Company, LLC</b> | <b>\$1,157,989.35</b> | <b>55 Days</b> |
| <b>HCG</b>                               | <b>\$1,184,068.20</b> | <b>55 Days</b> |
| <b>R Construction Civil, LLC</b>         | <b>\$1,243,266.00</b> | <b>54 Days</b> |

We recommend awarding to Allgood.

**Action Item: Award Paving contract to Allgood Construction Company, LLC.**

**f) Sunterra Section 75 Paving Facilities (Astro):**

- i. We received bids on June 28, 2024, for Section 75 Paving, and the lowest three bid results are below for Base bid + Alternate No. 2.

|                                     |                       |                |
|-------------------------------------|-----------------------|----------------|
| <b>Hurtado Construction Company</b> | <b>\$906,745.92</b>   | <b>40 Days</b> |
| <b>HCG</b>                          | <b>\$990,645.70</b>   | <b>45 Days</b> |
| <b>Materials Tech LLC</b>           | <b>\$1,013,345.80</b> | <b>45 Days</b> |

We recommend awarding to Hurtado.

- ii. Hurtado did bid the alternate item incorrectly. They have submitted a change order request for the alternate item and that is the same unit price they bid for Section 70. Their original bid plus the change order is still the low bidder in the amount of \$986,545.92. We will bring this Change Order to next month's meeting.

**Action Item: Award Paving contract to Hurtado Construction Company.**



# QUIDDITY

**g) Sunterra Section 76 & 77 WS&D and Paving Facilities (Astro):**

- i. We are in the approval stage for the section.
- ii. We received bids on June 26, 2024, for Section 56 WSD, and the lowest three bid results are below.

|                                                |                       |                |
|------------------------------------------------|-----------------------|----------------|
| <b>Gonzalez Construction Enterprises, Inc.</b> | <b>\$1,670,098.26</b> | <b>60 Days</b> |
| <b>TWM Land Services</b>                       | <b>\$1,674,468.00</b> | <b>65 Days</b> |
| <b>Blazey Construction Services, LLC</b>       | <b>\$1,716,347.31</b> | <b>65 Days</b> |

The low bidder, Gonzalez, has been having quality and schedule issues within Sunterra projects and other developments. We have never worked with the second bidder and reviewed their references. Upon review of the references for TWM and current work issues with Gonzalez, we found Blazey to be the most advantageous for the District and recommend awarding to Blazey.

- iii. The paving bids will be received later this month.

**Action Item: Award WSD contract to Blazey Construction Services, LLC.**

**h) Sunterra Section 78 WS&D and Paving Facilities (Astro):**

- i. We are in the approval stage for the section.
- ii. We plan to receive WS&D bids later this month.

**Action Item: None**

6b. Status of construction contracts, including the approval of any pay estimates, change orders and/or acceptance of facilities for operation and maintenance purposes, and authorize acceptance of TEC Form 1295:

**a) Sunterra Section 48 Paving Facilities:**

Original Contract Amount - \$504,737.50

Pay Estimate No. 4F: \$47,099.00

**Revised Contract Amount – \$470,989.84**

CO No. 1: \$-33,747.66

Contractor: A&M Contractors, Inc.

- i. Project is complete and in 1-year maintenance period.

**Action Item: None**

**b) Sunterra Section 53 Paving Facilities:**

Original Contract Amount - \$1,169,329.43

Pay Estimate No. 5F: \$22,394.81

**Revised Contract Amount – \$1,119,740.71**

CO No. 4: \$-4,065.00

Contractor: Allgood Construction Co., Inc.

- i. Project is complete and in 1-year maintenance period.

**Action Item: None**

**c) Sunterra Section 55 WS&D Facilities:**

Original Contract Amount - \$411,593.67

Pay Estimate No. 2: \$107,760.65

**Revised Contract Amount – \$**

CO No. 1: \$

Contractor: Principal Services, Ltd.

- i. We received Pay Estimate No. 3 for in the amount of \$19,703.00 for Board's approval.
- ii. Contractor is complete with second stage utilities and testing.

**Action Item: Approval of Pay Estimate No. 3**



# QUIDDITY

**d) Sunterra Section 55 Paving Facilities:**

Original Contract Amount - \$306,019.50

Pay Estimate No. 2: \$45,720.00

**Revised Contract Amount – \$338,563.75**

CO No. 1: \$32,544.25

Contractor: A&M Contractors, Inc.

- i. Contractor is substantially complete and awaiting the Waller County inspection.
- ii. We received Pay Estimate No. 3 for in the amount of \$226,773.67 for Board's approval.

**Action Item: Approval of Pay Estimate No. 3**

**e) Sunterra Section 65 & 66 WS&D Facilities:**

Original Contract Amount - \$1,517,214.37

Pay Estimate No. 2: \$1,165,234.76

**Revised Contract Amount – \$**

CO No. 1: \$

Contractor: Principal Services, Ltd.

- i. Contractor is complete with first stage utilities.

**Action Item: None**

**f) Sunterra Section 65 & 66 Paving Facilities:**

Original Contract Amount - \$1,183,547.45

Pay Estimate No. 1: \$34,200.00

**Revised Contract Amount – \$**

CO No. 1: \$

Contractor: Allgood Construction Company, Inc.

- i. Contractor is stabilizing the subgrade and forming up pavement.
- ii. We received Pay Estimate No. 2 for in the amount of \$182,965.95 for Board's approval.
- iii. We received Change Order No. 1 for adjustment to quantities and additional stabilization required for Waller County pavement in the amount of \$14,234.95 for the Board's approval.

**Action Item: Approval of Pay Estimate No. 2 and Change Order No. 1**

**g) Sunterra Section 67 & 68 WS&D Facilities:**

Original Contract Amount - \$1,634,513.35

Pay Estimate No. 1: \$

**Revised Contract Amount – \$**

CO No. 1: \$

Contractor: Gonzalez Construction Enterprises, Inc.

- i. First stage utilities are complete.
- ii. We received Pay Estimate No. 1 in the amount of \$1,319,689.63 for Board's approval.
- iii. We received Change Order No. 1 for adjustment to quantities, removal of BKDD Fees, and additional cost for 54-inch brick plug removal in the amount of -\$30,591.65 for the Board's approval.

**Action Item: Approval of Pay Estimate No. 1 and Change Order No. 1**



# QUIDDITY

## **h) Sunterra Section 67 & 68 Paving Facilities:**

Original Contract Amount - \$1,333,862.00

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: A&M Contractors, Inc.

- i. Contractor is stabilizing subgrade and forming up pavement.
- ii. We received Pay Estimate No. 1 in the amount of \$80,650.35 for Board's approval.
- iii. We received Change Order No. 1 for adjustment additional subgrade manipulation in the amount of \$18,241.00 for the Board's approval.

**Action Item: Approval of Pay Estimate No. 1 and Change Order No. 1**

## **i) Sunterra Section 69 WS&D Facilities:**

Original Contract Amount - \$1,199,717.70

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: R Construction Civil, LLC

- i. Contractor is mobilizing to site this week.

**Action Item: None**

## **j) Sunterra Section 69 Paving Facilities:**

Original Contract Amount - \$1,050,199.93

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: Allgood Construction Company, Inc.

- i. Contractor is ready to begin paving once the utilities are complete.

**Action Item: None**

## **k) Sunterra Section 70 WS&D Facilities:**

Original Contract Amount - \$876,500.00

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: Fellers & Clark, LP

- i. Contractor will be mobilizing in the next couple of weeks.

**Action Item: None**

## **l) Sunterra Section 71 WS&D Facilities:**

Original Contract Amount - \$1,057,046.80

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: TexaSite, LLC

- i. Contractor is complete with first stage utilities.
- ii. We received Pay Estimate Nos. 1 & 2 in the amount of \$206,046.00 & \$674,028.00 for Board's approval.
- iii. We received Change Order No. 1 for contract document changes in the amount of \$0.00 for the Board's approval.

**Action Item: Approval of Pay Estimate Nos. 1 & 2 and Change Order No. 1**



# QUIDDITY

**m) Sunterra Section 72 WS&D Facilities:**

Original Contract Amount - \$1,370,314.40

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: TexaSite, LLC

- i. Contractor is onsite installing first stage utilities.
- ii. We received Pay Estimate No. 1 in the amount of \$115,272.90 for Board's approval.
- iii. We received Change Order No. 1 for contract document changes in the amount of \$0.00 for the Board's approval.

**Action Item: Approval of Pay Estimate No. 1 and Change Order No. 1**

**n) Sunterra Section 72 Paving Facilities:**

Original Contract Amount - \$940,069.99

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: Allgood Construction Company, Inc.

- i. Contractor is ready to begin paving once utilities are complete.

**Action Item: None**

**o) Sunterra Section 73 WS&D Facilities:**

Original Contract Amount - \$1,318,770.80

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: R Construction Civil, LLC

- i. Contractor is installing first stage utilities.
- ii. We received Pay Estimate No. 1 in the amount of \$142,106.40 for Board's approval.
- iii. We received Change Order No. 1 for contract document changes and a reduction in contract days in the amount of \$0.00 for the Board's approval.

**Action Item: Approval of Pay Estimate No. 1 and Change Order No. 1**

**p) Sunterra Section 73 Paving Facilities:**

Original Contract Amount - \$1,112,197.25

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: Hassell Construction Group, LLC

- i. Contractor is ready to mobilize once 1<sup>st</sup> stage is complete.

**Action Item: None**

**q) Sunterra Section 74 WS&D Facilities:**

Original Contract Amount - \$1,551,371.15

Pay Estimate No. 1: \$

Revised Contract Amount – \$

CO No. 1: \$

Contractor: Blazey Construction Services, LLC

- i. Contractor is working on first stage utilities.

**Action Item: None**



# QUIDDITY

**r) Sunterra Section 75 WS&D Facilities:**

Original Contract Amount - \$1,164,281.80

Revised Contract Amount – \$

Contractor: Bay Utilities, LLC

Pay Estimate No. 1: \$

CO No. 1: \$

- i. Contractor is ready to begin utilities this month.

**Action Item: None**

6c. Acceptance of site and/or easement conveyances for facilities constructed or to be constructed for the District:

- a) **Quitclaim conveyance of Utility Facilities – Water, Sanitary Sewer, Drainage facilities serving Sunterra Section 48 (TexaSite, LLC.)**
- b) **Special Warranty Deed conveying recreational sites to the District** *for Astro Sunterra*

6d. Review and approval of Stormwater Quality Management Plans related to construction Contracts.

- a) **None at this time.**

6e. Status of acceptance by Waller County of Streets for maintenance; authorize any action required in connection therewith.

- a) **Sunterra Sec 46:** Section has been accepted by Waller County.
- b) **Sunterra Sec 49:** We are awaiting the completion of the punchlist by the contractor.
- c) **Sunterra Sec 50:** Contractor completed the punch items and the re-inspection is 7.9.24. There were additional buttons required and the additional cost is \$1,440.00. Original Non-warranty proposal is \$3,301.00. **The contractor is complete with the punchlist items. Approval of payment of \$1,440.00 and \$3,301.00.**

6f. Status of the Summary of Costs for Series 2025 WS&D Bonds and BAN and 2024 Road Bond.

- a) **2024 Road Bond:** Draft Summary of Cost is complete and being reviewed. The draft SOC is attached for your review.
- b) **2025 WS&D Bond w/ BAN:** We have begun preparing the draft Summary of Cost and bond report. We are awaiting final bond values to complete the full draft.

Should you have any questions or need any additional information, please call.

Sincerely,

Blair M. Bozoarth, PE

Enclosures

cc/enc: Ms. Christina Cole– Schwart, Page & Harding, L.L.P.

BMB/

K:\17165\17165-0900-00 WCMUD No. 35 General Consultation- 2021\Meeting Files\Status Reports\2024\07 - July\WALLER COUNTY MUD NO. 35 ENGINEERING REPORT.docx

**SUMMARY OF COST**  
**WALLER COUNTY MUNICIPAL UTILITY DISTRICT No. 35**  
**ROAD BOND ISSUE No. 2 - \$2,385,000**  
**BOND APPLICATION**  
**SERIES 2024**

| <u>Construction Costs</u>                          | <u>District Share</u>       |
|----------------------------------------------------|-----------------------------|
| <b>A. District Items</b>                           |                             |
| 1. Sunterra Sec 50 Paving                          |                             |
| Construction                                       | \$ 405,268 <sup>(1)</sup>   |
| Engineering and Testing                            | \$ 97,533                   |
| 2. Sunterra Sec 53 Paving                          |                             |
| Construction                                       | \$ 1,119,737 <sup>(2)</sup> |
| Engineering and Testing                            | \$ -                        |
| 3. Land Cost for Right of Way (Includes Interest)  | \$ 304,635 <sup>(3)</sup>   |
| <b>Total District Contribution Items</b>           | <b>\$ 1,927,173</b>         |
| <b>TOTAL CONSTRUCTION COSTS (79.81% of BIR)</b>    | <b>\$ 1,927,173</b>         |
| <u><b>Nonconstruction Costs</b></u>                |                             |
| A. Legal Fees                                      | \$ 69,625                   |
| B. Fiscal Agent Fees (2%)                          | 47,700                      |
| C. Interest                                        |                             |
| 1. Developer Interest (4.75%)                      | 101,040                     |
| 2. Capitalized Interest - 12 Months (4.75%)        | 113,288                     |
| D. Bond Discount (3%)                              | 71,550                      |
| E. Bond Issuance Expense                           | 31,739                      |
| F. Engineering Fees                                | 20,500                      |
| G. Attorney General's Fee (0.10%)                  | 2,385                       |
| <b>TOTAL NONCONSTRUCTION COSTS (19.89% of BIR)</b> | <b>\$ 457,827</b>           |
| <b>TOTAL BOND ISSUE REQUIREMENT (BIR)</b>          | <b>\$ 2,385,000</b>         |

**Notes:**

<sup>(1)</sup> 35.20% of the total is proposed to be reimbursed in this bond issue. The remainig 64.80% of total was reimbursed in Road Bond Issue No. 1 and the Surplus Bond.

<sup>(2)</sup> 77.30% of the total is proposed to be reimbursed in this bond issue. The remainign 22.70% of total construction cost and 100% of Engineering & Testing will be reimbursed in future bond issue.

<sup>(3)</sup> The land cost for Sunterra Sec 53 ROW and assoicated interest is included.

# **Exhibit D**

**Waller County MUD No. 35**

| Inspection Date | Section # | Total Inspected | Total Out of Compliance | Builders Out of Compliance per Section |
|-----------------|-----------|-----------------|-------------------------|----------------------------------------|
| 5/13/2024       | 46        | 15              | 7                       | Gehan (7)                              |
| 5/20/2024       | 46        | 14              | 12                      | Gehan (12)                             |
| 5/27/2024       | 46        | 14              | 2                       | Gehan (2)                              |
| 6/3/2024        | 46        | 15              | 3                       | Gehan (3)                              |
| 5/13/2024       | 48        | 7               | 2                       | Davidson (2)                           |
| 5/20/2024       | 48        | 9               | 2                       | Davidson (2)                           |
| 5/27/2024       | 48        | 13              | 3                       | Davidson (3)                           |
| 6/3/2024        | 48        | 17              | 3                       | Davidson (3)                           |
| 5/13/2024       | 50        | 3               | 1                       | Westin (1)                             |
| 5/20/2024       | 50        | 5               | 0                       |                                        |
| 5/27/2024       | 50        | 5               | 3                       | Westin (3)                             |
| 6/3/2024        | 50        | 5               | 4                       | Westin (4)                             |
| 5/13/2024       | 53        | 73              | 9                       | Lennar (6) DR Horton (3)               |
| 5/20/2024       | 53        | 77              | 20                      | Lennar (16) DR Horton (4)              |
| 5/27/2024       | 53        | 73              | 24                      | Lennar (19) DR Horton (5)              |
| 6/3/2024        | 53        | 69              | 6                       | Lennar (6)                             |

**\*NOTE\*** Remaining Sections within WC MUD No. 35 are not ready for inspections at this time per inspector

# SWPPP Inspections Waller County MUD 35

Sunterra Subdivision  
Inspection Photo's  
June 2024 MUD Meeting

Colin Walton, QCIS  
Silt Solutions Inc.  
8906 Cresting Ridge Dr  
Richmond, TX 77406  
[colin@siltsolutionsinc.com](mailto:colin@siltsolutionsinc.com)  
713-295-0274 cell



Sec 46 Blk 3 Lot 8



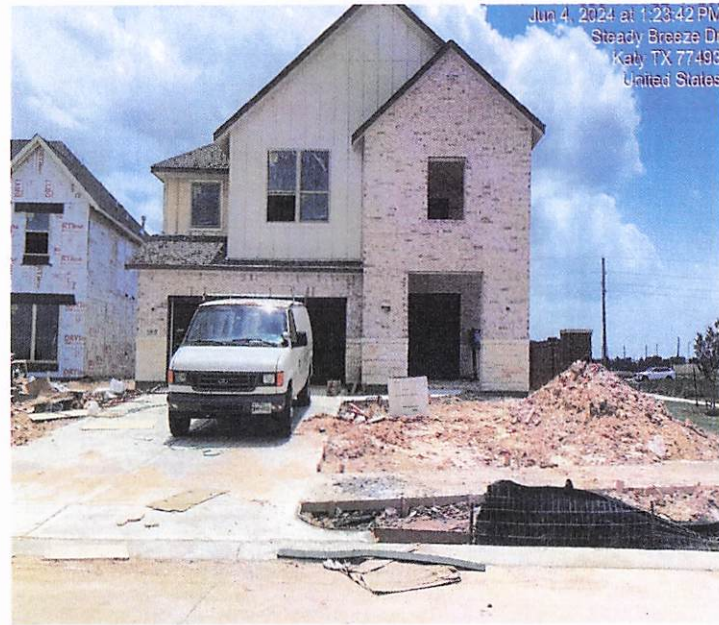
Sec 48 Blk 3 Lot 10



Sec 48 Blk 3 Lot 13



Sec 50 Blk 1 Lot 23



Sec 53 Blk 1 Lot 13



Sec 53 Blk 1 Lot 15



**Waller County MUD No. 35**

| Inspection Date | Section # | Total Inspected | Total Out of Compliance | Builders Out of Compliance per Section |
|-----------------|-----------|-----------------|-------------------------|----------------------------------------|
| 6/10/2024       | 46        | 15              | 5                       | Gehan (5)                              |
| 6/17/2024       | 46        | 20              | 8                       | Gehan (8)                              |
| 6/24/2024       | 46        | 18              | 11                      | Gehan (11)                             |
| 7/1/2024        | 46        | 20              | 11                      | Gehan (11)                             |
| 6/10/2024       | 48        | 18              | 4                       | Davidson (4)                           |
| 6/17/2024       | 48        | 21              | 6                       | Davidson (6)                           |
| 6/24/2024       | 48        | 25              | 7                       | Davidson (7)                           |
| 7/1/2024        | 48        | 27              | 7                       | Davidson (7)                           |
| 6/10/2024       | 50        | 5               | 0                       |                                        |
| 6/17/2024       | 50        | 6               | 2                       | Westin (2)                             |
| 6/24/2024       | 50        | 6               | 3                       | Westin (3)                             |
| 7/1/2024        | 50        | 6               | 3                       | Westin (3)                             |
| 6/10/2024       | 53        | 66              | 22                      | Lennar (10) DR Horton (12)             |
| 6/17/2024       | 53        | 61              | 24                      | Lennar (10) DR Horton (14)             |
| 6/24/2024       | 53        | 52              | 21                      | Lennar (8) DR Horton (13)              |
| 7/1/2024        | 53        | 49              | 13                      | Lennar (1) DR Horton (12)              |

**\*NOTE\*** Remaining Sections within WC MUD No. 35 are not ready for inspections at this time per inspector

# SWPPP Inspections Waller County MUD 35

Sunterra Subdivision  
Inspection Photo's  
July 2024 MUD Meeting

Colin Walton, QCIS  
Silt Solutions Inc.  
8906 Cresting Ridge Dr  
Richmond, TX 77406  
[colin@siltsolutionsinc.com](mailto:colin@siltsolutionsinc.com)  
713-295-0274 cell



Sec 46 Blk 4 Lot 10



Sec 48 Blk 2 Lot 28



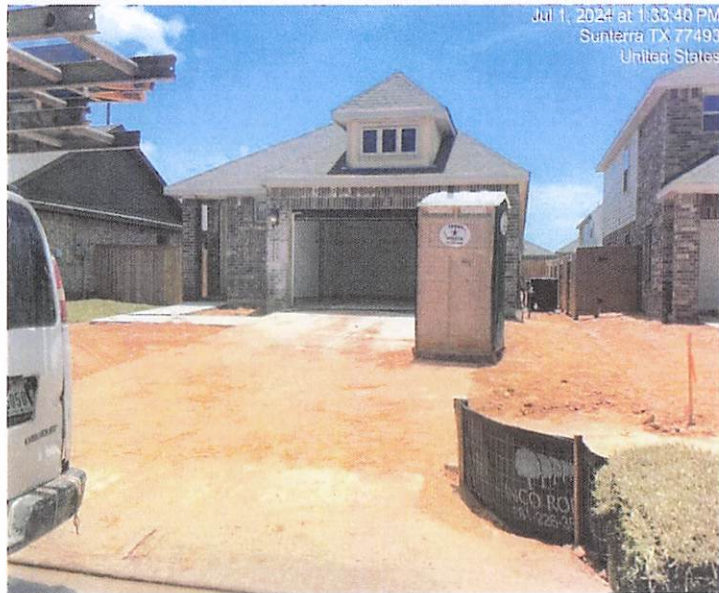
Sec 50 Blk 2 Lot 10



Sec 50 Blk 1 Lot 22



Sec 53 Blk 1 Lot 42



Sec 53 Blk 1 Lot 43



# **Exhibit E**



## Waller County Municipal Utility District No. 35

Landscape Architect's Report

July 08, 2024

Landscape Architecture matters, including the following:

- A. Request permission to authorize design/documentation phase, as appropriate, for the following construction projects:
  - i. **Sunterra Phase 7 Package 3 Sections 65 & 66 Landscape Improvements**
  - ii. **Sunterra Phase 7 Package 5 Sections 67 & 68 Landscape Improvements**
- B. Approve plans and specifications and authorize advertisement for bids for the following construction projects:
  - i. **Sunterra Phase 6 Package 7 Sections 47 & 56 Landscape Improvements**
- C. Review bids and award contracts, as appropriate, for the following construction projects:
  - i. None
- D. Approve Pay Estimates, change orders, and/or final acceptance, as appropriate, for the following construction projects:
  - **Phase 6 Pkg 2: Section 35-36 & 44 Landscape Improvements – Hardscape.** Project was awarded 10/25/2023 to DL Meachum. MUD contract executed 12/15/2023, NTP issued 1/30/24. **Approve Pay Application #4.**

| Item                      | Amount              | Notes             |
|---------------------------|---------------------|-------------------|
| <i>Original Contract</i>  | \$ 355,826.75       | <i>Comment(s)</i> |
| Change Order #1           | \$ 1,832.00         | 2/16/24           |
| Pay Application #1        | \$ 247,430.83       | 2/28/24           |
| Change Order #2           | \$ 31,872.80        | 03/18/2024        |
| Pay Application #2        | \$ 42,809.64        | 03/25/2024        |
| Pay Application #3        | \$ 24,658.02        | 04/24/2024        |
| Change Order #3           | \$ 2,650.50         | 04/05/2024        |
| Change Order #4           | \$ 29,686.00        | 04/29/2024        |
| <b>Pay Application #4</b> | <b>\$ 16,069.35</b> | <b>04/27/2024</b> |
| <hr/>                     |                     |                   |
| Current Contract Value    | \$ 421,868.05       |                   |
| Balance to Finish         | \$ 90,900.21        |                   |



- Phase 6 Pkg 2: Section 35-36 & 44 Landscape Improvements - Softscape. Project was awarded 10/25/2023 to Strickscapes. MUD contract executed 12/18/2023, NTP issued 11/17/23. **No Action.**

| Item                   | Amount          | Notes      |
|------------------------|-----------------|------------|
| Original Contract      | \$ 961,108.33   | Comment(s) |
| Pay Application #1     | \$ 13,638.20    | 11/16/23   |
| Pay Application #2     | \$ 280,084.29   | 2/29/24    |
| Pay Application #3     | \$ 138,684.78   | 03/29/2024 |
| Change Order #1        | \$ 205,578.17   | 04/12/2024 |
| Pay Application #4     | \$ 309,107.46   | 05/09/2024 |
| <hr/>                  |                 |            |
| Current Contract Value | \$ 1,166,686.50 |            |
| Balance to Finish      | \$ 425,171.77   |            |

- Phase 6 Pkg 3: Section 45 & 51-52 Landscape Improvements – Softscape & Hardscape. Project was awarded 10/25/2023 to Strickscapes. MUD contract executed 12/20/2023, NTP issued 11/17/23. **Approve Pay Application #5.**

| Item                      | Amount               | Notes             |
|---------------------------|----------------------|-------------------|
| Original Contract         | \$ 1,371,638.33      | Comment(s)        |
| Pay Application #1        | \$ 19,127.65         | 11/17/2023        |
| Pay Application #2        | \$ 90,869.69         |                   |
| Pay Application #3        | \$ 36,619.43         | 03/29/2024        |
| Change Order #1           | \$ 303,818.54        | 04/24/2024        |
| Pay Application #4        | \$ 694,096.28        | 05/09/2024        |
| <b>Pay Application #5</b> | <b>\$ 214,756.35</b> | <b>06/05/2024</b> |
| <hr/>                     |                      |                   |
| Current Contract Value    | \$ 1,675,456.87      |                   |
| Balance to Finish         | \$ 619,987.48        |                   |

- Phase 6 Pkg 4: Section 46 Landscape Improvements – Hardscape. Project was awarded 11/9/23 to Oak Forest Construction. MUD contract executed 1/1/24, NTP issued 1/29/2024. **Approve Pay Applications #3 & #4.**

| Item                      | Amount             | Notes             |
|---------------------------|--------------------|-------------------|
| Original Contract         | \$ 25,131.50       | Comment(s)        |
| Pay Application #1        | \$ 12,150.00       | 2/15/24           |
| Pay Application #2        | \$ 9,568.35        | 03/14/2024        |
| <b>Pay Application #3</b> | <b>\$ 900.00</b>   | <b>06/05/2024</b> |
| <b>Pay Application #4</b> | <b>\$ 2,513.15</b> | <b>06/05/2024</b> |
| <hr/>                     |                    |                   |
| Current Contract Value    | \$ 25,131.50       |                   |
| Balance to Finish         | \$ 0.00            |                   |



- Phase 6 Pkg 4: Section 46 Landscape Improvements – Softscape. Project was awarded to Silversand Services (formerly Zodega). **Approve Pay Applications #1, #2, #3, & #4.**

| Item                   | Amount         | Notes      |
|------------------------|----------------|------------|
| Original Contract      | \$ 57,232.60   | Comment(s) |
| Change Order #1        | \$ (16,076.69) | 04/08/2024 |
| Pay Application #1     | \$ 28,313.97   | 06/06/2024 |
| Pay Application #2     | \$ 6,195.10    | 06/06/2024 |
| Pay Application #3     | \$ 843.75      | 06/06/2024 |
| Pay Application #4     | \$ 843.75      | 06/06/2024 |
| <hr/>                  |                |            |
| Current Contract Value | \$ 41,155.91   |            |
| Balance to Finish      | \$ 4,959.34    |            |

**Proposed Action Items:**

- Request permission to authorize design/documentation phase, as appropriate, for the following construction projects: **Sunterra Phase 7 Package 3 Sections 65 & 66 Landscape Improvements & Sunterra Phase 7 Package 5 Sections 67 & 68 Landscape Improvements**
- Approve plans and specifications and authorize advertisement for bids for the following construction projects: **Sunterra Phase 6 Package 7 Sections 47 & 56 Landscape Improvements**
- Phase 6 Pkg 2: Section 35-36 & 44 Landscape Improvements – Hardscape. Project was awarded 10/25/2023 to DL Meachum. MUD contract executed 12/15/2023, NTP issued 1/30/24. **Approve Pay Application #4.**
- Phase 6 Pkg 2: Section 35-36 & 44 Landscape Improvements - Softscape. Project was awarded 10/25/2023 to Strickscapes. MUD contract executed 12/18/2023, NTP issued 11/17/23. **No Action.**
- Phase 6 Pkg 3: Section 45 & 51-52 Landscape Improvements – Softscape & Hardscape. Project was awarded 10/25/2023 to Strickscapes. MUD contract executed 12/20/2023, NTP issued 11/17/23. **Approve Pay Application #5.**
- Phase 6 Pkg 4: Section 46 Landscape Improvements – Hardscape. Project was awarded 11/9/23 to Oak Forest Construction. MUD contract executed 1/1/24, NTP issued 1/29/2024. **Approve Pay Applications #3 & #4.**
- Phase 6 Pkg 4: Section 46 Landscape Improvements – Softscape. Project was awarded to Silversand Services (formerly Zodega). **Approve Pay Applications #1, #2, #3, & #4.**



A handwritten signature in black ink, appearing to read 'Kaitlynn Richter', is written over a light blue horizontal line.

**Kaitlynn Richter**  
*Project Manager*



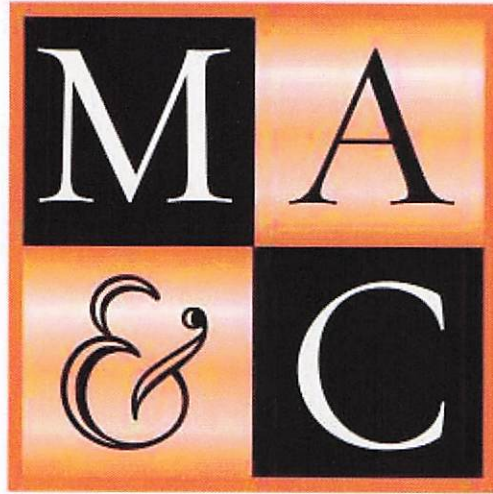
Building the Exceptional, *Together.*

**AUSTIN**  
2400 E. Cesar Chavez Street  
Suite 214  
Austin, TX 78702  
512.351.4097

**HOUSTON**  
6925 Portwest Drive,  
Suite 100  
Houston, TX 77024  
713.869.6987

**SAN ANTONIO**  
4039 Broadway Street  
San Antonio, TX 78232  
210.349.3500

# **Exhibit F**



MUNICIPAL ACCOUNTS  
& CONSULTING, L.P.

**Bookkeeper's Report | July 22, 2024**

## **Waller County Municipal Utility District No. 35**



**WEBSITE**

[www.municipalaccounts.com](http://www.municipalaccounts.com)



**ADDRESS**

1281 Brittmoore Road  
Houston, Texas 77043



**CONTACT**

Phone: 713.623.4539  
Fax: 713.629.6859

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# Waller County Municipal Utility District No. 35

## BOOKKEEPER'S REPORT | 07/22/2024



### Spotlight On The Components That Make Up Your District's Taxable Value

Every year the Appraisal District will assess the new value of your District. The Total Certified Value of your District is the value of everything on the ground within your boundaries before any Exemptions are applied. Next, all Exemptions are applied and subtracted from the Certified Value. The remaining amount is your Taxable Value and the value used to set tax rates that generate tax revenues.

#### Total Certified Value

Your Starting Point

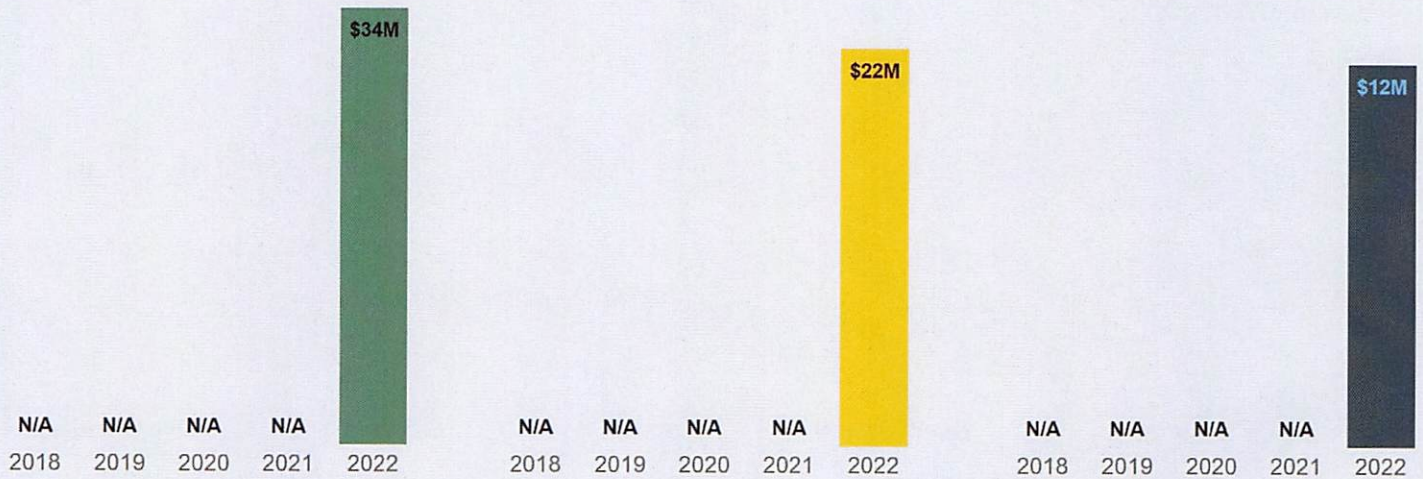
(5 Year Trend: 0.0% Growth in Total Certified Value)

#### Exemptions

This value is subtracted

#### Taxable Value

This is what is left that helps determine tax rate



### Account Balance | As of 07/22/2024

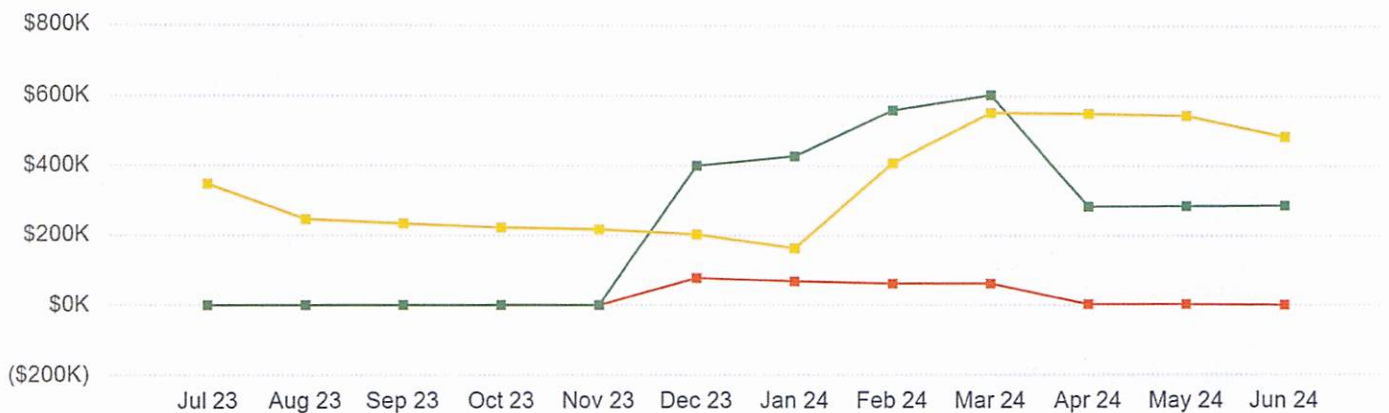
General Operating  
\$243,282

Capital Projects  
\$490

Debt Service  
\$286,113

**Total For All Accounts: \$529,885**

### Account Balance By Month | July 2023 - June 2024



# Monthly Financial Summary - General Operating Fund

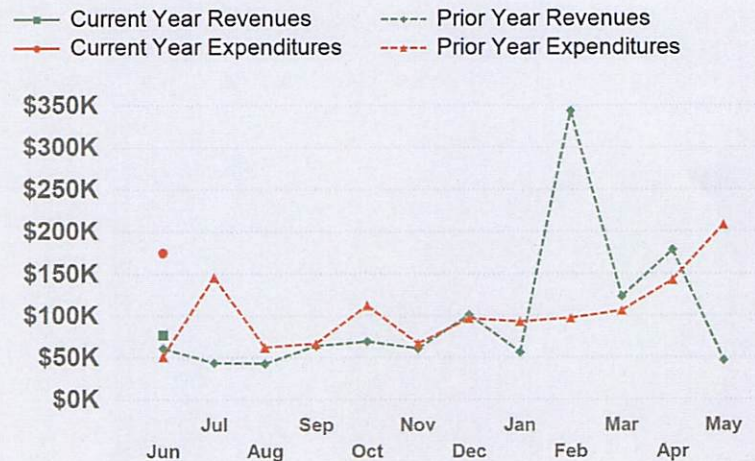
Waller County MUD No. 35 - GOF



## Account Balance Summary

|                          |           |
|--------------------------|-----------|
| Balance as of 06/11/2024 | \$409,253 |
| Receipts                 | 262,283   |
| Disbursements            | (428,254) |
| Balance as of 07/22/2024 | \$243,282 |

## Overall Revenues & Expenditures By Month (Year to Date)



## June 2024

### Revenues

| Actual   | Budget    | Over/(Under) |
|----------|-----------|--------------|
| \$76,800 | \$106,706 | (\$29,906)   |

### Expenditures

| Actual    | Budget   | Over/(Under) |
|-----------|----------|--------------|
| \$174,939 | \$97,678 | \$77,262     |

## June 2024 - June 2024 (Year to Date)

### Revenues

| Actual   | Budget    | Over/(Under) |
|----------|-----------|--------------|
| \$76,800 | \$106,706 | (\$29,906)   |

### Expenditures

| Actual    | Budget   | Over/(Under) |
|-----------|----------|--------------|
| \$174,939 | \$97,678 | \$77,262     |

## Operating Fund Reserve Coverage Ratio (In Months)



# Cash Flow Report - Checking Account

Waller County MUD No. 35 - GOF



| Number                     | Name                                  | Memo                             | Amount       | Balance               |
|----------------------------|---------------------------------------|----------------------------------|--------------|-----------------------|
| Balance as of 06/11/2024   |                                       |                                  |              | \$62,364.10           |
| <b>Receipts</b>            |                                       |                                  |              |                       |
|                            | Transfer from Operator                |                                  | 93,795.52    |                       |
|                            | Interest Earned on Checking           |                                  | 1.10         |                       |
|                            | Transfer from Money Market            |                                  | 92,000.00    |                       |
| <b>Total Receipts</b>      |                                       |                                  |              | <b>\$185,796.62</b>   |
| <b>Disbursements</b>       |                                       |                                  |              |                       |
| 1246                       | Jorge Rebellon                        | Customer Refund                  | (225.62)     |                       |
| 1247                       | Lorena Fernandez                      | Customer Refund                  | (218.65)     |                       |
| 1248                       | Sunny Sidhu                           | Customer Refund                  | (225.62)     |                       |
| 1249                       | Best Trash                            | Garbage Expense                  | (4,237.00)   |                       |
| 1250                       | A & M Contractors                     | Maintenance & Repairs            | (4,741.00)   |                       |
| 1251                       | Harris-Waller Co. MUD 4               | Connection Fees & Mowing Expense | (112,564.92) |                       |
| 1252                       | Municipal Accounts & Consulting, L.P. | Bookkeeping Fees                 | (4,373.47)   |                       |
| 1253                       | Municipal District Services, LLC      | Maintenance & Repairs            | (87,554.66)  |                       |
| 1254                       | On-Site Protection, LLC               | Security Expense                 | (4,209.09)   |                       |
| 1255                       | Schwartz, Page & Harding, L.L.P.      | Legal Fees                       | (9,611.90)   |                       |
| 1256                       | Silt Solutions, Inc.                  | Stormwater Prevention Plan       | (6,130.00)   |                       |
| 1257                       | Water Utility Services Inc.           | Laboratory Expense               | (60.00)      |                       |
| 1258                       | Quiddity Engineering, LLC             | Engineering Fees                 | (6,951.25)   |                       |
| Fees                       | Central Bank                          | Service Fee                      | (5.00)       |                       |
| HR&P                       | Victoria Battistini.                  | Fees of Office 06/10/2024        | (237.76)     |                       |
| HR&P                       | Jaclyn Day.                           | Fees of Office 06/10/2024        | (233.58)     |                       |
| HR&P                       | Daniel Feiler.                        | Fees of Office 06/10/2024        | (217.50)     |                       |
| HR&P                       | Tiffani Walker.                       | Fees of Office 06/10/2024        | (230.90)     |                       |
| HR&P                       | Ryan Ward.                            | Fees of Office 06/10/2024        | (206.78)     |                       |
| HR&P                       | United States Treasury                | Payroll Taxes                    | (169.00)     |                       |
| HR&P                       | HR&P                                  | Payroll Administration Fee       | (50.00)      |                       |
| <b>Total Disbursements</b> |                                       |                                  |              | <b>(\$242,453.70)</b> |
| Balance as of 07/22/2024   |                                       |                                  |              | \$5,707.02            |

# Cash Flow Report - Operator Account

Waller County MUD No. 35 - GOF



| Number                   | Name                | Memo                         | Amount      | Balance       |
|--------------------------|---------------------|------------------------------|-------------|---------------|
| Balance as of 06/11/2024 |                     |                              |             | \$44,088.49   |
| Receipts                 |                     |                              |             |               |
|                          | Accounts Receivable |                              | 38,935.53   |               |
|                          | Tap Connections (6) |                              | 15,067.00   |               |
|                          | Tap Connections (7) |                              | 16,849.00   |               |
|                          | Accounts Receivable |                              | 3,271.34    |               |
|                          | Accounts Receivable |                              | 1,018.51    |               |
| Total Receipts           |                     |                              |             | \$75,141.38   |
| Disbursements            |                     |                              |             |               |
| Fees                     | Central Bank        | Service Fee                  | (5.00)      |               |
| Sweep                    | Central Bank        | Transfer to Checking Account | (93,795.52) |               |
| Total Disbursements      |                     |                              |             | (\$93,800.52) |
| Balance as of 07/22/2024 |                     |                              |             | \$25,429.35   |

# Actual vs. Budget Comparison

Waller County MUD No. 35 - GOF



|                              |                                 | June 2024 |         |                  | June 2024 - June 2024 |         |                  |                  |
|------------------------------|---------------------------------|-----------|---------|------------------|-----------------------|---------|------------------|------------------|
|                              |                                 | Actual    | Budget  | Over/<br>(Under) | Actual                | Budget  | Over/<br>(Under) | Annual<br>Budget |
| Revenues                     |                                 |           |         |                  |                       |         |                  |                  |
| Water Revenue                |                                 |           |         |                  |                       |         |                  |                  |
| 14101                        | Water- Customer Service Revenue | 28,837    | 12,050  | 16,787           | 28,837                | 12,050  | 16,787           | 241,000          |
| 14106                        | Transfer Fees                   | 2,000     | 725     | 1,275            | 2,000                 | 725     | 1,275            | 8,700            |
| Total Water Revenue          |                                 | 30,837    | 12,775  | 18,062           | 30,837                | 12,775  | 18,062           | 249,700          |
| Wastewater Revenue           |                                 |           |         |                  |                       |         |                  |                  |
| 14201                        | Wastewater-Customer Service Rev | 8,838     | 9,590   | (752)            | 8,838                 | 9,590   | (752)            | 137,000          |
| Total Wastewater Revenue     |                                 | 8,838     | 9,590   | (752)            | 8,838                 | 9,590   | (752)            | 137,000          |
| Property Tax Revenue         |                                 |           |         |                  |                       |         |                  |                  |
| 14301                        | Maintenance Tax Collections     | 0         | 38,283  | (38,283)         | 0                     | 38,283  | (38,283)         | 250,000          |
| Total Property Tax Revenue   |                                 | 0         | 38,283  | (38,283)         | 0                     | 38,283  | (38,283)         | 250,000          |
| Tap Connection Revenue       |                                 |           |         |                  |                       |         |                  |                  |
| 14501                        | Tap Connections                 | 22,920    | 33,208  | (10,288)         | 22,920                | 33,208  | (10,288)         | 398,500          |
| 14502                        | Inspection Fees                 | 5,819     | 5,717   | 102              | 5,819                 | 5,717   | 102              | 68,600           |
| Total Tap Connection Revenue |                                 | 28,739    | 38,925  | (10,186)         | 28,739                | 38,925  | (10,186)         | 467,100          |
| Administrative Revenue       |                                 |           |         |                  |                       |         |                  |                  |
| 14702                        | Penalties & Interest            | 2,040     | 1,392   | 648              | 2,040                 | 1,392   | 648              | 16,700           |
| Total Administrative Revenue |                                 | 2,040     | 1,392   | 648              | 2,040                 | 1,392   | 648              | 16,700           |
| Interest Revenue             |                                 |           |         |                  |                       |         |                  |                  |
| 14801                        | Interest Earned on Checking     | 1         | 25      | (24)             | 1                     | 25      | (24)             | 300              |
| 14802                        | Interest Earned on Temp. Invest | 1,345     | 717     | 628              | 1,345                 | 717     | 628              | 8,600            |
| Total Interest Revenue       |                                 | 1,346     | 742     | 604              | 1,346                 | 742     | 604              | 8,900            |
| Developer Advance            |                                 |           |         |                  |                       |         |                  |                  |
| 14902                        | Sunterra POA Contribution       | 5,000     | 5,000   | 0                | 5,000                 | 5,000   | 0                | 60,000           |
| Total Developer Advance      |                                 | 5,000     | 5,000   | 0                | 5,000                 | 5,000   | 0                | 60,000           |
| Total Revenues               |                                 | 76,800    | 106,706 | (29,906)         | 76,800                | 106,706 | (29,906)         | 1,189,400        |

## Expenditures

### Water Service

|                                       |               |               |              |               |               |              |                |
|---------------------------------------|---------------|---------------|--------------|---------------|---------------|--------------|----------------|
| 16102 Operations - Water              | 792           | 2,500         | (1,708)      | 792           | 2,500         | (1,708)      | 30,000         |
| 16104 Purchase Water / JWP            | 22,812        | 14,750        | 8,062        | 22,812        | 14,750        | 8,062        | 177,000        |
| 16105 Maintenance & Repairs - Water   | 3,905         | 6,167         | (2,262)      | 3,905         | 6,167         | (2,262)      | 74,000         |
| 16108 Laboratory Expense - Water      | 0             | 25            | (25)         | 0             | 25            | (25)         | 300            |
| 16113 Transfer Expense                | 2,905         | 1,250         | 1,655        | 2,905         | 1,250         | 1,655        | 15,000         |
| 16117 TCEQ Regulatory Expense - Water | 0             | 0             | 0            | 0             | 0             | 0            | 900            |
| <b>Total Water Service</b>            | <b>30,415</b> | <b>24,692</b> | <b>5,723</b> | <b>30,415</b> | <b>24,692</b> | <b>5,723</b> | <b>297,200</b> |

# Actual vs. Budget Comparison

Waller County MUD No. 35 - GOF



|                              |                                |  | June 2024 |        |                  | June 2024 - June 2024 |        |                  |                  |
|------------------------------|--------------------------------|--|-----------|--------|------------------|-----------------------|--------|------------------|------------------|
|                              |                                |  | Actual    | Budget | Over/<br>(Under) | Actual                | Budget | Over/<br>(Under) | Annual<br>Budget |
| Expenditures                 |                                |  |           |        |                  |                       |        |                  |                  |
| Wastewater Service           |                                |  |           |        |                  |                       |        |                  |                  |
| 16202                        | Operations - Wastewater        |  | 462       | 292    | 170              | 462                   | 292    | 170              | 3,500            |
| 16203                        | Wastewater Inspection Expense  |  | 2,641     | 800    | 1,841            | 2,641                 | 800    | 1,841            | 9,600            |
| 16204                        | Purchase Wastewater Service    |  | 22,812    | 13,375 | 9,437            | 22,812                | 13,375 | 9,437            | 160,500          |
| 16205                        | Maint & Repairs - Wastewater   |  | 11,155    | 0      | 11,155           | 11,155                | 0      | 11,155           | 0                |
| 16217                        | TCEQ Regulatory Exp-Wastewater |  | 0         | 0      | 0                | 0                     | 0      | 0                | 900              |
| Total Wastewater Service     |                                |  | 37,070    | 14,467 | 22,603           | 37,070                | 14,467 | 22,603           | 174,500          |
| Garbage Service              |                                |  |           |        |                  |                       |        |                  |                  |
| 16301                        | Garbage Expense                |  | 4,236     | 3,358  | 878              | 4,236                 | 3,358  | 878              | 40,300           |
| Total Garbage Service        |                                |  | 4,236     | 3,358  | 878              | 4,236                 | 3,358  | 878              | 40,300           |
| Storm Water Quality          |                                |  |           |        |                  |                       |        |                  |                  |
| 16401                        | SWQ Management                 |  | 4,190     | 4,083  | 107              | 4,190                 | 4,083  | 107              | 49,000           |
| 16403                        | Detention Pond Maintenance     |  | 5,648     | 7,167  | (1,519)          | 5,648                 | 7,167  | (1,519)          | 86,000           |
| Total Storm Water Quality    |                                |  | 9,838     | 11,250 | (1,412)          | 9,838                 | 11,250 | (1,412)          | 135,000          |
| Tap Connection               |                                |  |           |        |                  |                       |        |                  |                  |
| 16501                        | Tap Connection Expense         |  | 60,420    | 13,083 | 47,337           | 60,420                | 13,083 | 47,337           | 157,000          |
| 16502                        | Inspection Expense             |  | 5,897     | 3,500  | 2,397            | 5,897                 | 3,500  | 2,397            | 42,000           |
| Total Tap Connection         |                                |  | 66,317    | 16,583 | 49,734           | 66,317                | 16,583 | 49,734           | 199,000          |
| Administrative Service       |                                |  |           |        |                  |                       |        |                  |                  |
| 16703                        | Legal Fees                     |  | 8,886     | 8,333  | 552              | 8,886                 | 8,333  | 552              | 100,000          |
| 16705                        | Auditing Fees                  |  | 0         | 0      | 0                | 0                     | 0      | 0                | 16,000           |
| 16706                        | Engineering Fees               |  | 4,451     | 2,917  | 1,535            | 4,451                 | 2,917  | 1,535            | 35,000           |
| 16711                        | Insurance & Surety Bond        |  | 2,520     | 2,666  | (146)            | 2,520                 | 2,666  | (146)            | 3,200            |
| 16712                        | Bookkeeping Fees               |  | 4,158     | 4,950  | (792)            | 4,158                 | 4,950  | (792)            | 45,000           |
| 16713                        | Publication Expense (SB622)    |  | 0         | 42     | (42)             | 0                     | 42     | (42)             | 500              |
| 16714                        | Printing & Office Supplies     |  | 593       | 625    | (32)             | 593                   | 625    | (32)             | 7,500            |
| 16715                        | Filing Fees                    |  | 48        | 83     | (36)             | 48                    | 83     | (36)             | 1,000            |
| 16716                        | Delivery Expense               |  | 57        | 225    | (168)            | 57                    | 225    | (168)            | 2,700            |
| 16717                        | Postage                        |  | 259       | 175    | 84               | 259                   | 175    | 84               | 2,100            |
| 16718                        | Meeting Expense                |  | 422       | 500    | (78)             | 422                   | 500    | (78)             | 6,000            |
| 16722                        | Bank Service Charge            |  | 10        | 10     | 0                | 10                    | 10     | 0                | 120              |
| 16723                        | Travel Expense                 |  | 113       | 125    | (12)             | 113                   | 125    | (12)             | 1,500            |
| 16728                        | Record Storage Fees            |  | 34        | 10     | 24               | 34                    | 10     | 24               | 120              |
| Total Administrative Service |                                |  | 21,549    | 20,661 | 888              | 21,549                | 20,661 | 888              | 220,740          |
| Security Service             |                                |  |           |        |                  |                       |        |                  |                  |
| 16801                        | Security Expense               |  | 4,209     | 5,000  | (791)            | 4,209                 | 5,000  | (791)            | 60,000           |
| Total Security Service       |                                |  | 4,209     | 5,000  | (791)            | 4,209                 | 5,000  | (791)            | 60,000           |

# Actual vs. Budget Comparison

Waller County MUD No. 35 - GOF



|                                |                        |  | June 2024 |        |                  | June 2024 - June 2024 |        |                  |                  |
|--------------------------------|------------------------|--|-----------|--------|------------------|-----------------------|--------|------------------|------------------|
|                                |                        |  | Actual    | Budget | Over/<br>(Under) | Actual                | Budget | Over/<br>(Under) | Annual<br>Budget |
| Expenditures                   |                        |  |           |        |                  |                       |        |                  |                  |
| Payroll Expense                |                        |  |           |        |                  |                       |        |                  |                  |
| 17101                          | Payroll Expenses       |  | 1,105     | 1,108  | (3)              | 1,105                 | 1,108  | (3)              | 13,300           |
| 17102                          | Payroll Administration |  | 50        | 50     | 0                | 50                    | 50     | 0                | 600              |
| 17103                          | Payroll Tax Expense    |  | 85        | 83     | 1                | 85                    | 83     | 1                | 1,000            |
| Total Payroll Expense          |                        |  | 1,240     | 1,242  | (2)              | 1,240                 | 1,242  | (2)              | 14,900           |
| Other Expense                  |                        |  |           |        |                  |                       |        |                  |                  |
| 17802                          | Miscellaneous Expense  |  | 66        | 425    | (360)            | 66                    | 425    | (360)            | 5,100            |
| Total Other Expense            |                        |  | 66        | 425    | (360)            | 66                    | 425    | (360)            | 5,100            |
| Total Expenditures             |                        |  | 174,939   | 97,678 | 77,262           | 174,939               | 97,678 | 77,262           | 1,146,740        |
| Total Revenues (Expenditures)  |                        |  | (98,139)  | 9,029  | (107,168)        | (98,139)              | 9,029  | (107,168)        | 42,660           |
| Excess Revenues (Expenditures) |                        |  | (98,139)  | 9,029  | (107,168)        | (98,139)              | 9,029  | (107,168)        | 42,660           |

# Balance Sheet as of 06/30/2024

Waller County MUD No. 35 - GOF



|                                       |                         |
|---------------------------------------|-------------------------|
| <b>Assets</b>                         |                         |
| Bank                                  |                         |
| 11101 Cash in Bank                    | \$154,810               |
| 11102 Operator                        | 25,429                  |
| Total Bank                            | <u>\$180,240</u>        |
| Investments                           |                         |
| 11201 Time Deposits                   | \$304,145               |
| Total Investments                     | <u>\$304,145</u>        |
| Receivables                           |                         |
| 11301 Accounts Receivable             | \$85,162                |
| 11303 Maintenance Tax Receivable      | 1,595                   |
| Total Receivables                     | <u>\$86,757</u>         |
| Interfund Receivables                 |                         |
| 11401 Due From Capital Projects       | (\$27)                  |
| 11403 Due From Tax Account            | (8,316)                 |
| 11406 Due from Sunterra POA           | 15,000                  |
| Total Interfund Receivables           | <u>\$6,657</u>          |
| <b>Total Assets</b>                   | <u><u>\$577,799</u></u> |
| <b>Liabilities &amp; Equity</b>       |                         |
| Liabilities                           |                         |
| Accounts Payable                      |                         |
| 12101 Accounts Payable                | \$238,493               |
| Total Accounts Payable                | <u>\$238,493</u>        |
| Other Current Liabilities             |                         |
| 12202 Due To TCEQ                     | \$701                   |
| Total Other Current Liabilities       | <u>\$701</u>            |
| Deferrals                             |                         |
| 12501 Tap Connection Fees Advance     | \$66,120                |
| 12502 Deferred Inflows Property Taxes | 1,595                   |
| Total Deferrals                       | <u>\$67,715</u>         |
| Deposits                              |                         |
| 12601 Customer Meter Deposits         | \$201,782               |
| Total Deposits                        | <u>\$201,782</u>        |
| <b>Total Liabilities</b>              | <u><u>\$508,691</u></u> |
| Equity                                |                         |
| Unassigned Fund Balance               |                         |
| 13101 Unassigned Fund Balance         | \$167,247               |
| Total Unassigned Fund Balance         | <u>\$167,247</u>        |
| Net Income                            | (\$98,139)              |
| <b>Total Equity</b>                   | <u><u>\$69,108</u></u>  |

# Balance Sheet as of 06/30/2024

Waller County MUD No. 35 - GOF

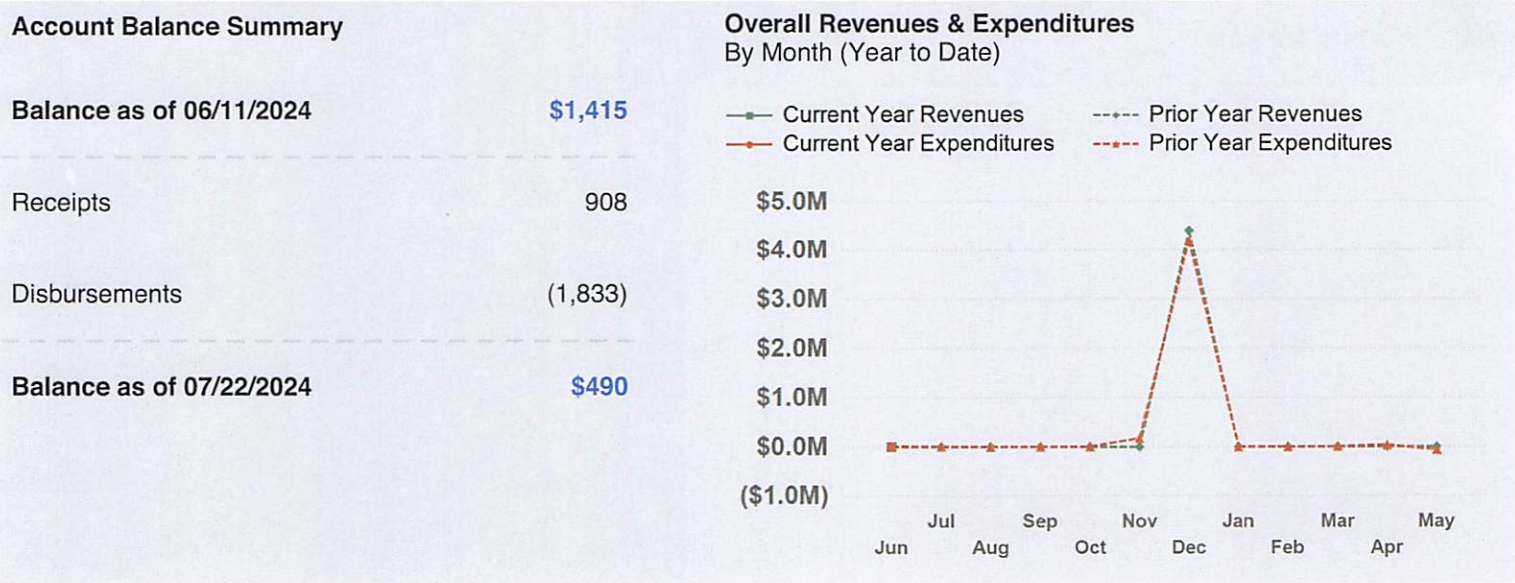


Total Liabilities & Equity

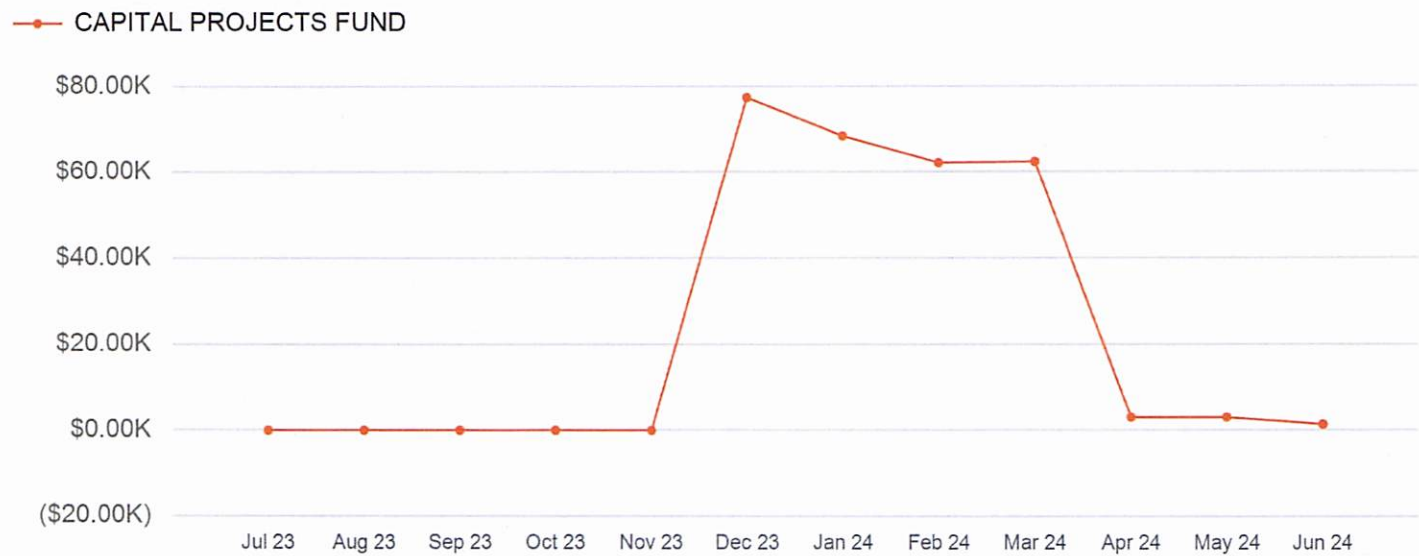
\$577,799

# Monthly Financial Summary - Capital Projects Fund

Waller County MUD No. 35 - CPF



## Account Balance By Month | July 2023 - June 2024



# Cash Flow Report - Checking Account

Waller County MUD No. 35 - CPF



| Number                   | Name                                     | Memo                         | Amount   | Balance    |
|--------------------------|------------------------------------------|------------------------------|----------|------------|
| Balance as of 06/11/2024 |                                          |                              |          | \$509.08   |
| Receipts                 |                                          |                              |          |            |
|                          | Transfer from Money Market - Series 2023 |                              | 103.99   |            |
|                          | Transfer from Money Market - Series 2023 |                              | 802.90   |            |
| Total Receipts           |                                          |                              |          | \$906.89   |
| Disbursements            |                                          |                              |          |            |
| Fees                     | Central Bank                             | Service Fee                  | (20.00)  |            |
| Wire                     | Waller County MUD No. 35 - GOF           | Transfer to GOF Money Market | (905.70) |            |
| Total Disbursements      |                                          |                              |          | (\$925.70) |
| Balance as of 07/22/2024 |                                          |                              |          | \$490.27   |

# District Debt Summary as of 07/22/2024

Waller County MUD No. 35 - DSF



|                            |               | WATER, SEWER,<br>DRAINAGE    | PARK/ROAD/OTHER              | REFUNDING                    |
|----------------------------|---------------|------------------------------|------------------------------|------------------------------|
| <b>Total \$ Authorized</b> |               | <b>Authorized</b>            | <b>Authorized</b>            | <b>Authorized</b>            |
| \$487.16M                  |               | \$290.91M                    | \$196.25M                    | \$487.16M                    |
| <b>Total \$ Issued</b>     |               | <b>Issued</b>                | <b>Issued</b>                | <b>Issued</b>                |
| \$4.21M                    |               | N/A                          | \$4.21M                      | N/A                          |
| <b>Yrs to Mat</b>          | <b>Rating</b> | <b>\$ Available To Issue</b> | <b>\$ Available To Issue</b> | <b>\$ Available To Issue</b> |
| 25                         | AA            | \$290.91M                    | \$192.04M                    | \$487.16M                    |

\*Actual 'Outstanding' Refunding Bonds issued below may differ from the 'Issued' total above pursuant to Chapter 1207, Texas Government Code.

## Outstanding Debt Breakdown

| Series Issued | Original Bonds Issued | Maturity Date | Principal Outstanding |
|---------------|-----------------------|---------------|-----------------------|
| 2023 - Road   | \$4,210,000           | 2049          | \$4,210,000           |
| <b>Total</b>  | <b>\$4,210,000</b>    |               | <b>\$4,210,000</b>    |

**District Debt Schedule**  
Waller County MUD No. 35 - DSF



| Paying Agent                | Series      | Principal     | Interest            | Total               |
|-----------------------------|-------------|---------------|---------------------|---------------------|
| Bank of New York            | 2023 - Road | \$0.00        | \$106,703.13        | \$106,703.13        |
| <b>Total Due 09/01/2024</b> |             | <b>\$0.00</b> | <b>\$106,703.13</b> | <b>\$106,703.13</b> |

| Paying Agent                | Series      | Principal     | Interest            | Total               |
|-----------------------------|-------------|---------------|---------------------|---------------------|
| Bank of New York            | 2023 - Road | \$0.00        | \$106,703.13        | \$106,703.13        |
| <b>Total Due 03/01/2025</b> |             | <b>\$0.00</b> | <b>\$106,703.13</b> | <b>\$106,703.13</b> |

# Investment Profile as of 07/22/2024

Waller County MUD No. 35

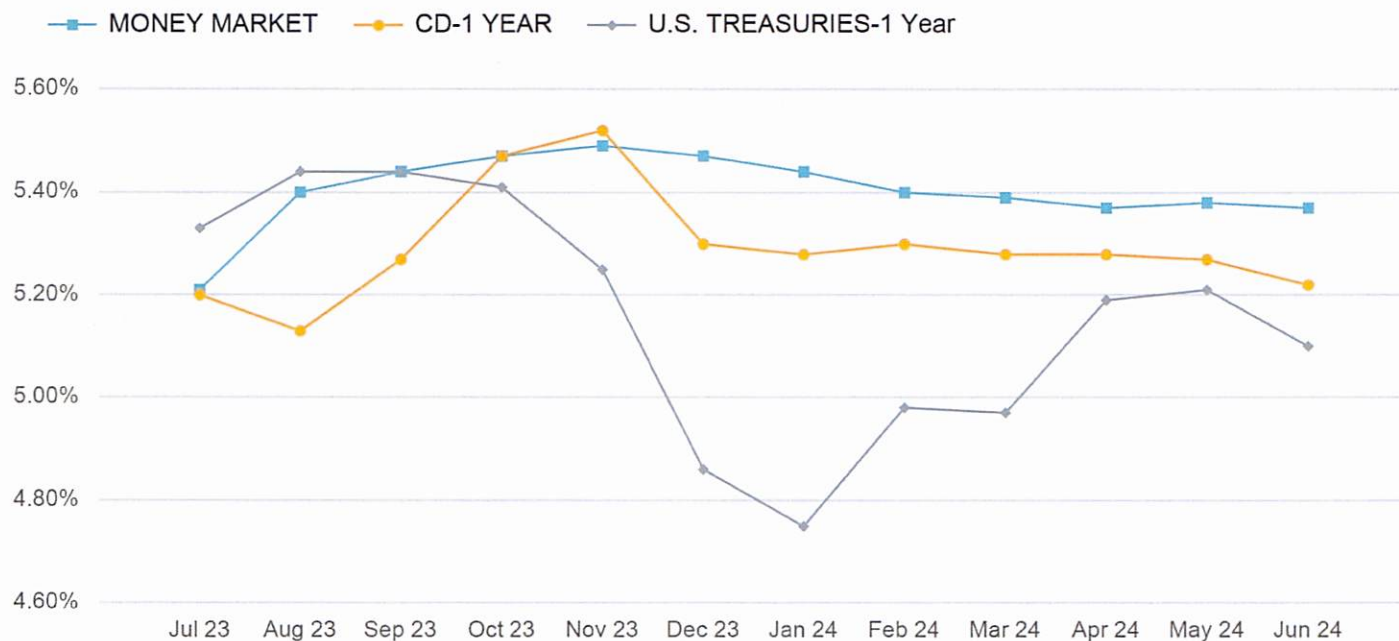


| General Operating Fund                        | Capital Projects Fund                     | Debt Service Fund                             | Other Funds                             |
|-----------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------------------|
| <b>Funds Available to Invest</b><br>\$243,282 | <b>Funds Available to Invest</b><br>\$490 | <b>Funds Available to Invest</b><br>\$286,113 | <b>Funds Available to Invest</b><br>N/A |
| <b>Funds Invested</b><br>\$212,145            | <b>Funds Invested</b><br>\$0              | <b>Funds Invested</b><br>\$286,113            | <b>Funds Invested</b><br>N/A            |
| <b>Percent Invested</b><br>87%                | <b>Percent Invested</b><br>0%             | <b>Percent Invested</b><br>100%               | <b>Percent Invested</b><br>N/A          |

| Term      | Money Market | Term     | Certificate of Deposit | Term     | U.S. Treasuries |
|-----------|--------------|----------|------------------------|----------|-----------------|
| On Demand | 5.39%        | 180 Days | 5.34%                  | 180 Days | 5.18%           |
|           |              | 270 Days | 5.27%                  | 270 Days | 5.18%           |
|           |              | 1 Yr     | 5.21%                  | 1 Yr     | 4.85%           |
|           |              | 13 Mo    | 5.09%                  | 13 Mo    | N/A             |
|           |              | 18 Mo    | 4.43%                  | 18 Mo    | 5.00%           |
|           |              | 2 Yr     | 2.06%                  | 2 Yr     | 5.61%           |

\*Rates are based on the most current quoted rates and are subject to change daily.

## Investment Rates Over Time (By Month) | July 2023 - June 2024



# Account Balance as of 07/22/2024

## Waller County MUD No. 35 - Investment Detail



### FUND: General Operating

| Financial Institution (Acct Number)      | Issue Date | Maturity Date | Interest Rate | Account Balance     | Notes            |
|------------------------------------------|------------|---------------|---------------|---------------------|------------------|
| <b>Money Market Funds</b>                |            |               |               |                     |                  |
| TEXAS CLASS (XXXX0001)                   | 07/12/2023 |               | 5.45%         | 212,145.32          |                  |
| <b>Checking Account(s)</b>               |            |               |               |                     |                  |
| CENTRAL BANK - CHECKING (XXXX3679)       |            |               | 0.00%         | 5,707.02            | Checking Account |
| CENTRAL BANK - CHECKING (XXXX8697)       |            |               | 0.00%         | 25,429.35           | Operator         |
| <b>Totals for General Operating Fund</b> |            |               |               | <b>\$243,281.69</b> |                  |

### FUND: Capital Projects

| Financial Institution (Acct Number)     | Issue Date | Maturity Date | Interest Rate | Account Balance | Notes        |
|-----------------------------------------|------------|---------------|---------------|-----------------|--------------|
| <b>Checking Account(s)</b>              |            |               |               |                 |              |
| CENTRAL BANK (XXXX2120)                 |            |               | 0.00%         | 490.27          | Cash In Bank |
| <b>Totals for Capital Projects Fund</b> |            |               |               | <b>\$490.27</b> |              |

### FUND: Debt Service

| Financial Institution (Acct Number) | Issue Date | Maturity Date | Interest Rate | Account Balance     | Notes        |
|-------------------------------------|------------|---------------|---------------|---------------------|--------------|
| <b>Money Market Funds</b>           |            |               |               |                     |              |
| TEXAS CLASS (XXXX0002)              | 11/09/2023 |               | 5.45%         | 2,773.56            | Contract Tax |
| TEXAS CLASS (XXXX0006)              | 11/30/2023 |               | 5.45%         | 283,339.93          | Road         |
| <b>Totals for Debt Service Fund</b> |            |               |               | <b>\$286,113.49</b> |              |

**Grand Total for Waller County MUD No. 35 :**

**\$529,885.45**

# Capital Projects Fund Breakdown

WALLER COUNTY MUD 35

As of 7/22/2024

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## Net Proceeds for All Bond Issues

### Receipts

|                                      |                |
|--------------------------------------|----------------|
| Bond Proceeds - Series 2023 Road     | \$4,210,000.00 |
| Interest Earnings - Series 2023 Road | 1,009.25       |

### Disbursements

|                                  |                |
|----------------------------------|----------------|
| Disbursements - Series 2023 Road | (4,210,518.98) |
|----------------------------------|----------------|

|                           |                 |
|---------------------------|-----------------|
| <b>Total Cash Balance</b> | <b>\$490.27</b> |
|---------------------------|-----------------|

---

## Balances by Account

|                         |          |
|-------------------------|----------|
| Central Bank - Checking | \$490.27 |
|-------------------------|----------|

|                           |                 |
|---------------------------|-----------------|
| <b>Total Cash Balance</b> | <b>\$490.27</b> |
|---------------------------|-----------------|

---

## Balances by Bond Series

|                                  |          |
|----------------------------------|----------|
| Bond Proceeds - Series 2023 Road | \$490.27 |
|----------------------------------|----------|

|                           |                 |
|---------------------------|-----------------|
| <b>Total Cash Balance</b> | <b>\$490.27</b> |
|---------------------------|-----------------|

---

## Remaining Costs/Surplus By Bond Series

|                                        |               |
|----------------------------------------|---------------|
| <b>Total Amount in Remaining Costs</b> | <b>\$0.00</b> |
|----------------------------------------|---------------|

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|                                             |                 |
|---------------------------------------------|-----------------|
| <b>Total Surplus &amp; Interest Balance</b> | <b>\$490.27</b> |
|---------------------------------------------|-----------------|

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|                                      |                 |
|--------------------------------------|-----------------|
| <b>Total Remaining Costs/Surplus</b> | <b>\$490.27</b> |
|--------------------------------------|-----------------|

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MUNICIPAL ACCOUNTS  
& CONSULTING, L.P.

**Waller County Municipal  
Utility District No. 35  
Quarterly Investment Inventory Report  
Period Ending May 31, 2024**

**BOARD OF DIRECTORS**

Waller County Municipal  
Utility District No. 35

Attached is the Quarterly Investment Inventory Report for the  
Period ending May 31, 2024.

This report and the District's investment portfolio are in compliance with the  
investment strategies expressed in the District's investment policy, and the  
Public Funds Investment Act.

I, hereby certify that, pursuant to Senate Bill 253 and in connection with the  
preparation of the investment report, I have reviewed the divestment lists  
prepared and maintained by the Texas Comptroller of Public Accounts, and the  
District does not own direct or indirect holdings in any companies identified on such lists.

Mark M. Burton  
(Investment Officer)

Ghia Lewis  
(Investment Officer)

COMPLIANCE TRAINING

HB 675 states the Investment Officer must attend at least one training seminar for (6) six hours  
Within twelve months of taking office and requires at least (4) four hours training within each (2)  
two year period thereafter.

INVESTMENT OFFICERS

Mark M. Burton

Ghia Lewis

CURRENT TRAINING

November 27, 2015 (Texpool Academy 10 Hours)  
December 26, 2017 (Texpool Academy 10 Hours)  
January 9, 2020 (TexPool Academy 12 Hours)  
December 31, 2021 (Texpool Academy 10 Hours)  
December 16, 2023 (Texpool Academy 10 Hours)

November 5, 2015 (Texpool Academy 10 Hours)  
November 6, 2017 (Texpool Academy 10 Hours)  
November 5, 2019 (Texpool Academy 10 Hours)  
December 28, 2021 (Texpool Academy 10 Hours)  
December 26, 2023 (Texpool Academy 10 Hours)

Waller County Municipal Utility District No. 35

Summary of Money Market Funds

03/01/2024 - 05/31/2024

Fund: Operating

Financial Institution: TEXAS CLASS

Account Number: XXXX0001 Date Opened: 07/12/2023 Current Interest Rate: 5.42%

| Date                         | Description                | Begin Balance | Cash Added   | Cash Withdrawn | Int. Earned | End Balance  |
|------------------------------|----------------------------|---------------|--------------|----------------|-------------|--------------|
| 03/01/2024                   |                            | 164,693.80    |              |                |             |              |
| 03/11/2024                   | Transfer from Checking     |               | 98,000.00    |                |             |              |
| 03/31/2024                   |                            |               |              |                | 1,056.72    |              |
| 04/08/2024                   | Transfer from Checking     |               | 34,000.00    |                |             |              |
| 04/09/2024                   | Transfer from CPF-BAN      |               | 801.82       |                |             |              |
| 04/09/2024                   | Transfer from CPF Checking |               | 1,621.37     |                |             |              |
| 04/30/2024                   |                            |               |              |                | 1,176.08    |              |
| 05/13/2024                   | Transfer from CPF TX0003   |               | 100.28       |                |             |              |
| 05/13/2024                   | Transfer from CPF TX0004   |               | 3.60         |                |             |              |
| 05/31/2024                   |                            |               |              |                | 1,346.74    |              |
| Totals for Account XXXX0001: |                            | \$164,693.80  | \$134,527.07 |                | \$3,579.54  | \$302,800.41 |
| Totals for Operating Fund:   |                            | \$164,693.80  | \$134,527.07 |                | \$3,579.54  | \$302,800.41 |

Methods Used For Reporting Market Values

|                                           |                                                                            |
|-------------------------------------------|----------------------------------------------------------------------------|
| Certificates of Deposits:                 | Face Value Plus Accrued Interest                                           |
| Securities/Direct Government Obligations: | Market Value Quoted by the Seller of the Security and Confirmed in Writing |
| Public Fund Investment Pool/AIM Accounts: | Balance = Book Value = Current Market                                      |

Waller County Municipal Utility District No. 35

Summary of Money Market Funds

03/01/2024 - 05/31/2024

Fund: Capital Projects

Financial Institution: TEXAS CLASS

Account Number: XXXX0003 Date Opened: 11/20/2023 Current Interest Rate: 5.42%

| Date                         | Description                  | Begin Balance | Cash Added | Cash Withdrawn | Int. Earned | End Balance |
|------------------------------|------------------------------|---------------|------------|----------------|-------------|-------------|
| 03/01/2024                   |                              | 56,987.13     |            |                |             |             |
| 03/11/2024                   | Transfer to Checking         |               |            | (13,474.00)    |             |             |
| 03/31/2024                   |                              |               |            |                | 224.11      |             |
| 04/08/2024                   | Transfer to Checking         |               |            | (3,911.25)     |             |             |
| 04/09/2024                   | WT - Asto Sunterra Dev Reimb |               |            | (39,778.62)    |             |             |
| 04/30/2024                   |                              |               |            |                | 52.91       |             |
| 05/13/2024                   | Transfer to GOF MM           |               |            | (100.28)       |             |             |
| 05/31/2024                   |                              |               |            |                | 0.36        |             |
| Totals for Account XXXX0003: |                              | \$56,987.13   |            | (\$57,264.15)  | \$277.38    | \$0.36      |

Account Number: XXXX0004 Date Opened: 11/20/2023 Current Interest Rate: 5.42%

| Date                              | Description          | Begin Balance | Cash Added | Cash Withdrawn | Int. Earned | End Balance |
|-----------------------------------|----------------------|---------------|------------|----------------|-------------|-------------|
| 03/01/2024                        |                      | 4,695.26      |            |                |             |             |
| 03/11/2024                        | Transfer to Checking |               |            | (3,903.56)     |             |             |
| 03/31/2024                        |                      |               |            |                | 10.12       |             |
| 04/30/2024                        |                      |               |            |                | 3.60        |             |
| 05/08/2024                        | Transfer to GOF      |               |            | (801.82)       |             |             |
| 05/13/2024                        | Transfer to GOF      |               |            | (3.60)         |             |             |
| 05/31/2024                        |                      |               |            |                | 3.72        |             |
| Totals for Account XXXX0004:      |                      | \$4,695.26    |            | (\$4,708.98)   | \$17.44     | \$3.72      |
| Totals for Capital Projects Fund: |                      | \$61,682.39   |            | (\$61,973.13)  | \$294.82    | \$4.08      |

Methods Used For Reporting Market Values

|                                           |                                                                            |
|-------------------------------------------|----------------------------------------------------------------------------|
| Certificates of Deposits:                 | Face Value Plus Accrued Interest                                           |
| Securities/Direct Government Obligations: | Market Value Quoted by the Seller of the Security and Confirmed in Writing |
| Public Fund Investment Pool/MMI Accounts: | Balance = Book Value = Current Market                                      |

Waller County Municipal Utility District No. 35  
**Summary of Money Market Funds**  
03/01/2024 - 05/31/2024

**Fund: Debt Service**

**Financial Institution: TEXAS CLASS**

**Account Number: XXXX0002    Date Opened: 11/09/2023    Current Interest Rate: 5.42%**

| Date                                | Description               | Begin Balance       | Cash Added         | Cash Withdrawn        | Int. Earned       | End Balance       |
|-------------------------------------|---------------------------|---------------------|--------------------|-----------------------|-------------------|-------------------|
| 03/01/2024                          |                           | 281,706.76          |                    |                       |                   |                   |
| 03/11/2024                          | TAX TRANSFER              |                     | 41,500.00          |                       |                   |                   |
| 03/31/2024                          |                           |                     |                    |                       | 1,436.99          |                   |
| 04/08/2024                          | 2024 Contract Tax payment |                     |                    | (322,290.71)          |                   |                   |
| 04/30/2024                          |                           |                     |                    |                       | 395.53            |                   |
| 05/31/2024                          |                           |                     |                    |                       | 12.68             |                   |
| <b>Totals for Account XXXX0002:</b> |                           | <b>\$281,706.76</b> | <b>\$41,500.00</b> | <b>(\$322,290.71)</b> | <b>\$1,845.20</b> | <b>\$2,761.25</b> |

**Account Number: XXXX0006    Date Opened: 11/30/2023    Current Interest Rate: 5.42%**

| Date                                 | Description | Begin Balance       | Cash Added         | Cash Withdrawn        | Int. Earned       | End Balance         |
|--------------------------------------|-------------|---------------------|--------------------|-----------------------|-------------------|---------------------|
| 03/01/2024                           |             | 278,251.46          |                    |                       |                   |                     |
| 03/31/2024                           |             |                     |                    |                       | 1,290.79          |                     |
| 04/30/2024                           |             |                     |                    |                       | 1,246.49          |                     |
| 05/31/2024                           |             |                     |                    |                       | 1,293.60          |                     |
| <b>Totals for Account XXXX0006:</b>  |             | <b>\$278,251.46</b> |                    |                       | <b>\$3,830.88</b> | <b>\$282,082.34</b> |
| <b>Totals for Debt Service Fund:</b> |             | <b>\$559,958.22</b> | <b>\$41,500.00</b> | <b>(\$322,290.71)</b> | <b>\$5,676.08</b> | <b>\$284,843.59</b> |

**Methods Used For Reporting Market Values**

Certificates of Deposits:                      Pace Value Plus Accrued Interest  
Securities/Direct Government Obligations:                      Market Value Quoted by the Seller of the Security and Confirmed in Writing  
Public Fund Investment Pool/MM Accounts:                      Balance = Book Value = Current Market

Waller County Municipal Utility District No. 35  
**Summary of Certificates of Deposit with Money Market**  
03/01/2024 - 05/31/2024

| Financial Institution      | Investment Number | Issue Date   | Maturity Date | Beginning Balance | Principal From Cash | Principal From Investment | Principal Withdrawn | Principal Reinvested | Ending Balance | Interest Rate              | Beg. Acc. Interest | Interest Earned | Interest Reinvested | Interest Withdrawn | Accrued Interest |
|----------------------------|-------------------|--------------|---------------|-------------------|---------------------|---------------------------|---------------------|----------------------|----------------|----------------------------|--------------------|-----------------|---------------------|--------------------|------------------|
| Fund: Operating            |                   |              |               |                   |                     |                           |                     |                      |                |                            |                    |                 |                     |                    |                  |
| Totals for Operating Fund: |                   |              |               | 0.00              | 0.00                | 0.00                      | 0.00                | 0.00                 | 0.00           | N/A                        | 0.00               | 0.00            | 0.00                | 0.00               | \$0.00           |
| Beginning Balance:         |                   | \$0.00       |               |                   |                     |                           |                     |                      |                | Interest Earned:           |                    | \$0.00          |                     |                    |                  |
| Plus Principal From Cash:  |                   | \$0.00       |               |                   |                     |                           |                     |                      |                | Less Beg Accrued Interest: |                    | \$0.00          |                     |                    |                  |
| Less Principal Withdrawn:  |                   | \$0.00       |               |                   |                     |                           |                     |                      |                | Plus End Accrued Interest: |                    | \$0.00          |                     |                    |                  |
| Plus Interest Reinvested:  |                   | \$0.00       |               |                   |                     |                           |                     |                      |                | Fixed Interest Earned:     |                    | \$0.00          |                     |                    |                  |
| Fixed Balance:             |                   | \$0.00       |               |                   |                     |                           |                     |                      |                | MM Interest Earned:        |                    | \$3,579.54      |                     |                    |                  |
| MM Balance:                |                   | \$302,800.41 |               |                   |                     |                           |                     |                      |                | Total Interest Earned:     |                    | \$3,579.54      |                     |                    |                  |
| Total Balance:             |                   | \$302,800.41 |               |                   |                     |                           |                     |                      |                |                            |                    |                 |                     |                    |                  |

| Methods Used For Reporting Market Values  |                                                                            |
|-------------------------------------------|----------------------------------------------------------------------------|
| Certificates of Deposits:                 | Face Value Plus Accrued Interest                                           |
| Securities/Direct Government Obligations: | Market Value Quoted by the Seller of the Security and Confirmed in Writing |
| Public Fund Investment Pool/AIM Accounts: | Balance = Book Value = Current Market                                      |

**Waller County Municipal Utility District No. 35**  
**Summary of Certificates of Deposit with Money Market**  
**03/01/2024 - 05/31/2024**

| Financial Institution             | Investment Number | Issue Date | Maturity Date | Beginning Balance | Principal From Cash | Principal From Investment | Principal Withdrawn | Principal Reinvested | Ending Balance             | Interest Rate | Beg. Acc. Interest | Interest Earned | Interest Reinvested | Interest Withdrawn | Accrued Interest |
|-----------------------------------|-------------------|------------|---------------|-------------------|---------------------|---------------------------|---------------------|----------------------|----------------------------|---------------|--------------------|-----------------|---------------------|--------------------|------------------|
| Fund: Capital Projects            |                   |            |               |                   |                     |                           |                     |                      |                            |               |                    |                 |                     |                    |                  |
| Totals for Capital Projects Fund: |                   |            |               | 0.00              | 0.00                | 0.00                      | 0.00                | 0.00                 | 0.00                       | N/A           | 0.00               | 0.00            | 0.00                | 0.00               | \$0.00           |
| Beginning Balance:                |                   | \$0.00     |               |                   |                     |                           |                     |                      | Interest Earned:           | \$0.00        |                    |                 |                     |                    |                  |
| Plus Principal From Cash:         |                   | \$0.00     |               |                   |                     |                           |                     |                      | Less Beg Accrued Interest: | \$0.00        |                    |                 |                     |                    |                  |
| Less Principal Withdrawn:         |                   | \$0.00     |               |                   |                     |                           |                     |                      | Plus End Accrued Interest: | \$0.00        |                    |                 |                     |                    |                  |
| Plus Interest Reinvested:         |                   | \$0.00     |               |                   |                     |                           |                     |                      | Fixed Interest Earned:     | \$0.00        |                    |                 |                     |                    |                  |
| Fixed Balance:                    |                   | \$0.00     |               |                   |                     |                           |                     |                      | MM Interest Earned:        | \$294.82      |                    |                 |                     |                    |                  |
| MM Balance:                       |                   | \$4.08     |               |                   |                     |                           |                     |                      | Total Interest Earned:     | \$294.82      |                    |                 |                     |                    |                  |
| Total Balance:                    |                   | \$4.08     |               |                   |                     |                           |                     |                      |                            |               |                    |                 |                     |                    |                  |

### Methods Used For Reporting Market Values

|                                           |                                                                            |
|-------------------------------------------|----------------------------------------------------------------------------|
| Certificates of Deposits:                 | Face Value Plus Accrued Interest                                           |
| Securities/Direct Government Obligations: | Market Value Quoted by the Seller of the Security and Confirmed in Writing |
| Public Fund Investment Pool/MM Accounts:  | Balance = Book Value = Current Market                                      |

**Waller County Municipal Utility District No. 35**  
**Summary of Certificates of Deposit with Money Market**  
03/01/2024 - 05/31/2024

| Financial Institution                | Investment Number | Issue Date | Maturity Date | Beginning Balance | Principal From Cash | Principal From Investment | Principal Withdrawn | Principal Reinvested       | Ending Balance | Interest Rate | Beg. Acc. Interest | Interest Earned | Interest Reinvested | Interest Withdrawn | Accrued Interest |
|--------------------------------------|-------------------|------------|---------------|-------------------|---------------------|---------------------------|---------------------|----------------------------|----------------|---------------|--------------------|-----------------|---------------------|--------------------|------------------|
| <b>Fund: Debt Service</b>            |                   |            |               |                   |                     |                           |                     |                            |                |               |                    |                 |                     |                    |                  |
| <b>Totals for Debt Service Fund:</b> |                   |            |               | 0.00              | 0.00                | 0.00                      | 0.00                | 0.00                       | 0.00           | N/A           | 0.00               | 0.00            | 0.00                | 0.00               | \$0.00           |
| Beginning Balance:                   | \$0.00            |            |               |                   |                     |                           |                     | Interest Earned:           | \$0.00         |               |                    |                 |                     |                    |                  |
| Plus Principal From Cash:            | \$0.00            |            |               |                   |                     |                           |                     | Less Beg Accrued Interest: | \$0.00         |               |                    |                 |                     |                    |                  |
| Less Principal Withdrawn:            | \$0.00            |            |               |                   |                     |                           |                     | Plus End Accrued Interest: | \$0.00         |               |                    |                 |                     |                    |                  |
| Plus Interest Reinvested:            | \$0.00            |            |               |                   |                     |                           |                     | Fixed Interest Earned:     | \$0.00         |               |                    |                 |                     |                    |                  |
| Fixed Balance:                       | \$0.00            |            |               |                   |                     |                           |                     | MM Interest Earned:        | \$5,676.08     |               |                    |                 |                     |                    |                  |
| MM Balance:                          | \$284,843.59      |            |               |                   |                     |                           |                     | Total Interest Earned:     | \$5,676.08     |               |                    |                 |                     |                    |                  |
| Total Balance:                       | \$284,843.59      |            |               |                   |                     |                           |                     |                            |                |               |                    |                 |                     |                    |                  |
| <b>Totals for District:</b>          |                   |            |               | 0.00              | 0.00                | 0.00                      | 0.00                | 0.00                       | 0.00           | N/A           | 0.00               | 0.00            | 0.00                | 0.00               | \$0.00           |

**Waller County Municipal Utility District No. 35**  
**Detail of Pledged Securities**  
03/01/2024 - 05/31/2024

|                                                |  |            |  |           |                |  |            |          |  |            |           |  |                  |                  |  |           |
|------------------------------------------------|--|------------|--|-----------|----------------|--|------------|----------|--|------------|-----------|--|------------------|------------------|--|-----------|
| Financial Institution: CENTRAL BANK - CHECKING |  |            |  |           |                |  |            |          |  |            |           |  |                  |                  |  |           |
| Security: FHILB                                |  | Par Value: |  | 96,666.00 | Maturity Date: |  | 07/15/2038 | Pledged: |  | 04/03/2024 | Released: |  | Amount Released: |                  |  |           |
| CUSIP: 220245J47                               |  | Date       |  | Value     |                |  |            |          |  |            |           |  |                  |                  |  |           |
|                                                |  | 04/30/2024 |  | 81,021.77 |                |  |            |          |  |            |           |  |                  |                  |  |           |
|                                                |  | 05/31/2024 |  | 80,619.28 |                |  |            |          |  |            |           |  |                  |                  |  |           |
| Security: FHILB                                |  | Par Value: |  | 31,000.00 | Maturity Date: |  | 02/15/2031 | Pledged: |  | 05/26/2023 | Released: |  | 04/11/2024       | Amount Released: |  | 31,000.00 |
| CUSIP: 684728LG1                               |  | Date       |  | Value     |                |  |            |          |  |            |           |  |                  |                  |  |           |
|                                                |  | 03/31/2024 |  | 29,682.07 |                |  |            |          |  |            |           |  |                  |                  |  |           |

**Methods Used For Reporting Market Values**

|                                           |                                                                            |
|-------------------------------------------|----------------------------------------------------------------------------|
| Certificates of Deposits:                 | Face Value Plus Accrued Interest                                           |
| Securities/Direct Government Obligations: | Market Value Quoted by the Seller of the Security and Confirmed in Writing |
| Public Fund Investment Pool/MM Accounts:  | Balance = Book Value = Current Market                                      |

# **Exhibit G**



**ON-SITE**  
**PROTECTION LLC**

To: BOD – Harris-Waller Counties MUD 5 /  
Waller County MUD 37 / Harris County MUD 569 / Waller County MUD 35

**June 2024**

- The rate of reported theft **remained the same (high)** for the month of June
- Several arrests were made for theft, the charges were declined by the property owners.
- Time of offenses has continued to occur during the mid / late afternoon and evening hours during the during of the week. Appliance theft has been happening during the nighttime hours.
- There have been reports of criminal juvenile activity. After a discussion with **Bill Kouwenhoven** of Starwood, we will be assigning an investigator to follow-up on there offenders and involve the parents.
- Deputies are continuing to patrol the northern section more closely due to a request from builders complaining about increased material/ appliance theft.
- Additional patrol has been tentatively approved via funding through the HOA. A request for a shift in enforcement focus to the issues arising with the HOA clubhouse was made.

## Sunterra - Surrounding Area June 1st - June 31st, 2024

# Waller County Sheriffs Office

## Sunterra - North Area June 1st - June 31st, 2024

### Groups

-  RMS Incident
-  Multiple At Same Location
-  RMS Accident
-  Multiple At Same Location
-  CAD CFS
-  Multiple At Same Location

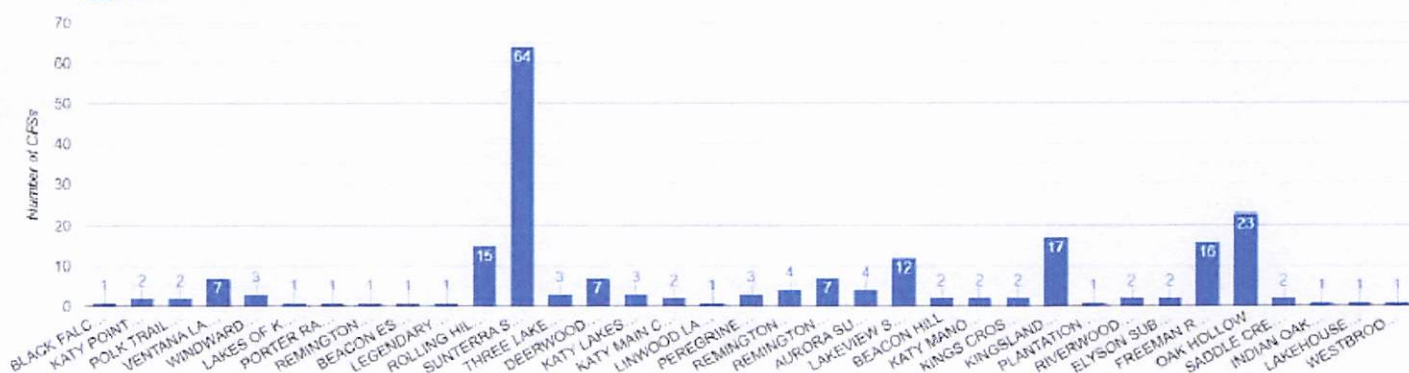




# Waller County Sheriff's Office

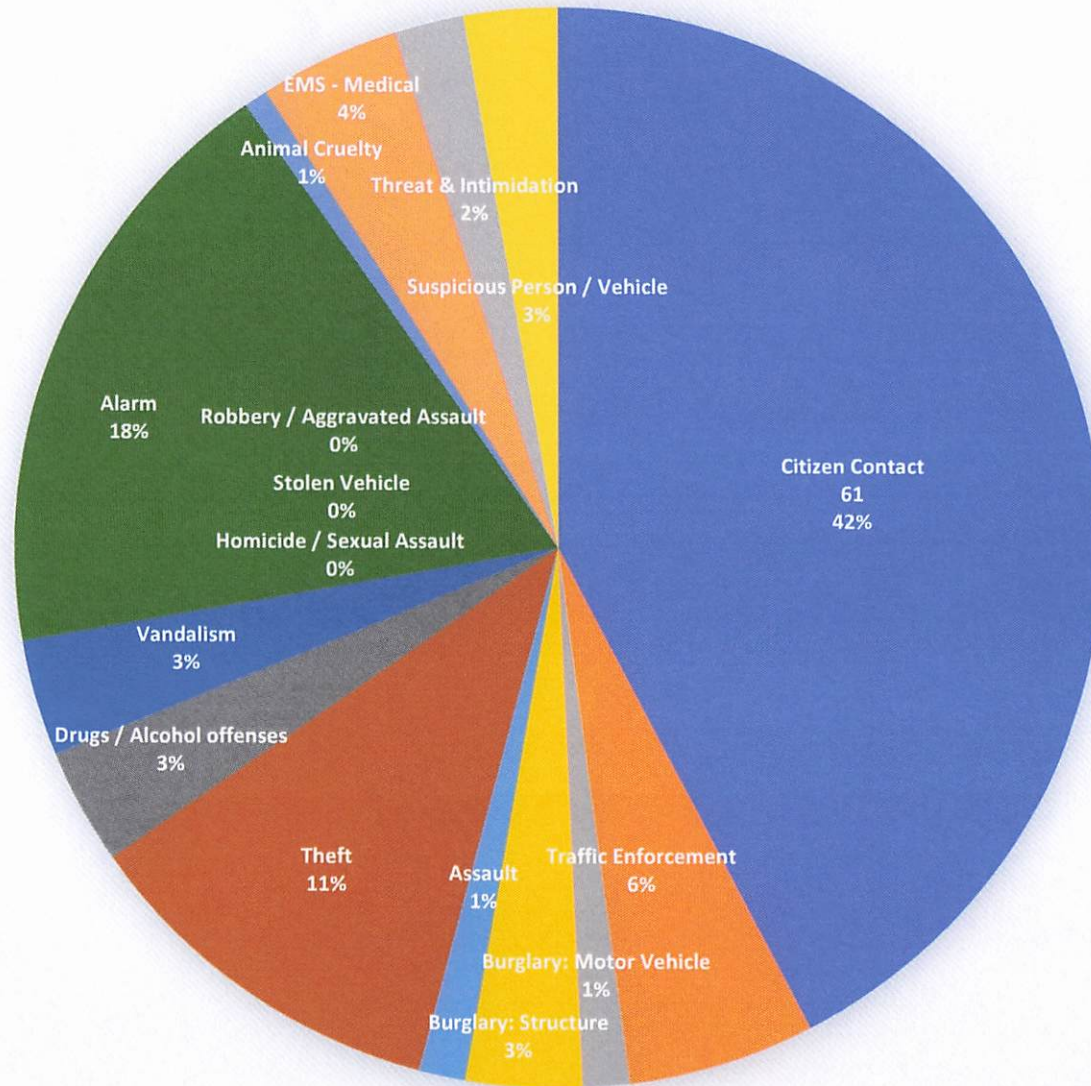
GeoArea: 06/01/2024 - 06/30/2024

Incidents

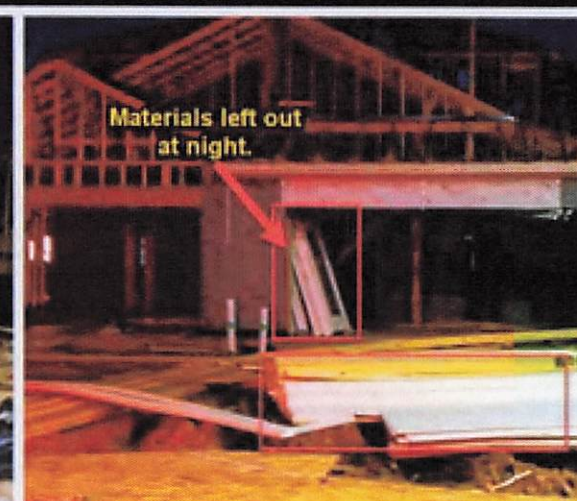
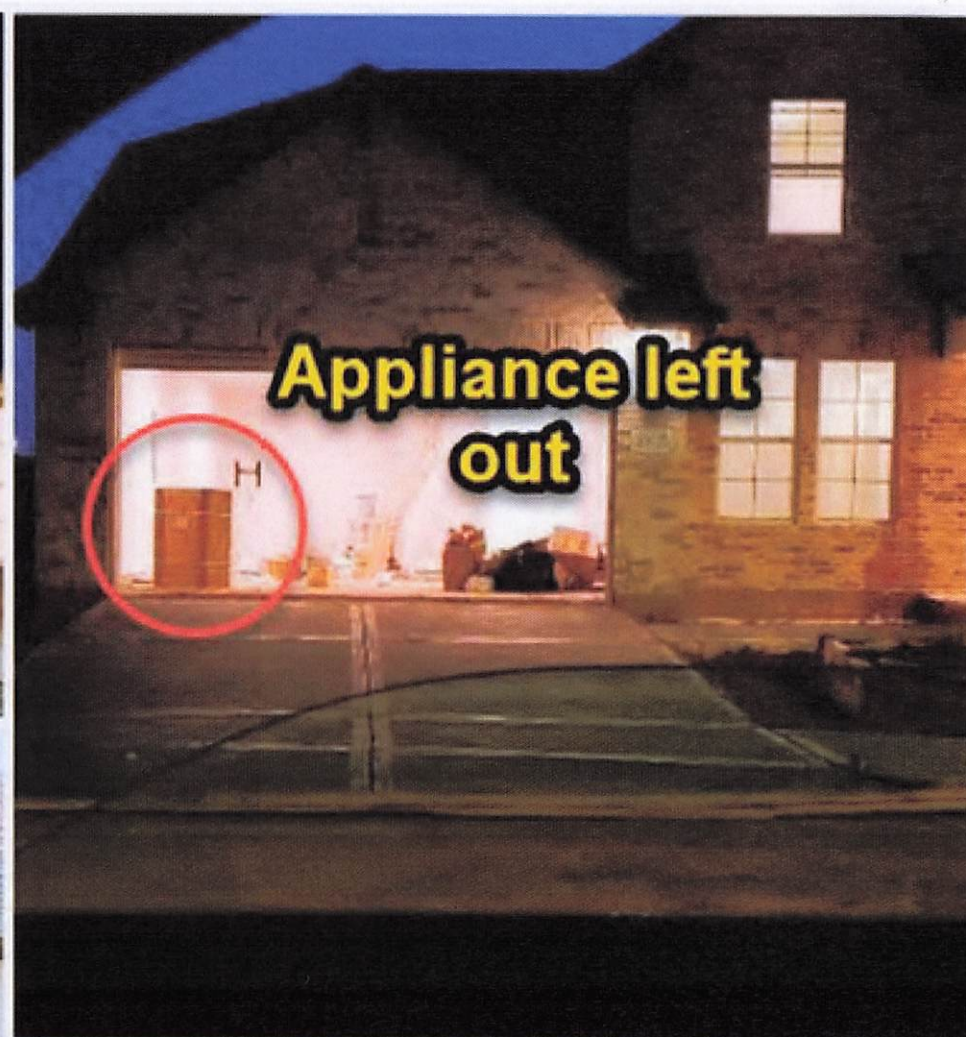


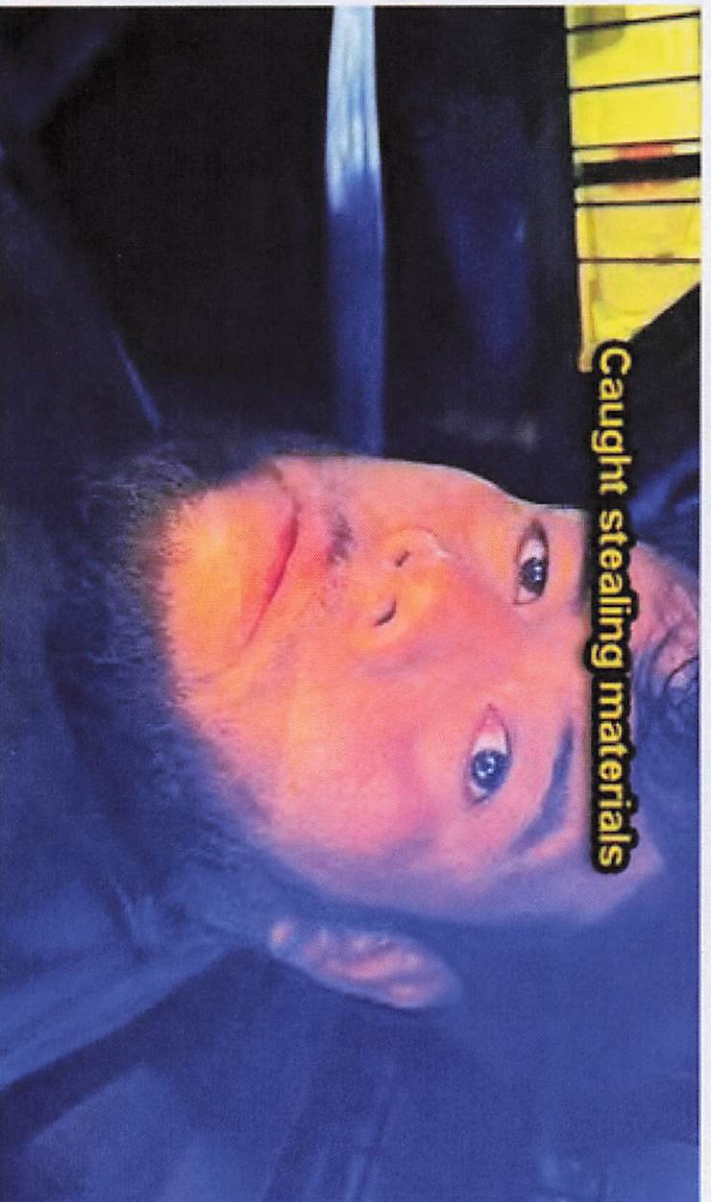
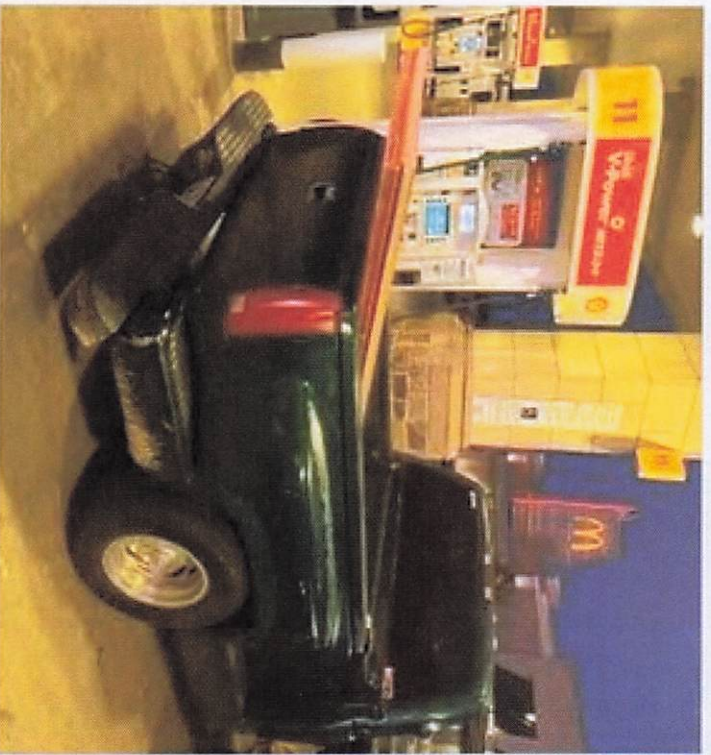
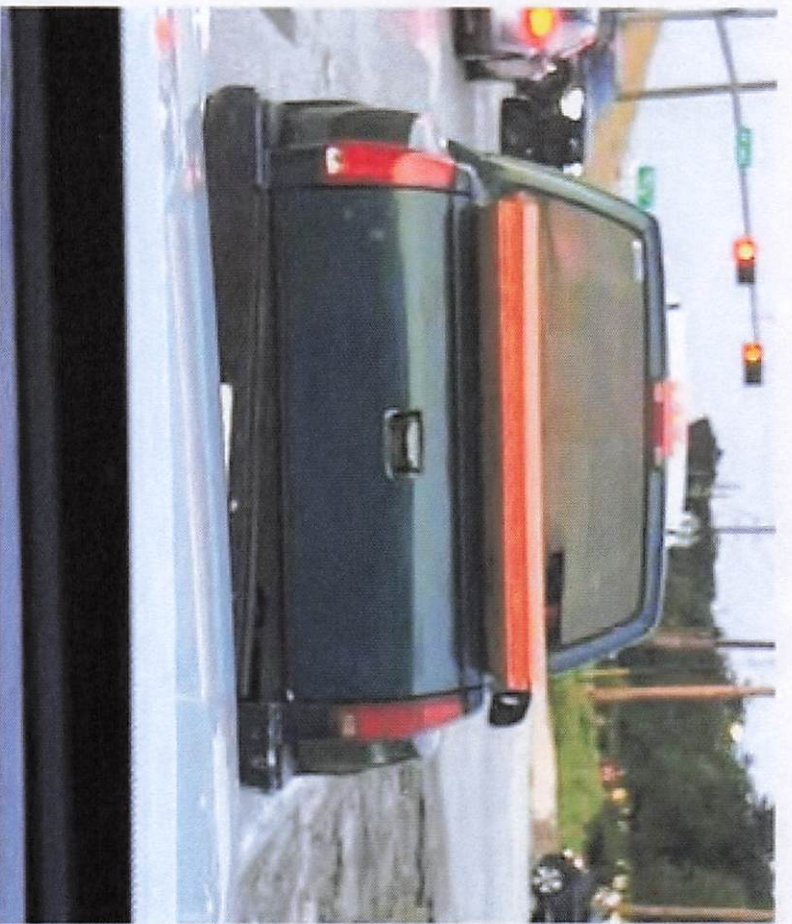
| DISTANCE         | RECORD     | DATE       | LOCATION                            | INC TYPE                         | RECORD TYPE |
|------------------|------------|------------|-------------------------------------|----------------------------------|-------------|
| 713.154584571119 | 2400995    | 06/30/2024 |                                     | 23F - BURGLARY OF VEHICLES       | Incident    |
| 735.13859930922  | 2400992    | 06/30/2024 | 4993 BLUE BEETLE RIDGE DR Katy      | 23F - BURGLARY OF VEHICLES       | Incident    |
| 2454.1670360601  | 2400871    | 06/08/2024 | 2500 BOLINAS BLUFF DR WALLER COUNTY | 220 - BURGLARY OF HABITATION     | Incident    |
| 2470.8218368426  | 2400858    | 06/06/2024 | 2506 BOLINAS BLUFF DR Katy          | 220 - BURGLARY OF HABITATION     | Incident    |
| 2992.4722802329  | 2024026499 | 06/30/2024 | 2832 GRAND ANSE DR WALLER COUNTY    | BURGLARY OF RESIDENCE            | CAD CFS     |
| 3515.1132356597  | 2400911    | 06/15/2024 | 26400 FREEMAN RD Katy               | 220 - BURGLARY OF BUILDING       | Incident    |
| 3515.1132356597  | 2024024120 | 06/15/2024 | 26400 FM 529 WALLER COUNTY          | BURGLARY OF BUILDING             | CAD CFS     |
| 1874.2982291906  | 2400909    | 06/14/2024 | 728 LAKE LACOSTA DR WALLER COUNTY   | 23H - THEFT PROP >=\$750-\$2,500 | Incident    |
| 4640.3503296539  | 2024022582 | 06/05/2024 | 5250 FM 2855 WALLER COUNTY          | THEFT                            | CAD CFS     |
| 798.45480579177  | 2024026450 | 06/30/2024 | 5013 ALMOND TERRACE DR              | THEFT                            | CAD CFS     |
| 713.154584571119 | 2024026484 | 06/30/2024 | 4984 BLUE BEETLE RIDGE DR           | THEFT                            | CAD CFS     |
| 1359.6594771529  | 2024024083 | 06/20/2024 | 4836 SUN FALLS DR WALLER COUNTY     | THEFT                            | CAD CFS     |
| 1359.6594771529  | 2400943    | 06/20/2024 | 4836 SUN FALLS DR Katy              | 23H - THEFT PROP >=\$2,500-\$30K | Incident    |
| 1354.6259038067  | 2024024886 | 06/20/2024 | 4832 SUN FALLS DR WALLER COUNTY     | THEFT                            | CAD CFS     |
| 1354.6259038067  | 2400944    | 06/19/2024 | 4832 SUN FALLS DR Katy              | 23H - THEFT PROP >=\$100-\$750   | Incident    |
| 1076.0724848107  | 2400974    | 06/23/2024 | 4648 CLEO DAY DR Katy               | 23H - THEFT PROP >=\$1,500-\$30K | Incident    |
| 968.13779508475  | 2400975    | 06/25/2024 | 4628 PEONY GREEN DR Katy            | 23H - THEFT PROP >=\$750-\$2,500 | Incident    |
| 1477.6268197782  | 2024023792 | 06/13/2024 | 405 CAMINO BAY DR WALLER COUNTY     | THEFT                            | CAD CFS     |
| 1477.6268197782  | 2400904    | 06/12/2024 | 405 CAMINO BAY DR WALLER COUNTY     | 23H - THEFT PROP >=\$100-\$750   | Incident    |
| 3005.0593204038  | 2400896    | 06/11/2024 | 3165 STINGRAY COVE DR Katy          | 23H - THEFT PROP >=\$750-\$2,500 | Incident    |
| 1778.3643703397  | 2400889    | 06/11/2024 | 3608 EMERALD OCEAN Katy             | 402 - THEFT PROP >=\$750-\$2,500 | Incident    |
| 1358.5760812418  | 2024025536 | 06/24/2024 | 28051 STOCKDICK RD WALLER COUNTY    | THEFT                            | CAD CFS     |

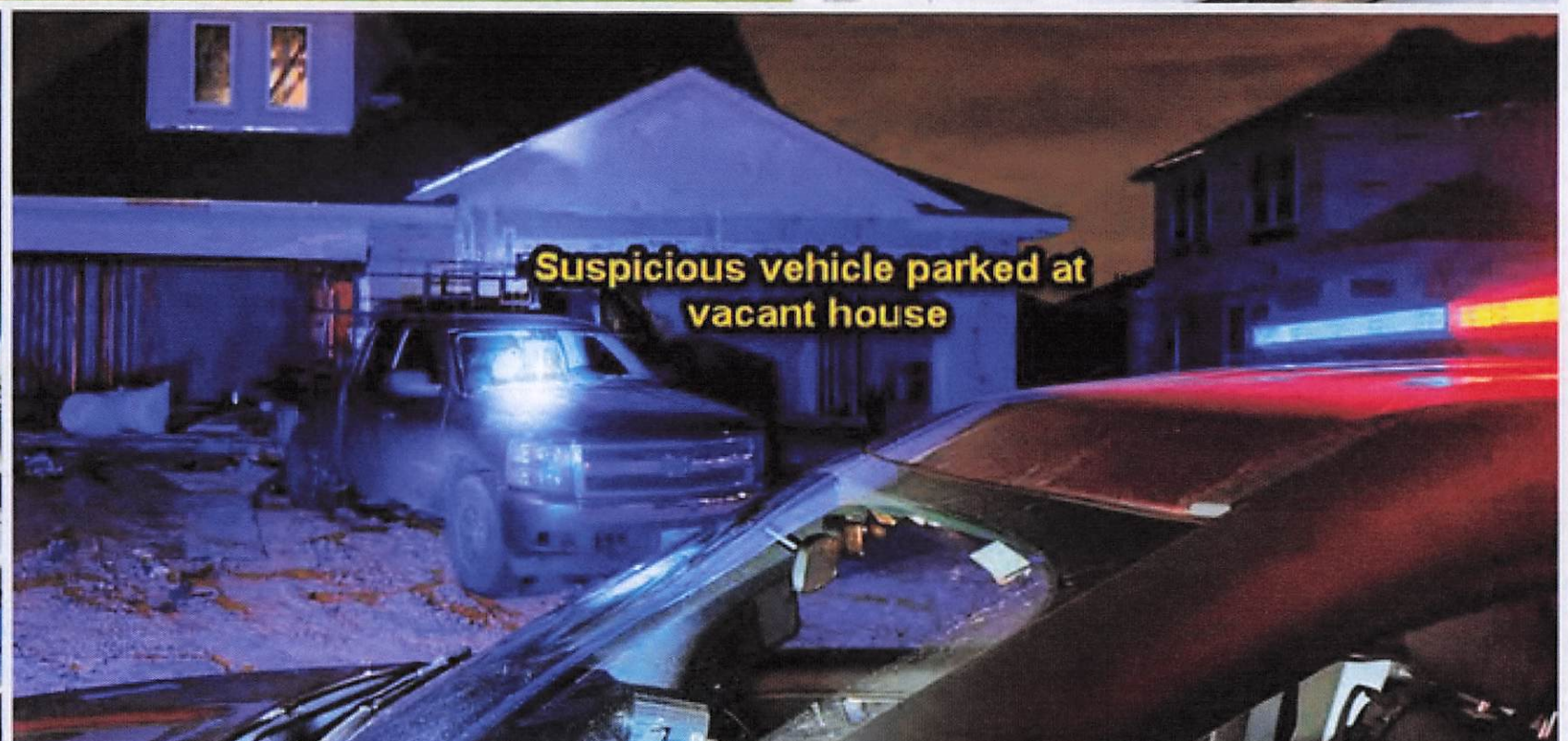
## Criminal Activity



- |                            |                                |                             |                               |
|----------------------------|--------------------------------|-----------------------------|-------------------------------|
| ■ Citizen Contact          | ■ Traffic Enforcement          | ■ Burglary: Motor Vehicle   | ■ Burglary: Structure         |
| ■ Assault                  | ■ Robbery / Aggravated Assault | ■ Homicide / Sexual Assault | ■ Theft                       |
| ■ Drugs / Alcohol offenses | ■ Stolen Vehicle               | ■ Vandalism                 | ■ Alarm                       |
| ■ Animal Cruelty           | ■ EMS - Medical                | ■ Threat & Intimidation     | ■ Suspicious Person / Vehicle |







# **Exhibit H**

**MEMORANDUM**

**TO:** Board of Directors of Waller County Municipal Utility District No. 35  
**FROM:** Schwartz, Page & Harding, LLP  
**DATE:** July 22, 2024  
**RE:** **Electronic Storage of District Records**

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In this day and age, more and more records are being stored electronically. Because the District's records are public records, by law the District and its consultants (as "custodians" of the District's records) can store them electronically as the "official copy" and destroy the paper copies only if the District adopts policies and procedures (meeting certain legal requirements) for the electronic storage of its records. For example, all of the District's Rate Orders must be permanently stored (retained) pursuant to the records retention schedules promulgated by the Texas State Library and Archives Commission (the "Commission"). Accordingly, even if stored electronically, Rate Orders cannot be destroyed unless the District adopts such policies and procedures. To give the District and its consultants the *option* to store records electronically and destroy the paper copies, we recommend that the Board adopt the Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records (the "Resolution").

The Resolution keeps in place the records retention schedules of the Commission and adopts the minimum standards of the Commission for electronic records systems storing District records. These minimum standards include, but are not limited to, making sure that any system must:

- Allow for authorized users to retrieve desired records, such as an indexing or text search system;
- Accurately reproduce the document in paper and prohibit the unauthorized alteration of the document;
- Readily retrieve documents independent of other records in the system;
- Ensure that read/write privileges are controlled with an audit trail of re-writes of documents; and
- Periodically recopy documents as required to transfer data from an obsolete technology to a supportable technology.

The Resolution recommends that consultants separately file and/or identify documents that are work product drafts. It also ratifies any electronically storing and destruction of records by the District or its custodians that occurred on or before the date of the New Resolution, but otherwise in compliance with its requirements. Finally, the procedure that the Board approve the destruction of any record, which is not also electronically stored, will not change.

# Exhibit I

## **RESOLUTION ADOPTING RECORDS RETENTION SCHEDULES AND POLICIES AND PROCEDURES FOR ELECTRONIC STORAGE OF DISTRICT RECORDS**

WHEREAS, the Board of Directors (the "Board") of Waller County Municipal Utility District No. 35 (the "District"), in compliance with the requirements of Title 6, Subtitle C, Texas Local Government Code (the "Local Government Records Act"), passed and adopted an Order Establishing Records Management Program (the "Order"); and

WHEREAS, the Order established for the District an active and continuing records management program administered by the District's Records Management Officer (the "RMO"); and

WHEREAS, pursuant to Section 203.041(a) of the Local Government Records Act, the RMO is required to prepare and file with the Texas State Library and Archives Commission (the "Commission") records retention schedules listing all records created or received by the District and the retention period for each record, or, in lieu of such filing, file with the Commission a written certification of compliance that the District has adopted records retention schedules that comply with the minimum requirements established on records retention schedules issued by the Commission; and

WHEREAS, the RMO hereby recommends that the Board, pursuant to this Resolution and consistent with the requirements of Section 203.041(a) of the Local Government Records Act, adopt the following records retention schedules issued by the Commission, attached hereto as Exhibit A through Exhibit E (the "Records Retention Schedules"), for use in the District's records management program:

Local Schedule EL: Records of Elections and Voter Registration (Exhibit A)

Local Schedule GR: Records Common to All Governments (Exhibit B)

Local Schedule PW: Records of Public Works and Services (Exhibit C)

Local Schedule TX: Records of Property Taxation (Exhibit D)

Schedule UT: Records of Utility Services (Exhibit E)

WHEREAS, the Order provides that unless an electronic storage program used by a custodian of District records is specifically exempted by order of the Board, all electronic storage of records will be centralized and under the direct supervision of the RMO; and

WHEREAS, the Order also provides that the records management plan developed by the RMO with assistance from the District's consultants will establish policies and procedures for the electronic storage of District records, including policies to ensure that all electronic storage is done in accordance with standards and procedures for the electronic storage of local government records established in the rules of the Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 35, THAT:

Section 1. Findings and Determinations. The declarations, determinations and findings made in the preamble to this Resolution are hereby adopted and made a part of the operative provisions hereof.

Section 2. Records Retention Schedules. The Board, as of the Effective Date, by this Resolution adopts the Records Retention Schedules for use in the District's records management program.

Section 3. Filing of Declaration of Compliance. In accordance with the requirements of Section 203.041(a)(2) of the Local Government Records Act, the Board hereby authorizes and directs the RMO to file a Declaration of Compliance with the Records Scheduling Requirement of the Local Government Records Act with the Commission in substantially the form attached hereto as Exhibit F (the "Declaration of Compliance") certifying to the Commission that, in lieu of filing records retention schedules with the Commission, the District has adopted the Records Retention Schedules which comply with the minimum requirements established on records retention schedules issued by the Commission for use in the District's records management program.

Section 4. Date. The Records Retention Schedules shall be formally adopted by the District and implemented by the RMO in the District's records management program effective on the date the Declaration of Compliance is accepted for filing by the Commission (the "Effective Date").

Section 5. Policies and Procedures for Electronic Storage of District Records.

(a) Pursuant to Local Government Code, Chapter 205, any local government record data may be stored electronically in addition to, or instead of, source documents in paper or other media, subject to the requirements of the chapter and the rules adopted under it by the Commission. Electronic storage means the maintenance of local government record data in the form of digital electronic signals on a computer hard disk, magnetic tape, optical disk, or similar machine-readable medium. The public has the same right of access to records maintained in electronic format as they do to records maintained in any other medium. A reasonable fee can be charged for reproduction of official or unofficial copies from electronic media.

(b) The District and custodians (as such term is defined in the Order) of District records may reproduce and retain documents in photographic, digital, or other non-paper medium. The medium in which a document is retained shall accurately reproduce the document in paper form during the period for which the document must be retained and shall prohibit the unauthorized alteration of the document.

(c) The District owns and is responsible for electronic records regardless of where the record originates or resides, including, but not limited to, external electronic records systems, custodians, and social media platforms.

(d) Whenever District records are on electronic systems meeting the standards in Bulletin B (defined below), they are considered to be the official record and any physical copies are to be considered transitory records and/or administratively convenient for retention purposes under the rules of the Commission. The RMO hereby authorizes the destruction of paper documents that have been converted to electronic format in accordance with these policies and procedures.

(e) Electronic records systems developed or acquired by the District, or electronic records systems developed or acquired by custodians of records of the District, must meet the minimum standards and procedures set forth in Local Government Bulletin B, Electronic Records Standards and Procedures adopted by the Commission ("Bulletin B"). A copy of Bulletin B is attached hereto as Exhibit G and incorporated herein by this reference. Consultants (as custodians of records) of the District should separately file and/or appropriately identify (in naming conventions) work product drafts in their respective electronic records systems.

(f) Any and all storing and destruction of records by the District or its custodians that occurred on or before the date of this Resolution, but otherwise in compliance with the requirements of this Section 5, are hereby ratified in all respects.

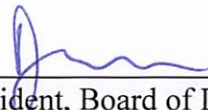
Section 6. Records Management Plan. Pursuant to the Order, the Board hereby approves this Resolution as the records management plan for the District.

Section 7. Prior Resolutions Superseded. Any prior Resolution adopted by the Board approving or adopting records retention schedules, and all amendments, modifications or supplements thereto, if any, are hereby revoked and replaced by this Resolution.

*[SIGNATURE PAGE FOLLOWS]*

PASSED AND ADOPTED this the 22 day of July, 2024.

WALLER COUNTY MUNICIPAL  
UTILITY DISTRICT NO. 35

By:   
**Vice** President, Board of Directors

ATTEST:

By:   
Secretary, Board of Directors

(SEAL)

## EXHIBIT A

### RECORDS RETENTION SCHEDULES

#### LOCAL SCHEDULE EL: RECORDS OF ELECTIONS AND VOTER REGISTRATION

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.texas.gov/slr/recordspubs/el.html>

## EXHIBIT B

### RECORDS RETENTION SCHEDULES

#### LOCAL SCHEDULE GR: RECORDS COMMON TO ALL GOVERNMENTS

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.texas.gov/slrn/recordspubs/gr.html>

## EXHIBIT C

### RECORDS RETENTION SCHEDULES

#### LOCAL SCHEDULE PW: RECORDS OF PUBLIC WORKS AND SERVICES

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.texas.gov/slr/recordspubs/pw.html>

## EXHIBIT D

### RECORDS RETENTION SCHEDULES

#### LOCAL SCHEDULE TX: RECORDS OF PROPERTY TAXATION

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.texas.gov/slrn/recordspubs/ut.html>

## EXHIBIT E

### RECORDS RETENTION SCHEDULES

#### SCHEDULE UT: RECORDS OF UTILITY SERVICES

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.texas.gov/slr/recordspubs/ut.html>

EXHIBIT F

DECLARATION OF COMPLIANCE

Found at the following website as of the date hereof:

<https://www.tsl.texas.gov/sites/default/files/public/tslac/slrn/pubs/SLR508.pdf>

EXHIBIT G

LOCAL GOVERNMENT BULLETIN B,  
ELECTRONIC RECORDS STANDARDS AND PROCEDURES

Bulletin kept at the offices of Schwartz, Page & Harding, L.L.P. and is also found at the following website as of the date hereof:

<https://www.tsl.texas.gov/sites/default/files/public/tslac/slrn/pubs/BulletinB.pdf>

# **Exhibit J**

July 22, 2024

Board of Directors  
Waller County Municipal Utility District No. 35  
1300 Post Oak Boulevard, Suite 2400  
Houston, Texas 77056

Dear Directors:

In accordance with the District's Order Establishing Records Management Program and the Resolution Adopting District's Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records, I hereby request authorization to destroy the records of the District shown on Exhibit "A" attached hereto.

Very truly yours,

By: \_\_\_\_\_  
Jaclyn Day  
Records Management Officer

Attachment

## EXHIBIT "A"

Notes of Board of Directors meetings from March 13, 2023 to March 12, 2024.

Notices of permit hearings from Harris-Galveston Subsidence District received by the District and dated more than four (4) years prior to July 22, 2024.

General correspondence from Waller County Appraisal District received by the District and dated more than two (2) years prior to July 22, 2024.

Invoices for electricity services for District facilities received by the District and dated more than four (4) years prior to July 22, 2024.

Notices of Waller County Appraisal Review Board Hearings received by the District and dated more than five (5) years prior to July 22, 2024.

Notices of Waller County Appraisal District Budget Reviews and Approvals received by the District and dated more than five (5) years prior to July 22, 2024.

Operating Budgets of Waller County Appraisal District received by the District and dated more than three (3) years prior to July 22, 2024.

Surplus Certificates for Orders or Resolutions signed by Secretary of Board of Directors.

# **Exhibit K**

**MUNICIPAL ADVISOR DISCLOSURE STATEMENT PURSUANT TO MSRB RULE G-42**

On behalf of Robert W. Baird & Co. Incorporated (“we” or “Baird”), we wish to thank you for the opportunity to continue to serve as municipal advisor to you (the “Client”) in connection with our current Financial Advisory Agreement (the “Agreement”). This Disclosure Statement will serve as written documentation required by Municipal Securities Rulemaking Board (“MSRB”) Rule G-42, as set forth in MSRB Notice 2016-03, of certain terms, disclosures and other items of information related to Baird’s municipal advisory relationship as of the date of this document. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Agreement.

**REQUIRED DISCLOSURES.** MSRB Rule G-42 requires that Baird make a reasonable inquiry as to the facts that are relevant to Client’s determination whether to proceed with a course of action or that form the basis for and advice provided by Baird to Client. The rule also requires that Baird undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. Baird is also required under the rule to use reasonable diligence to know the essential facts about Client and the authority of each person acting on Client’s behalf.

In carrying out these regulatory duties, Baird will request the cooperation and assistance of Client, including providing to Baird accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, Client agrees that, to the extent Client seeks to have Baird provide advice with regard to any recommendation made by a third party, Client will provide to Baird written direction to do so as well as any information it has received from such third party relating to its recommendation.

In addition, MSRB Rule G-42 requires that Baird provide you with the following disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history.

**Disclosures of Conflicts of Interest.** MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable. If no such material conflicts of interest are known to exist based on the exercise of reasonable diligence by the municipal advisor, municipal advisors are required to provide a written statement to that effect.

Accordingly, Baird makes the following disclosures with respect to material conflicts of interest in connection with the Services under the Agreement, together with explanations of how Baird addresses or intends to manage or mitigate each conflict. To that end, with respect to all the conflicts disclosed below in this Municipal Advisor Disclosure Statement, Baird mitigates such conflicts by adhering to its fiduciary duty to the Client, which includes a duty of care and a duty of loyalty to the Client, in performing all municipal advisory activities for the Client. The duty of care obligates Baird to not only possess the degree of knowledge and expertise needed to provide the Client with informed advice but also have a reasonable basis for any advice provided to or on behalf of the Client. The duty of loyalty obligates Baird to deal honestly and with the utmost good faith with Client and to act in Client’s best interests without regard to Baird’s financial or other interests. In addition, because Baird is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of Baird is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service and strict adherence to its fiduciary duty. Furthermore, Baird’s municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides reasonable and industry standard safeguards against individual representatives of Baird potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

Baird is a full service securities firm and as such Baird and its affiliates may from time to time provide advisory, brokerage, consulting and other services and products to its clients, including municipalities, other institutions, and individuals and the Client, certain Client officials or employees, and potential purchasers of the Securities for which Baird may receive customary compensation; however, such services are not related to the proposed offering. Such

services may also include the buying and selling of new issue and outstanding securities and providing investment advice in connection with securities (including the Securities), may be undertaken on behalf of, or as counterparty to, Client, personnel of Client, and current or potential investors in the securities of Client. Baird may have previously served as underwriter, placement agent or financial advisor on other bond offerings and financings for or for the benefit of Client and expects to serve in such capacities in the future. Baird may have previously or is currently providing consulting services to the Client that are not related to the Securities or any particular offering. Baird may also be engaged from time to time by the Client to manage investments for the Client (including the proceeds from the proposed offering) through a separate contract that sets forth the fees to be paid to Baird. Baird manages various mutual funds, and from time to time those funds may own bonds and other securities issued by or for the benefit of Client (including the Securities). Additionally, clients of Baird may from time to time purchase, hold and sell bonds and other securities issued by or for the benefit of the Client (including the Securities). These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of Client, such as when their buying or selling of Client's securities may have an adverse effect on the market for Client's securities, and the interests of such other clients could create the incentive for Baird to make recommendations to Client that could result in more advantageous pricing for the other clients. Furthermore, any potential conflict arising from Baird effecting or otherwise assisting such other clients in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through departments of Baird that operate independently from Baird's municipal advisory business, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by Baird to Client under this Agreement.

In the ordinary course of fixed income trading business, Baird may purchase, sell, or hold a broad array of investments and may actively trade securities and other financial instruments, including the Securities and other municipal bonds, for its own account and for the accounts of customers, with respect to which Baird may receive a mark-up or mark-down, commission or other remuneration, and therefore Baird could have interests in conflict with those of Client with respect to the value of Client's Securities while held in inventory. Such investment and trading activities may involve or relate to the Financing or Offerings or other assets, securities and/or instruments of the Client and/or persons and entities with relationships with the Client. In particular, Baird or its affiliates may submit orders for and acquire Client's securities issued in an Offering under the Agreement from members of the underwriting syndicate, either for its own account or for the accounts of its customers. This activity may result in a conflict of interest with Client in that it could create the incentive for Baird to make recommendations to Client that could result in more advantageous pricing of Client's bond in the marketplace. Any such conflict is mitigated by means of such activities being engaged in on customary terms through departments of Baird that operate independently from Baird's municipal advisory business, thereby reducing the likelihood that such investment activities would have an impact on the services provided by Baird to Client under the Agreement.

Baird serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. For example, Baird serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to Client under the Agreement. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, Baird could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of Baird to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that Baird serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair Baird's ability to fulfill its regulatory duties to Client.

In addition to the above, Baird's Municipal Advisory Fee presents a potential conflict of interest as indicated below:

- **Municipal Advisory Fees** contingent upon completion of a Financing and based on the size of the issuance, while customary in the municipal security market, may give Baird an incentive to recommend to the Client a Financing that is unnecessary or to recommend that the size of the transaction be larger than is necessary. This conflict of interest is mitigated by the general mitigations described herein.

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- Municipal Advisory Fees contingent upon completion of a Financing and in a fixed amount may give Baird an incentive to recommend to the Client a Financing that is unnecessary or to recommend less time-consuming alternatives or limit its analysis of alternatives because fixed fees are usually based upon an analysis by the Client and Baird of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by Baird and if the transaction requires more work than originally contemplated, Baird may suffer a loss. This conflict of interest is mitigated by the general mitigations described herein.
- Municipal Advisory Fees based on hourly fees of Baird's personnel, with the aggregate amount equaling the number of hours worked by such personnel times an agreed-upon hourly billing rate presents a potential conflict of interest if the Client and Baird do not agree on a reasonable maximum amount at the outset of the engagement, because Baird does not have a financial incentive to recommend alternatives that would result in fewer hours worked. This conflict of interest is mitigated by the general mitigations described herein.

While we do not believe that the following creates a conflict of interest on Baird's part, we note that spouses or other relatives of Baird Associates may serve as an officer, employee or official of Client. Client may wish to consider any impact such circumstances may have on how it conducts its activities with Baird under this Agreement.

Baird associates, including Baird Public Finance associates, may have made or may make political contributions to elected officials and/or candidates for office, including officials of the Client in compliance with MSRB Rule G-37 and Baird's internal policies and pre-clearance requirements.

Baird is registered with the Municipal Securities Rulemaking Board ("MSRB") and the SEC. The MSRB website is [www.msrb.org](http://www.msrb.org). Two investor brochures, Information for Municipal Securities Investors and Information for Municipal Advisory Clients, describe the protections that may be provided by the MSRB's rules. The brochures are available on the MSRB website. The MSRB website also contains information about how to file a complaint with an appropriate regulatory authority.

**Disclosures of Information Regarding Legal Events and Disciplinary History.** MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, Baird sets out below required disclosures and related information in connection with such disclosures. Baird discloses the following legal or disciplinary events that may be material to Client's evaluation of Baird or the integrity of Baird's management or advisory personnel:

- In September 2023, Baird entered into an Offer of Settlement with the SEC (the "Settlement"), in which it admitted that it violated Section 17(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 17a-4(b)(4) thereunder and Section 204 of the Investment Advisers Act of 1940 (the "Advisers Act") and Rule 204-2(a)(7) thereunder for failing to maintain records of certain business-related communications made by Baird associates when they used their personal devices ("off-channel communications") and for failing to supervise its associates' business-related communications. The Settlement was related to an SEC risk-based initiative, whereby the SEC investigated a large number of financial services firms to determine whether those firms were properly retaining business-related text and instant messages and other off-channel communications sent and received on employees' personal devices. Following the commencement of the SEC's initiative, Baird cooperated with the SEC and conducted voluntary interviews of a sampling of Baird supervisors to gather and review messages found on their personal devices. While Baird had policies and procedures in place prohibiting such off-channel communications, it was discovered that certain Baird supervisors communicated off-channel using non-Baird approved methods on their personal devices about Baird's broker-dealer and investment adviser businesses, and the findings were reported to the SEC. Baird took steps prior to and after the SEC's review, including implementing a new communication tool designed for Baird associates' personal devices, conducting training, and periodically

requiring requisite associates to provide an attestation relating to their business-related communications. As part of the Settlement, Baird was censured and ordered to cease and desist from future violations of Section 17(a) of the Exchange Act and Rule 17a-4(b)(4) thereunder and Section 204 of the Advisers Act and Rule 204-2(a)(7) thereunder and to pay a civil monetary penalty of \$15 million. In addition, Baird agreed to certain undertakings, including retaining an independent compliance consultant to conduct a review of Baird's policies and procedures, training, surveillance program, technology solutions and similar matters related to off-channel communications. The details of this matter are available under "Regulatory – Final" in Baird's BrokerCheck report available at <https://brokercheck.finra.org/>.

- In September 2022, Baird, without admitting or denying the findings, consented to the entry of findings of FINRA, which found that it charged certain customers an unfair commission by charging its published minimum commission amount of \$100 on certain small equity trades and failed to establish and maintain a supervisory system reasonably designed to prevent charging a customer a commission that is unreasonable or unfair in violation of FINRA Rules. The findings related to FINRA's routine examination of Baird in 2020. In response to the routine examination, Baird modified its minimum commission schedule and supervisory procedures, and took steps to make payments to the affected customers. Baird also continues to make efforts to ensure that it charges fair prices and commissions on all securities transactions with its customers. This matter relates primarily to Baird's Private Wealth Management department and does not involve or pertain in any way to Baird's Public Finance business or municipal advisory activities or services. The details of this matter are available under "Regulatory – Final" in Baird's BrokerCheck report available at <https://brokercheck.finra.org/>.
- In December 2021, Baird, without admitting or denying the findings, consented to the sanctions and findings of New York Stock Exchange LLC (the "NYSE") that, on June 11, 2018 Baird received orders from an institutional customer to buy an equity security and routed those orders to different NYSE floor broker firms, in violation of NYSE Rule 122, which prohibits firms from sending to more than one floor broker orders at the same price for the purchase or sale of the same security with knowledge that such orders are for the account of the same customer. In connection with its violation, Baird failed to establish and maintain a supervisory system and written supervisory procedures reasonably designed to achieve compliance with NYSE Rule 122. This matter relates to Baird's Institutional Equity Trading department and does not involve or pertain in any way to Baird's Public Finance business or municipal advisory activities or services. The details of this matter are available in item 11.E (2) and the accompanying Regulatory Action DRP on Baird's Form ADV available at <http://www.adviserinfo.sec.gov>.
- In June 2019, Baird, without admitting or denying the findings, consented to the sanctions and findings of FINRA that, between April and July 2013, Baird published equity research reports about an issuer without disclosing that the research analyst who authored the reports was engaged in employment discussions with the issuer that constituted an actual, material conflict of interest and that the failure to disclose the research analyst's employment discussions with the issuer in the research reports made those reports misleading. In response, Baird took proactive measures to reiterate compliance policies pertaining to disclosures about material conflicts of interest in research reports. This matter relates to Baird's Equity Research department and does not involve or pertain in any way to Baird's Public Finance business or municipal advisory activities or services. The details of this matter are available in item 11.E (2) and the accompanying Regulatory Action DRP on Baird's Form ADV available at <http://www.adviserinfo.sec.gov>.
- In March 2019, Baird, without admitting or denying the findings, consented to an order of the SEC, which found that it violated Sections 206(2) and 207 of the Investment Advisers Act of 1940 (the "Advisers Act") for making inadequate disclosures to advisory clients about mutual fund share classes. The order was part of a voluntary self-reporting program initiated by the SEC called the "Share Class Selection Disclosure (or SCSD) Initiative." Under the program, investment advisory firms were offered the opportunity to voluntarily self-report violations of the federal securities laws relating to mutual fund share class selection and related disclosure issues and agree to settlement terms imposed by the SEC, including returning money to affected investment advisory clients. The central issue identified by the SEC was that, in many cases, investment advisory firms bought for or recommended to their investment advisory clients mutual fund share classes that had distribution or service fees (commonly known as 12b-1 fees) paid out of fund assets

to the firms when lower cost share classes were available to those advisory clients, and the investment advisory firms did not adequately disclose their receipt of 12b-1 fees and/or the conflict of interest associated with those 12b-1 paying share classes. Baird and many other firms self-reported under the program and entered into substantially identical orders. By self-reporting and consenting to the order, Baird agreed to a censure and to cease and desist from committing or causing any violations and future violations of Sections 206(2) and 207 of the Advisers Act. Baird also agreed to establish a distribution fund and to deposit into that fund the improperly disclosed 12b-1 fees received by Baird plus prejudgment interest, which will be paid to affected advisory clients. In response, Baird has made changes to its Private Wealth Management advisory programs in which mutual funds available in those programs do not include share classes that pay 12b-1 fees, and the share classes that are available to clients in those programs are generally those that are the lowest cost share classes most widely available by each mutual fund family across its various funds to most types of eligible investors. This matter relates primarily to Baird's Private Wealth Management department and does not involve or pertain in any way to Baird's Public Finance business or municipal advisory activities or services. The details of this matter are available in item 11.E (2) and the accompanying Regulatory Action DRP on Baird's Form ADV available at <http://www.adviserinfo.sec.gov>.

- Baird was among numerous municipal securities underwriters and municipal issuers that voluntarily participated in the Municipal Continuing Disclosure Cooperation Initiative (MCDC) facilitated by the Securities and Exchange Commission (SEC) in March 2014. Under the MCDC, underwriters and issuers were requested to submit reports to the SEC identifying municipal securities offerings for which the official statement did not accurately describe prior instances of the issuer's material non-compliance with its continuing disclosure requirements required by SEC Rule 15c2-12. By voluntarily participating in the MCDC, Baird and other underwriters and issuers agreed to accept standardized settlement terms. In June 2015, the SEC issued Orders to 36 participating municipal underwriters, including Baird, setting forth the agreed upon settlement terms. Subsequently, the SEC issued similar Orders to additional participating underwriters. Each Order, including the one applicable to Baird, contains a finding, which the underwriter neither admits nor denies, that Baird did not conduct adequate due diligence to ensure that the issuers' representations in the official statements about their past compliance with continuing disclosures were accurate and therefore violated Section 17(a)(2) of the Securities Act of 1933. Each Order requires the underwriter to cease and desist from committing or causing any violations or future violations of Section 17(a)(2), to pay a civil monetary penalty (which, in Baird's case, is \$500,000), to retain an independent consultant to review Baird's municipal underwriting due diligence policies and procedures, and to adopt the consultant's final recommendations for changes in or improvements to those policies and procedures. The details of this matter are available in item 11.C (2), 11.C (4) and 11.C (5) and the accompanying Regulatory Action DRP on Baird's Form ADV available at <http://www.adviserinfo.sec.gov>.
- In September 2016, Baird, without admitting or denying the findings, consented to the sanctions and findings of the SEC that Baird violated Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder by failing to adopt and implement adequate policies and procedures to track and disclose trading away practices by certain of the subadvisors participating in Baird's wrap fee programs offered through its Private Wealth Management department. Through these programs, Baird's advisory clients pay an annual fee in exchange for receiving access to select subadvisors and trading strategies, advice from Baird's financial advisors, and trade execution services through Baird at no additional cost. However, if a subadvisor chooses not to direct the execution of particular equity trades through Baird in order to fulfill its best execution obligation and the executing broker charges a commission or fee, Baird's advisory clients often are charged additional commissions or fees for those transactions, which is often embedded in the price paid or received for the security. This practice is referred to as "trading away" and these types of trades are frequently called "trade aways." Baird was found to have failed to adopt or implement policies and procedures designed to provide specific information to Baird's clients and financial advisors about the costs of trading away. Baird agreed to provide additional disclosure to clients and review and, as necessary, update its policies and procedures. This matter relates to Baird's Private Wealth Management department and does not involve or pertain in any way to Baird's Public Finance business or municipal advisory activities or services. The details of this matter are available in item 11.E (2) and the accompanying Regulatory Action DRP on Baird's Form ADV available at <http://www.adviserinfo.sec.gov>.

- In August 2013, Baird was involved in a regulatory matter with respect to Municipal Securities Rulemaking Board (MSRB) Rule G-14 involving trade reporting of municipal bond transactions executed by Baird for internal money managers on behalf of their clients. Baird reported the transactions on a bunched order quantity basis instead of individually by amount of allocation. Baird has since reviewed its municipal bond trade reporting methodology in this context and has revised its processes to more clearly reflect the requirements of the rule interpretations. The details of this matter are available in item 11.E (2) and the accompanying Regulatory Action DRP on Baird's Form ADV available at <http://www.adviserinfo.sec.gov>.
- In June 2013, Baird was involved in a regulatory matter involving a small number of transactions in comparison to Baird's total fixed income trading volume with respect to the purchase of municipal securities for its own account from customers and/or sold municipal securities for its own account to customers that was allegedly not fair and reasonable, taken into account all relevant factors related to MSRB Rules G-17 and G-30(A). Baird has taken steps to address this matter, including improving its systems to better monitor and document Baird's compliance with its best execution obligations; providing additional training to Baird's fixed income traders on their obligations to document the prices, quotations or indications received from counterparties to reflect for firm records the pricing in markets at the time of each transaction; and providing additional training to traders on their best execution obligations. The details of this matter are available in item 11.E (2) and the accompanying Regulatory Action DRP on Baird's Form ADV available at <http://www.adviserinfo.sec.gov>.
- In November 2011, Baird was involved in a regulatory matter involving late submissions to the MSRB and the Electronic Municipal Market Access (EMMA). In response, all personnel in the municipal underwriting and public finance departments responsible for the filings attended additional MSRB training on primary market and advance refunding MSRB G-32 submissions, and Baird has amended its MSRB G-32 procedures by publishing additional guidance to appropriate personnel and installing new mechanisms to monitor the required filing and closing dates. The details of this matter are available in item 11.E (2) and the accompanying Regulatory Action DRP on Baird's Form ADV available at <http://www.adviserinfo.sec.gov>.
- The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Baird in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. If any of the above DRPs provides that a DRP has been filed on Form ADV, BD, or U4 for the applicable event, information provided by Baird on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org>, and Baird's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov>. For purposes of accessing such BrokerCheck reports or Form ADV, Baird's CRD number is 8158.

How to Access Form MA and Form MA-I Filings. Baird's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at <https://www.sec.gov/cgi-bin/browse-edgar?CIK=0000009211>. Information regarding legal or disciplinary events can be found in Item 9 of the Form MA and Item 6 of the Form MA-I.

**Most Recent Change in Legal or Disciplinary Event Disclosure.** The date of the last material change to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed by Baird with the SEC is October 18, 2023, which change consists of the SEC's investigation of off-channel communications and the Settlement related thereto, as described above.

**Future Supplemental Disclosures.** Baird has not identified any additional legal and disciplinary events that require disclosure. If material events arise in the future, we will provide you with supplemental disclosures about them.

If there is any aspect of the foregoing disclosures that requires further clarification, please do not hesitate to contact us. In addition, please consult your own financial and/or municipal, legal, accounting, tax and other advisors as you deem appropriate.