

MINUTES OF REGULAR MEETING
EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT
June 14, 2012

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

The Board of Directors of East Montgomery County Improvement District (the "District") met in Regular Session, open to the public, on the 14th day of June, 2012, at 6:30 p.m., at the East Montgomery County Improvement District Complex, 21575 U.S. Highway 59 North, EMCID Board Room 103, New Caney, Texas, within the boundaries of the District, and the roll was called of the duly elected officers and members of the Board of Directors, to-wit:

Leon Cubillas	Chair
Vickie Thumann	Vice Chair
Linda W. Floyd	Assistant Vice Chair/Treasurer
Susan Warren	Secretary
Connie Bloodworth	Assistant Secretary
Leonard W. Rogers	Director
Fred Wetz	Director
Isidor Ybarra, Jr.	Director

with all of said persons being present, thus constituting a quorum.

Also present were Mr. Frank McCrady, Ms. Suzanne Parmer, Mr. David Marks, Mr. Cory Burton, Mr. Mike McCall, Mr. Michael Bradley and several others from the community, as reflected on the attached Audience Sign-In Sheet.

The Chair called the meeting to order and announced that a quorum was present. Director Wetz led in prayer followed by the pledge of allegiance led by Director Ybarra.

As the first order of business, the Board considered comments from members of the audience. In connection therewith, Ms. Idoux addressed the Board and stated that she would like the meetings to be videotaped and suggested that the Board use paper ballots for the officer elections. She further queried the status of Director Warren's directors' position.

The Board next considered the presentation of Community Development Grants. In connection therewith, the Community Development Grant Agreements were executed and Mr. McCrady presented the recipients with their respective grant checks.

Minutes of East Montgomery County Improvement District for June 14, 2012

The Board next considered the approval of the minutes of the Board of Directors meetings held on May 17, 2012 and May 23, 2012. After discussion on the matter, Director Ybarra moved that the minutes of the Board of Directors meetings held on May 17, 2012 and May 23, 2012, be approved as written. Director Wetz seconded said motion, which unanimously carried.

The Board next considered the engagement of an auditor to prepare the District's audit report for the fiscal year ending June 30, 2012. In connection therewith, Mr. McCall presented to the Board an engagement letter from McCall Gibson Swedlund Barfoot PLLC ("McCall") and stated it will cost approximately \$11,000 to \$12,500 to prepare the District's audit report. After discussion on the matter, Director Rogers moved that the Board engage McCall to prepare the District audit for the fiscal year ending June 30, 2012. Director Thumann seconded said motion, which unanimously carried.

The Board next considered the financial and investment reports, and authorizing payment of invoices presented. In connection therewith, Mr. Burton presented the financial and investments reports, copies of which are attached hereto, and presented the invoices for payment. Following review, Director Rogers moved that said reports be approved and that payment of invoices be authorized on the Operating Fund being check nos. 9615 through 9672, inclusive, debits for payroll and two (2) wires, and on the Special Events Fund at Plains State Bank being check nos. 2289 through 2293, as set forth on the attached reports. Director Thumann seconded said motion. Director Floyd then requested that a portion of the attorney's bill, in the amount of \$2,575.50 for Economic Development, not get paid. Motion failed. Director Thumann next made a motion to pay all the bills, with the exception of check no. 9669, which check should be re-written as check no. 9673 in the amount of \$23,860.77. Director Floyd seconded said motion, which carried, with Director Cubillas being opposed.

The Board next considered the adoption of an operating budget for the fiscal year ending June 30, 2013, a copy of which is attached hereto. In connection therewith, Mr. McCrady reviewed the proposed budget with the Board. After discussion, a motion was made by Director Thumann and seconded by Director Wetz, which carried, with Director Cubillas being opposed, to defer the adoption of the operating budget for the fiscal year ending June 30, 2013.

Minutes of East Montgomery County Improvement District for June 14, 2012

The Board next considered the status of development of the District's 12.85 acre site, including the construction of improvements and the leasing of space in the District's office building. In connection therewith, Mr. McCrady stated that he had nothing new to report.

The Board next considered a report for the Facilities Committee. In connection therewith, Ms. Parmer addressed the Board and reported that the facilities committee recommended the purchase of 300 black flex back chairs, which cost \$120.00 each, for a total cost of \$37,500, including delivery. She then recommended keeping 100 of the existing chairs and that the remaining chairs be sold or donated to a local charity. She noted that the purchase will be paid out of the events account savings and that the committee also recommended purchasing tables and chair carts. After discussion on the matter, Director Thumann moved that the facilities committee be authorized to make the purchase as set out above. Director Floyd seconded said motion, which unanimously carried.

The Board next considered authorizing completion, execution and filing with the Secretary of State of Voting System Annual Filing Form relative to District elections. Following discussion, a motion was made by Director Warren and seconded by Director Wetz, which carried unanimously, to authorize the completion, execution and filing with the Secretary of State of Voting System Filing Form.

The Board next considered a report on the status of the EarthQuest Project and the approval of a Letter of Intent with Contour Entertainment, Inc. ("Contour") relative to same. In that regard, Mr. Brown with Contour addressed the Board and stated that Contour will begin the update of the feasibility study with Yehl in mid to late July. He noted that Contour has incorporated a Houston based entity to do the project. The Board then deferred approval of a Letter of Intent with Contour until later in the meeting.

The Board next considered a report on the status of the Front Sight Resort and the approval of a Pre-Development Agreement relative to same. In connection therewith, Mr. Bradley addressed the Board and asked if anyone present had any questions relative to the project. He then discussed the project and the economic impact of the project to the District. The Board then deferred the approval of a Pre-Development Agreement with Front Sight Resort.

Minutes of East Montgomery County Improvement District for June 14, 2012

The Board next considered a report from Friendswood Development Co. ("Friendswood"), relative to development plans within the District. In connection therewith, Mr. Hammond addressed the Board and noted that Friendswood currently has the Whitestone property under contract. He noted that they expect to start construction in the second half of 2013, with home construction to start in 2014, bringing an estimate of between \$450,000,000 to \$475,000,000 in value to the District once the project is complete. He then requested that the Board consider assigning the waste discharge permit, acquired from Whitestone, to Friendswood. After discussion, the Board deferred action at this time.

The Board next recessed to Executive Session at 8:02 p.m. to discuss real property matters pursuant to §551.072, Texas Government Code, pending or contemplated litigation pursuant to §551.071, Texas Government Code, and matters in which the duty of the attorney to the District under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflict with Chapter 551, Texas Government Code, pursuant to §551.071, Texas Government Code. The Board returned from Executive Session at 10:43 p.m.

The Board next considered the approval of a Letter of Intent ("LOI") with Contour. After discussion on the matter, Director Warren made a motion to approve said LOI, in the form attached, but with the sixty (60) day clause being changed to ninety (90) days and with the last four (4) words on page 3 being deleted. Director Rogers seconded said motion, which carried with Directors Bloodworth and Floyd being opposed.

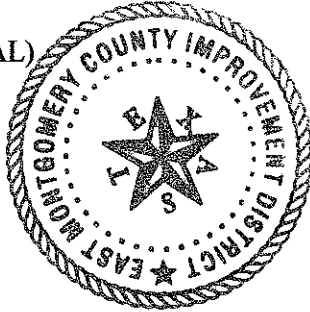
The Board next considered the approval of a Pre-Development Agreement ("Agreement") relative to the Front Sight Resort project. After discussion on the matter, Director Wetz made a motion to approve said Agreement, in the form attached, with Front Sight Resort. Director Ybarra seconded said motion, which carried with Directors Bloodworth and Floyd being opposed.

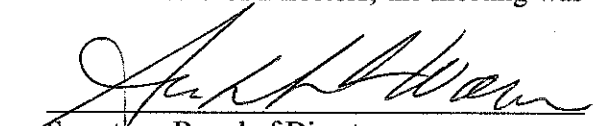
The Board next considered the approval of a Written Consent of the Partners of Whitestone Houston Land, Ltd. and a Written Consent of the Members and Executive Manager of Whitestone Houston Holdings, LLC, in connection with the purchase of the Whitestone property by Friendswood. After discussion on the matter, Director Floyd moved that the Board approve the documents as set out above. Director Thumann seconded said motion, which carried, with Director Bloodworth being opposed. The Board further deferred the approval of the Permit Assignment Agreement.

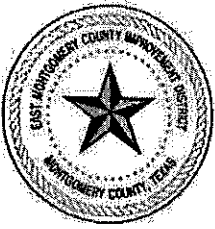
Minutes of East Montgomery County Improvement District for June 14, 2012

There being no further business to come before the Board of Directors, the meeting was adjourned.

(SEAL)




Secretary, Board of Directors



EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT

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Email Address: fmccrady@emctx.com / sparmer@emctx.com / sseelye@emctx.com

Web Address: www.emctx.com

Regular Board Meeting Audience Sign-In Sheet

Date: June 14, 2012

NAME	ADDRESS	TELEPHONE NUMBER
MARLENE IDOL	PO BOX 2113	281-399-8826
DALE MARTIN	27949 Southland	832-633-5173
Andy Dill		281-354-7222
BILLY PATEL		
John Bracken	MCCIS Box 1316 ^{Conroe} TX 77305	(936) 756-8682
Sgt. CLENNEN	MCCO-4	281-577-8985
Steph Jackson	Roman Forest	832-731-0539
Ernie Rogers		
John HAMMOND	FRIENDSWOOD Dev. Co.	
MICHAEL JOHNSON	FRIENDSWOOD Dev. Co.	281-874-8520 8329
CHRIS BROWN	COMOUR ENT.	
Jon Unterreiner	J.	
Liz Suter	21402 Gene Campbell	281-732-1773
Brenda Webb	20514 Lazy Creek	
Ronny Webb	New Caney TX	
Morris Peters	" "	832-766-8348
Mark Wise	Broken Rd	281-787-9289

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

13100 Wortham Center Drive
Suite 235
Houston, Texas 77065-5610
(713) 462-0341
Fax (713) 462-2708
E-Mail: mgsb@mgsbpllc.com

111 Congress Avenue
Suite 400
Austin, Texas 78701
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June 14, 2012

Board of Directors
East Montgomery County Improvement District
Montgomery County, Texas

We are pleased to confirm our understanding of the services we are to provide East Montgomery County Improvement District (the "District") as of and for the year ended June 30, 2012. We will audit the financial statements of the governmental activities and each major fund, which collectively comprise the basic financial statements of the District as of and for the year ended June 30, 2012. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A) and the schedule of revenues, expenditures and changes in fund balance – budget and actual for the General Fund, to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis, and
- 2) Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund

We have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. The document we submit to you will include various supplementary schedules as required by the Texas Commission on Environmental Quality (the "Commission") as published in the *Water District Financial Management Guide*. This supplementary information will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and we will provide an opinion on it in relation to the financial statements as a whole except for that portion marked "unaudited", on which we will express no opinion.

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements taken as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified, we will discuss the reasons with you in advance. If for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein; management decisions and functions; overseeing our financial statement preparation services and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them. Nonattest services to be provided include the preparation of the financial statements, preparation of the appropriate capital asset schedules including calculation of depreciation on the capital assets and preparation of the journal entries to convert the fund financial statements to the government-wide financial statements as required by generally accepted accounting principles.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities: for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities and each major fund of the District and the respective changes in financial position in conformity with U.S. generally accepted accounting principles.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, consultants, regulators, the public or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations. You are responsible for the preparation of the supplementary information in conformity with the Commission's requirements. You agree to include our report on the supplementary information in any document that contains and indicates that we have

Management Responsibilities (Continued)

reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. With regard to using the auditor's report, you understand that you must obtain our written consent to reproduce or use our report in bond offering official statements or other documents.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

Because an audit is designed to provide reasonable, but not absolute assurance, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention, unless clearly inconsequential. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditor is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of certain assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under professional standards.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, we will perform tests of the District's compliance with applicable laws and regulations and the provisions of certain contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Engagement Administration, Fees and Other

We are aware of the State statute requiring the audit to be completed within 120 days and filed with the Texas Commission on Environmental Quality within 135 days from the closing date of the audit and barring any unforeseen circumstances every effort will be made to comply with this rule.

In accordance with provisions of the Local Records Retention Schedule Section 2-1: Item 1025-01(e) we agree to retain our audit work papers in our office for a period of three years after all questions arising from the audit have been resolved. In order to allow for all questions arising from the audit to be resolved and to comply with Rule 501.76(f) of the Rules of Professional Conduct of the Texas State Board of Public Accountancy the actual date will be the five-year anniversary of the audit report in question.

We expect to present a draft of the audit report within 45 days of the availability of the District's accounting records. Noel Barfoot is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign the report. Our fees for these services will be at our standard hourly rates and include any other direct charges. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. An interim bill will be rendered for payment at the time of presentation of a draft audit for approval by the Board of Directors and is due upon presentation. The following is an estimate of our fees for the services included in this engagement letter.

- Audit of the District's financial statements as of and for the year ended June 30, 2012, to range between \$11,000 and \$12,500

If for any reason our services are terminated prior to issuance of a final report, our engagement will be deemed to have been completed, even if we have not completed our report. The District will be obligated to compensate us for our time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your consultants and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

You agree that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if each of us agrees to be bound. We will share any costs of mediation proceedings equally.

We believe this letter accurately summarizes the significant terms of the engagement. If you have any questions, please let us know. If you agree with the terms of the engagement as described in this letter, please sign the enclosed copy and return it to us. We appreciate the confidence you have placed in us by retaining this firm as your independent auditor in this matter.

Sincerely,

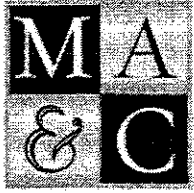
McCall Gibson Swedlund Barfoot PLLC

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants

This letter correctly sets forth the understanding of the District.

Leon W. Rubin *Chairman* *6-14-12*
Signature Title Date

Engagement Letter



MUNICIPAL ACCOUNTS
& CONSULTING, L.P.

**East Montgomery County
Improvement District**

Bookkeeper's Report

June 14, 2012

East Montgomery County Improvement District

Account Balances

As of June 14, 2012

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Fund: Operating					
Certificates of Deposit					
ICON BANK (XXXX9033)	04/18/2012	07/18/2012	0.35 %	200,000.00	
BANK OF HOUSTON (XXXX0847)	04/18/2012	08/16/2012	0.50 %	200,000.00	
THE BANK OF RIVER OAKS (XXXX7310)	04/18/2012	09/15/2012	0.25 %	200,000.00	
Money Market Funds					
TEXPOOL (XXXX0001)	10/31/2005		0.11 %	219.25	
PLAINS STATE BANK (XXXX3271)	05/01/2011		0.21 %	289,621.04	Hotel/Motel Tax
Checking Account(s)					
PLAINS STATE BANK (XXXX3263)			0.21 %	442,860.23	Checking Account
Totals for Operating Fund:				\$1,332,700.52	
Fund: Capital Projects					
Money Market Funds					
TEXPOOL (XXXX0004)	05/21/2009		0.11 %	58,004.17	Series 2009
TEXPOOL (XXXX0006)	08/17/2009		0.11 %	36,577.28	Surplus
Checking Account(s)					
PLAINS STATE BANK (XXXX3328)			0.00 %	473.89	Checking Account
Totals for Capital Projects Fund:				\$95,055.34	
Fund: Debt Service					
Certificates of Deposit					
ALLEGIANCE BANK - DEBT (XXXX6901)	08/18/2011	08/01/2012	0.80 %	140,000.00	
GREEN BANK - DEBT (XXXX0092)	04/18/2012	08/01/2012	0.25 %	200,000.00	
ICON BANK - DEBT (XXXX9132)	04/18/2012	08/01/2012	0.35 %	120,000.00	
TEXAS CAPITAL BANK-DEBT (XXXX2877)	04/18/2012	08/01/2012	0.25 %	240,000.00	
Money Market Funds					
TEXPOOL (XXXX0002)	03/13/2009		0.11 %	7,453.59	
Checking Account(s)					
PLAINS STATE BANK (XXXX3417)			0.21 %	119,359.52	Checking Account
Totals for Debt Service Fund:				\$826,813.11	
Fund: Reserve					
Certificates of Deposit					
ICON BANK - DEBT (XXXX1844)	08/16/2011	07/11/2012	0.70 %	110,000.00	
IBC BANK (XXXX1785)	07/16/2011	07/15/2012	0.85 %	240,000.00	
ENTERPRISE BANK (XXXX8681)	07/16/2011	07/16/2012	1.20 %	240,000.00	
BANK OF HOUSTON - DEBT (XXXX0255)	02/10/2012	01/05/2013	0.35 %	200,000.00	
MEMORIAL CITY BANK (XXXX3065)	01/12/2012	01/11/2013	0.85 %	240,000.00	
Money Market Funds					
TEXPOOL (XXXX0005)	07/07/2009		0.11 %	4,699.07	Debt Reserve
Totals for Reserve Fund:				\$1,034,699.07	

East Montgomery County Improvement District

Account Balances

As of June 14, 2012

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Fund: Events Account					
Certificates of Deposit					
POST OAK BANK (XXXX6838)	09/12/2011	09/12/2012	0.75 %	50,000.00	
Checking Account(s)					
PLAINS STATE BANK (XXXX3468)			0.21 %	35,490.06	Checking Account
Totals for Events Account Fund:				\$85,490.06	
Grand total for East Montgomery County Improvement District:				\$3,374,758.10	

EMCID - GOF
Cash Flow Report - Checking Account
 As of June 14, 2012

Num	Name	Memo	Amount	Bala
BALANCE AS OF 5/18/2012				\$481,810.00
Receipts				
	Refund of Overpayment - TML		5,980.05	
	Reimbursement for Pictures - Committe for the Improvement of EM		75.00	
	Reimbursement - Office Supplies - Connie Bloodworth		10.00	
	Interest Earned on Checking		121.61	
	Building - Rents Lone Star College		4,000.00	
	Sales Tax Revenue		41,450.84	
	Sales Tax Revenue District A		<u>401,544.77</u>	
Total Receipts				453,182.27
Disbursements				
9615	Community Chamber of Commerce	7004 · Com Dev - Special Events	(30.00)	
9616	Community Hardware	6370 · Repairs & Maint - Building	(86.87)	
9617	Entergy	6352 · Utilities	(5,763.93)	
9618	Labor Ready Central, Inc.	6372 B · Contract Labor Maintenance	(1,608.39)	
9619	Montgomery County Clerk	6342 · Legal Notices & Publications	(75.00)	
9620	Municipal Accounts & Consulting, LP	6333 · Accounting	(664.19)	
9621	New Horizons, Inc	7004 · Com Dev - Special Events	(950.00)	
9622	Ozarka	6340 · Supplies	(95.77)	
9623	Platinum Coffee Service, Inc.	6340 · Supplies	(103.60)	
9624	+ImageNet Consulting LLC	6132 · Office Equipment Lease	(522.98)	
9625	Affordable Storage of Kingwood	6336 · Grounds Maintenance	(594.00)	
9626	Allied Waste Services	6336 · Grounds Maintenance	(3,871.08)	
9627	Assurity Life Insurance Company	6016 · Health Insurance	(607.30)	
9628	AT&T Mobility	6351 · Telephone Expense	(137.26)	
9629	Ben Wheatley	7100 · Eco Dev - Public Relations Counsel	(5,250.00)	
9630	CenturyLink 4419	6351 · Telephone Expense	(2,826.24)	
9631	City Of Roman Forest	7008 · Community Development - Grants	(14,689.25)	
9632	Community Chamber of Commerce	6096 · Dues/ Professional Memberships	(550.00)	
9633	Convergint Technologies	6337 · Security	(1,171.00)	
9634	EMC Commercial Cleaning	6372 a · Contract Labor - Janitorial	(1,900.00)	
9635	EMCID - DSF	7302 · Debt Service Transfer Building Payment	(75,426.00)	
9636	EMCID - DSF	7302 · Debt Service Transfer Building Payment	(75,426.00)	
9637	Flowers of Kingwood	7004 · Com Dev - Special Events	(94.90)	
9638	Forbes	6098 · Subscriptions	(66.95)	
9639	Home Depot Credit Services	6370 · Repairs & Maint - Building	(153.67)	
9640	Houston Community Newspapers	6321 · Advertising	(890.52)	
9641	Jack Daniels Delivery Service, Inc.	6344 · Delivery Fees	(85.40)	
9642	Kingwood Garden Center	6370 · Repairs & Maint - Building	(50.38)	
9643	Labor Ready Central, Inc.	6372 B · Contract Labor Maintenance	(3,166.05)	
9644	Montgomery County Constable Precinct 4	7008 · Community Development - Grants	(29,086.11)	
9645	Montgomery County Youth Services	7008 · Community Development - Grants	(5,000.00)	
9646	Municipal Accounts & Consulting, LP	6333 · Accounting March 2012	(2,755.00)	
9647	Municipal Accounts & Consulting, LP	6333 · Accounting May 2012	(2,214.35)	
9648	Naeir	6344 · Delivery Fees	(134.72)	
9649	Network PC Pro's	6133 · Computers/Access/Software, etc	(1,731.61)	
9650	New Caney MUD	6352 · Utilities	(231.33)	
9651	Reliance Medical Systems	6370 · Repairs & Maint - Building	(1,093.29)	
9652	Sandra Seelye	6351 / 6030	(92.87)	
9653	SpectorSoft Corporation	6133 · Computers/Access/Software, etc	(540.00)	
9654	Spiendora Area Softball Association	7008 · Community Development - Grants	(60,000.00)	

EMCID - GOF
Cash Flow Report - Checking Account
 As of June 14, 2012

m	Name	Memo	Amount	Balance
Disbursements				
9655	Splendor Independent School District	7008 · Community Development - Grants	(40,000.00)	
9656	Sprint 925565715	6351 · Telephone Expense	(49.81)	
9657	Suzanne Parmer	6030 / 6351	(278.77)	
9658	Texas Economic Publishers	6098 · Subscriptions	(150.00)	
9659	TML - IEBP	6016 · Health Insurance	(6,854.29)	
9660	Top Flight Trailer & Equipment	6370 · Repairs & Maint - Building	(101.18)	
9661	Twin City Lions Club	7008 · Community Development - Grants	(5,000.00)	
9662	Warren Mather	6030 · Mileage/Auto	(95.49)	
Bonus	Payroll Entry	Annual Bonus	(32,232.50)	
Bonus	Payroll Entry	Annual Bonus	(5,445.00)	
Bonus	Payroll Entry	Annual Bonus	(75.12)	
PR Entry	Payroll Entry	Pay Period 05/01-15/2012	(1,836.70)	
PR Entry	Payroll Entry	Pay Period 05/01-15/2012	(8,172.38)	
PR Entry	Payroll Entry	Pay Period 05/01-15/2012	(2,150.55)	
PR Entry	Payroll Entry	Pay Period 05/01-15/2012	(99.85)	
PR Entry	The Hartford	Pay Period 05/15-31/2012	(1,832.78)	
PR Entry	Payroll Entry	Pay Period 05/15-31/2012	(8,189.74)	
PR Entry	Payroll Entry	Pay Period 05/15-31/2012	(2,150.69)	
PR Entry	Payroll Entry	Pay Period 05/15-31/2012	(99.85)	
Wire	Montgomery Co. ESD # 6 - Porter Fire Dept	7000 6 · Montgomery Count ESD # 6 Porter Fire	(58,164.33)	
Wire	Montgomery Co. ESD # 7	7000 7 · Montgomery Count ESD # 7	(19,417.00)	
Total Disbursements				<u>(492,132.04)</u>
P ANCE AS OF 6/14/2012				<u><u>\$442,860.23</u></u>

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Accrual Basis

EMCID - GOF Profit & Loss Budget Performance May 2012

	May 12	Budget	\$ Over Budget	Jul '11 - May 12	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense							
Income							
13600 · Reimb From E MUD 3 Bond	0	0	0	0	495,000	-495,000	495,000
14000 · Income							
14001 · Sales Tax Revenue	549,997	425,000	124,997	4,854,985	4,675,000	179,985	5,100,000
14602 · Hotel / Motel Tax	18,766	7,083	11,683	93,063	77,917	15,147	85,000
14401 · Interest Earned on Temp. Invest	60	833	-774	1,394	9,167	-7,773	10,000
15380 · Miscellaneous Income	2,092	0	2,092	3,586	0	3,586	10,000
15392 · Interest Earned on Checking Acc	122	83	38	1,035	917	118	1,000
Total 14000 · Income	571,037	433,000	138,037	4,954,062	4,763,000	191,062	5,206,000
14104 · Reserve For Land Purchase	0	0	0	0	0	0	0
14300 · EMCID Office Bldg Revenue	4,000	4,000	0	40,000	44,000	-4,000	48,000
14303 · Building Rents - College	0	0	0	0	3,000	-3,000	3,000
14304 · Events Revenue	4,000	4,000	0	40,000	47,000	-7,000	51,000
Total 14300 · EMCID Office Bldg Revenue	575,037	437,000	138,037	4,994,062	5,305,000	-310,938	5,752,000
Total Income							
Expense							
16000 · Administrative Expense							
16011 · Salaries	56,917	28,333	28,584	271,628	311,667	-40,038	340,000
16012 · Payroll Taxes	4,225	2,167	2,059	17,417	23,833	-6,416	26,000
16013 · Annual Benefits	0	500	-500	5,500	5,500	0	6,000
16014 · Payroll Charges - Paythex / Adm	275	225	50	2,443	2,475	-32	2,700
16015 · Retirement	1,076	1,417	-340	12,089	15,583	-3,494	17,000
16016 · Health Insurance	-476	6,000	-6,476	52,277	66,000	-13,723	72,000
16017 · Worker's Compensation	0	0	0	0	2,500	-2,500	2,500
16030 · Mileage/Auto	1,963	2,500	-537	23,903	27,500	-3,597	30,000
16096 · Dues/ Professional Memberships	1,990	1,000	990	11,514	11,000	514	12,000
16097 · Professional Memberships	0	0	0	0	0	0	0
16098 · Subscriptions	0	417	-417	1,315	4,583	-3,268	5,000
16132 · Office Equipment Lease	-358	917	-1,274	4,987	10,083	-5,097	11,000
16133 · Computers/Access/Software, etc	2,272	1,667	605	16,034	18,333	-2,300	20,000
16310 · Travel/ Training - President/CEO	40	3,750	-3,710	18,458	41,250	-22,792	45,000
16311 · Travel/Training - Board Members	170	2,083	-1,913	42,125	41,250	875	45,000
16312 · Travel/ Training Staff	17,029	2,917	14,112	74,569	22,917	51,652	25,000
16320 · Legal Fees	891	2,083	-1,193	14,901	22,917	-8,015	25,000
16321 · Advertising	0	0	0	13,100	15,000	-1,900	15,000
16322 · Auditing Fees	0	583	-583	1,980	6,417	-4,437	7,000
16323 · Financial Advisor	10,575	2,750	7,825	67,337	30,250	37,087	33,000
16324 · Engineering Fees	2,214	0	2,214	25,449	20,000	5,449	20,000
16325 · Election Expense	211	2,083	-1,872	39,092	22,917	16,175	25,800
16333 · Accounting	0	1,000	-789	7,002	11,000	-3,998	12,000
16340 · Supplies	833	833	0	514	9,167	-8,652	10,000
16341 · Printing	75	83	-8	75	917	-842	1,000
16342 · Legal Notices & Publications	287	500	-213	8,339	5,500	2,839	6,000
16344 · Delivery Fees	57	667	-610	1,951	7,333	-5,382	8,000
16350 · Postage	3,554	2,500	1,054	30,595	27,500	3,095	30,000
16351 · Telephone Expense	847	1,667	-819	14,528	18,333	-3,805	20,000
16359 · Miscellaneous	0	0	0	129	0	129	0
16360 · Bank Service Charges	0	0	0	0	0	0	0
16600 · Payroll Expenses	103,881	77,392	26,489	802,305	888,808	-86,504	966,200
Total 16000 · Administrative Expense							

EMCID - GOF Profit & Loss Budget Performance May 2012

	May 12	Budget	\$ Over Budget	Jul '11 - May 12	YTD Budget	\$ Over Budget	Annual Budget
16200 · Building Expense	0	417	-417	0	4,583	-4,583	5,000
16319 · Legal Fees - Building	2,773	1,500	1,273	65,661	16,500	49,161	18,000
16335 · Bldg. Maintenance Contract	3,979	1,667	2,313	6,987	18,333	-11,346	20,000
16336 · Grounds Maintenance	1,171	583	588	3,426	6,417	-2,991	7,000
16337 · Security	0	83	-83	659	917	-257	1,000
16338 · Pond Care	5,995	8,750	-2,755	93,920	96,250	-2,330	105,000
16352 · Utilities	0	0	0	27,431	41,000	-13,569	41,000
16361 · Insurance - Building	0	83	-83	0	917	-917	1,000
16362 · Miscellaneous - Building	0	250	-250	2,930	2,750	180	3,000
16366 · Waste Removal	215	83	132	727	917	-190	1,000
16367 · Pest Control	0	42	-42	0	458	-458	500
16368 · Chemicals	1,054	5,000	-3,946	78,479	55,000	23,479	60,000
16370 · Repairs & Maint - Building	0	333	-333	2,412	3,667	-1,255	4,000
16371 · Building Supplies	1,900	1,917	-17	21,477	21,083	394	23,000
16372 a · Janitorial	6,470	6,667	-197	88,953	73,333	15,619	80,000
16372 b · Maintenance	0	0	0	0	0	0	0
16372 · Contract Labor - Other	8,370	8,583	-214	110,430	94,417	16,013	103,000
Total 16372 · Contract Labor	0	208	-208	25	2,292	-2,266	2,500
16373 · Events Acct Expenditures	0	83	-83	0	917	-917	1,000
16374 · Capital Items	0	83	-83	0	917	-917	1,000
17306 · Building Improvements - Capital	0	0	0	0	0	0	0
16200 · Building Expense - Other	23,557	27,750	-4,193	393,087	346,250	46,837	374,000
Total 16200 · Building Expense	58,164	58,167	-2	639,808	639,833	-26	698,000
17000 · Community Development	19,417	19,417	0	513,587	513,583	4	533,000
17000 6 · ESD # 6	0	0	0	100,000	100,000	0	100,000
17000 7 · ESD # 7	0	42	-42	0	458	-458	500
1700011 · ESD 11	0	417	-417	0	4,583	-4,583	5,000
17001 · Com Dev - Administrative	2,849	12,500	-9,651	186,328	137,500	48,828	150,000
17002 · Com Dev - Legal Fees	153,775	20,833	132,942	243,582	229,167	14,416	250,000
17004 · Com Dev - Special Events	0	0	0	0	0	0	0
17008 · Community Development - Grants	300,000	0	300,000	620,920	300,000	320,920	600,000
17010 · Com Dev - Projects	0	0	0	0	0	0	0
17011 · Scholarship Program	0	0	0	0	0	0	0
17000 · Community Development - Other	534,205	111,375	422,830	2,304,225	1,925,125	379,100	2,336,500
Total 17000 · Community Development	1,590	9,167	-7,577	76,793	100,833	-24,040	110,000
17200 · Economic Development Exp	1,538	2,500	-962	20,987	27,500	-6,513	30,000
17100 · Eco Dev - Marketing	0	1,667	-1,667	60,435	18,333	42,102	20,000
17106 · Eco Dev - Legal	0	1,667	-1,667	0	18,333	-18,333	20,000
17120 · Legal for Land/Blug/Industrial	0	0	0	1,000	0	1,000	0
17122 · Eng Fees - Industrial Pk	0	833	-833	0	9,167	-9,167	10,000
17130 · Economic Dev	0	333	-333	0	3,667	-3,667	4,000
17600 · Industrial Park Capital Improv	3,127	16,167	-13,039	159,215	177,833	-18,619	194,000
17200 · Economic Development Exp - Other	75,426	90,000	-14,574	849,421	990,000	-140,579	1,080,000
Total 17200 · Economic Development Exp	0	0	0	0	0	0	0
17300 · Building - Debt Service Exp	0	0	0	0	0	0	0
17302 · Building Payment	75,426	90,000	-14,574	849,421	990,000	-140,579	1,080,000
17300 · Building - Debt Service Exp - Other	0	0	0	0	0	0	0
Total 17300 · Building - Debt Service Exp	75,426	90,000	-14,574	849,421	990,000	-140,579	1,080,000
17500 · Capital Outlay	0	0	0	0	0	0	0

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Accrual Basis

EMCID - GOF
Profit & Loss Budget Performance
May 2012

	May 12	Budget	\$ Over Budget	Jul '11 - May 12	YTD Budget	\$ Over Budget	Amount Budget
17800 · Savings Expenditures	0	10,358	-10,358	0	113,942	-113,942	124,300
Total Expense	740,196	333,042	407,155	4,508,253	4,441,958	66,295	5,075,000
Net Ordinary Income	-165,159	103,958	-269,118	485,809	863,042	-377,233	677,000
Other Income/Expense							
Other Expense							
17400 · Earth Quest	0	3,333	-3,333	0	36,667	-36,667	40,000
17131 · Eco Dev - Project Rex	0	0	0	0	0	0	0
17160 · Other Exp - Project Rex	8,334	8,334	0	131,880	91,666	40,214	100,000
17180 · EarthQuest	2,494	1,250	1,244	2,494	13,750	-11,256	15,000
17322 · Engineering - Earth Quest	0	2,300	-2,300	77,166	27,500	49,666	30,000
17632 · Legal - Earth Quest	0	417	-417	0	4,583	-4,583	5,000
17400 · Earth Quest - Other	0	0	0	0	0	0	0
Total 17400 · Earth Quest	10,828	15,834	-5,006	211,541	174,166	37,375	190,000
17510 · Industrial Pk Land Purchase	0	0	0	-114,800	-300,000	185,200	-300,000
17510 a · Industrial Park Land Sale	0	0	0	794,684	787,000	7,684	787,000
17510 · Industrial Pk Land Purchase - Other	0	0	0	679,884	487,000	192,884	487,000
Total 17510 · Industrial Pk Land Purchase	10,828	15,834	-5,006	891,425	661,166	230,259	677,000
Total Other Expense	-10,828	-15,834	5,006	-891,425	-661,166	-230,259	-677,000
Net Other Income	-175,988	88,124	-264,112	-405,616	201,876	-607,492	0
Net Income	0	0	0	0	0	0	0

EMCID - CPF
Cash Flow Report - Checking Account
As of June 14, 2012

.m	Name	Memo	Amount	Balance
				\$473.89
BALANCE AS OF 5/18/2012				
Receipts				
	No Receipts Activity		<u>0.00</u>	
Total Receipts				0.00
Disbursements				
	No Disbursements Activity		<u>0.00</u>	
Total Disbursements				<u>0.00</u>
BALANCE AS OF 6/14/2012				<u><u>\$473.89</u></u>

EMCID - DSF

Cash Flow Report - Checking Account

As of June 14, 2012

<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>	<u>Balance</u>
	BALANCE AS OF 5/18/2012			\$109,337.85
	Receipts			
	Interest Eamed on Checking		21.67	
	Transfer from Investments - Texpool		<u>10,000.00</u>	
	Total Receipts			10,021.67
	Disbursements			
	No Disbursements Activity		<u>0.00</u>	
	Total Disbursements			<u>0.00</u>
	BALANCE AS OF 6/14/2012			<u><u>\$119,359.52</u></u>

EMCID - Special Events
Cash Flow Report - Checking Account
 As of June 14, 2012

m	Name	Memo	Amount	Balance
BALANCE AS OF 5/18/2012				\$36,820.15
Receipts				
	Deposit Special Events Revenue		540.00	
	Deposit Special Events Revenue		720.00	
	Interest Earned on Checking		<u>7.80</u>	
Total Receipts				1,267.80
Disbursements				
2289	Sam's Club	Vending Machine Inventory	(72.32)	
2290	Calvary Christian Fellowship Women's	Refundable Deposit - Event 5/11/12	(495.00)	
2291	Val Weldon	Special Events Expense	(875.00)	
2292	New Caney ISD	Refundable Deposit - Event 5/16/12	(500.00)	
2293	New Caney HS Dance Teams Bluebonnets	Refundable Deposit Event 5/19/12	(500.00)	
BNK CHG	Plains State Bank	Bank Service Charges	(10.17)	
EPAY	Sam's Club	5/2/12 - 7715090738607621	<u>(145.40)</u>	
Total Disbursements				<u>(2,597.89)</u>
BALANCE AS OF 6/14/2012				<u>\$35,490.06</u>

East Montgomery County Improvement District

Summary of Pledged Securities

As of June 14, 2012

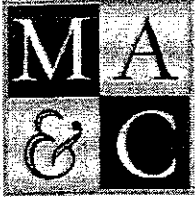
Financial Institution: ALLEGIANCE BANK - DEBT		
Total CDs, MM:	\$140,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: BANK OF HOUSTON		
Total CDs, MM:	\$200,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: BANK OF HOUSTON - DEBT		
Total CDs, MM:	\$200,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: ENTERPRISE BANK		
Total CDs, MM:	\$240,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: GREEN BANK - DEBT		
Total CDs, MM:	\$200,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: IBC BANK		
Total CDs, MM:	\$240,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: ICON BANK		
Total CDs, MM:	\$200,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: MEMORIAL CITY BANK		
Total CDs, MM:	\$240,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	

East Montgomery County Improvement District

Summary of Pledged Securities

As of June 14, 2012

Financial Institution: PLAINS STATE BANK (Depository Bank)		
Total CDs, MM, and Checking Accounts:	\$887,804.74	Collateral Security Required: Yes
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: Yes
Total pledged securities:	\$2,707,673.36	Investment Policy Received: Yes
Ratio of pledged securities to investments:	424.53 %	
Financial Institution: POST OAK BANK		
Total CDs, MM:	\$50,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: TEXAS CAPITAL BANK-DEBT		
Total CDs, MM:	\$240,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: TEXPOOL		
Total CDs, MM:	\$106,953.36	Collateral Security Required: No
Less FDIC coverage:	\$0.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: THE BANK OF RIVER OAKS		
Total CDs, MM:	\$200,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	



MUNICIPAL ACCOUNTS
& CONSULTING, L.P.

East Montgomery County Improvement District

Supplemental

Bookkeeper's Report

June 14, 2012

East Montgomery County Improvement District

Account Balances

As of June 14, 2012

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Fund: Operating					
Certificates of Deposit					
ICON BANK (XXXX9033)	04/18/2012	07/18/2012	0.35 %	200,000.00	
BANK OF HOUSTON (XXXX0847)	04/18/2012	08/16/2012	0.50 %	200,000.00	
THE BANK OF RIVER OAKS (XXXX7310)	04/18/2012	09/15/2012	0.25 %	200,000.00	
Money Market Funds					
TEXPOOL (XXXX0001)	10/31/2005		0.12 %	219.25	
PLAINS STATE BANK (XXXX3271)	05/01/2011		0.21 %	289,621.04	Hotel/Motel Tax
Checking Account(s)					
PLAINS STATE BANK (XXXX3263)			0.21 %	397,403.90	Checking Account
Totals for Operating Fund:				\$1,287,244.19	
Fund: Capital Projects					
Money Market Funds					
TEXPOOL (XXXX0004)	05/21/2009		0.12 %	58,004.17	Series 2009
TEXPOOL (XXXX0006)	08/17/2009		0.12 %	36,577.28	Surplus
Checking Account(s)					
PLAINS STATE BANK (XXXX3328)			0.00 %	473.89	Checking Account
Totals for Capital Projects Fund:				\$95,055.34	
Fund: Debt Service					
Certificates of Deposit					
ALLEGIANCE BANK - DEBT (XXXX6901)	08/18/2011	08/01/2012	0.80 %	140,000.00	
GREEN BANK - DEBT (XXXX0092)	04/18/2012	08/01/2012	0.25 %	200,000.00	
ICON BANK - DEBT (XXXX9132)	04/18/2012	08/01/2012	0.35 %	120,000.00	
TEXAS CAPITAL BANK-DEBT (XXXX2877)	04/18/2012	08/01/2012	0.25 %	240,000.00	
Money Market Funds					
TEXPOOL (XXXX0002)	03/13/2009		0.12 %	7,453.59	
Checking Account(s)					
PLAINS STATE BANK (XXXX3417)			0.21 %	128,378.97	Checking Account
Totals for Debt Service Fund:				\$835,832.56	
Fund: Reserve					
Certificates of Deposit					
ICON BANK - DEBT (XXXX1844)	08/16/2011	07/11/2012	0.70 %	110,000.00	
IBC BANK (XXXX1785)	07/16/2011	07/15/2012	0.85 %	240,000.00	
ENTERPRISE BANK (XXXX8681)	07/16/2011	07/16/2012	1.20 %	240,000.00	
BANK OF HOUSTON - DEBT (XXXX0255)	02/10/2012	01/05/2013	0.35 %	200,000.00	
MEMORIAL CITY BANK (XXXX3065)	01/12/2012	01/11/2013	0.85 %	240,000.00	
Money Market Funds					
TEXPOOL (XXXX0005)	07/07/2009		0.12 %	4,699.07	Debt Reserve
Totals for Reserve Fund:				\$1,034,699.07	

East Montgomery County Improvement District

Account Balances

As of June 14, 2012

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Fund: Events Account					
Certificates of Deposit					
POST OAK BANK (XXXXX6838)	09/12/2011	09/12/2012	0.75 %	50,000.00	
Checking Account(s)					
PLAINS STATE BANK (XXXXX3468)			0.21 %	35,490.06	Checking Account
Totals for Events Account Fund:				\$85,490.06	
Grand total for East Montgomery County Improvement District:				\$3,338,321.22	

	May 12	Budget	\$ Over Budget	Jul '11 - May 12	YTD Budget	\$ Over Budget	Annual Budget
16350 · Postage	59	667	(607)	1,954	7,333	(5,380)	8,000
16351 · Telephone Expense	3,554	2,500	1,054	30,595	27,500	3,095	30,000
16359 · Miscellaneous	878	1,667	(789)	14,558	18,333	(3,775)	20,000
16360 · Bank Service Charges	0	0	0	129	0	129	0
Total 16000 · Administrative Expense	127,724	77,392	50,333	826,148	888,808	(62,660)	966,200
16200 · Building Expense							
16319 · Legal Fees - Building	0	417	(417)	0	4,583	(4,583)	5,000
16335 · Bldg. Maintenance Contract	5,224	1,500	3,724	68,112	16,500	51,612	18,000
16336 · Grounds Maintenance	3,979	1,667	2,313	6,987	18,333	(11,346)	20,000
16337 · Security	1,171	583	588	3,426	6,417	(2,991)	7,000
16338 · Pond Care	0	83	(83)	659	917	(257)	1,000
16352 · Utilities	5,995	8,750	(2,755)	93,920	96,250	(2,330)	105,000
16361 · Insurance - Building	0	0	0	27,431	41,000	(13,569)	41,000
16362 · Miscellaneous - Building	0	83	(83)	0	917	(917)	1,000
16366 · Waste Removal	0	250	(250)	2,930	2,750	180	3,000
16367 · Pest Control	215	83	132	727	917	(190)	1,000
16368 · Chemicals	0	42	(42)	0	458	(458)	500
16370 · Repairs & Maint - Building	1,054	5,000	(3,946)	78,479	55,000	23,479	60,000
16371 · Building Supplies	0	333	(333)	2,412	3,667	(1,255)	4,000
16372 · Contract Labor							
16372 a · Janitorial	1,900	1,917	(17)	21,477	21,083	394	23,000
16372 b · Maintenance	6,470	6,667	(197)	88,953	73,333	15,619	80,000
Total 16372 · Contract Labor	8,370	8,583	(214)	110,430	94,417	16,013	103,000
16373 · Events Acct Expenditures	0	208	(208)	25	2,292	(2,266)	2,500
16374 · Capital Items	0	83	(83)	0	917	(917)	1,000
17306 · Building Improvements - Capital	0	83	(83)	0	917	(917)	1,000
Total 16200 · Building Expense	26,008	27,750	(1,742)	395,538	346,250	49,288	374,000
17000 · Community Development							
17000 6 · ESD # 6	58,164	58,167	(2)	639,808	639,833	(26)	698,000
17000 7 · ESD # 7	19,417	19,417	0	513,587	513,583	4	533,000
17000 11 · ESD 11	0	0	0	100,000	100,000	0	100,000
17001 · Com Dev - Administrative	0	42	(42)	0	458	(458)	500
17002 · Com Dev - Legal Fees	0	417	(417)	0	4,583	(4,583)	5,000
17004 · Com Dev - Special Events	2,849	12,500	(9,651)	186,328	137,500	48,828	150,000
17008 · Community Development - Grants	153,775	20,833	132,942	243,582	229,167	14,416	250,000
17011 · Scholarship Program	300,000	300,000	0	620,920	600,000	20,920	600,000
Total 17000 · Community Development	534,205	411,375	122,830	2,304,225	2,225,125	79,100	2,336,500
17200 · Economic Development Exp							
17100 · Eco Dev - Marketing	1,590	9,167	(7,577)	76,793	100,833	(24,040)	110,000
17106 · Eco Dev - Legal	4,113	2,500	1,613	23,562	27,500	(3,938)	30,000
17120 · Legal for Land/Bldg/Industrial	168	1,667	(1,499)	60,603	18,333	42,269	20,000
17122 · Eng Fees - Industrial Pk	0	1,667	(1,667)	0	18,333	(18,333)	20,000

	May 12	Budget	\$ Over Budget	Jul '11 - May 12	YTD Budget	\$ Over Budget	Annual Budget
17130 · Economic Dev	0	0	0	1,000	0	1,000	0
17600 · Industrial Park Capital Improv	0	833	(833)	0	9,167	(9,167)	10,000
17200 · Economic Development Exp - Other	0	333	(333)	0	3,667	(3,667)	4,000
Total 17200 · Economic Development Exp	5,870	16,167	(10,296)	161,958	177,833	(15,876)	194,000
17300 · Building - Debt Service Exp	75,426	90,000	(14,574)	849,421	990,000	(140,579)	1,080,000
17302 · Building Payment	75,426	90,000	(14,574)	849,421	990,000	(140,579)	1,080,000
Total 17300 · Building - Debt Service Exp	0	10,358	(10,358)	0	113,942	(113,942)	124,300
17800 · Savings Expenditures	769,234	633,042	136,192	4,537,291	4,741,958	(204,668)	5,075,000
Total Expense	(194,196)	(196,042)	1,845	878,917	563,042	315,875	677,000
Net Ordinary Income							
Other Income/Expense							
Other Expense							
17400 · Earth Quest							
17131 · Eco Dev - Project Rex	0	3,333	(3,333)	0	36,667	(36,667)	40,000
17180 · Earth Quest	8,334	8,334	0	131,880	91,666	40,214	100,000
17322 · Engineering - Earth Quest	2,494	1,250	1,244	2,494	13,750	(11,256)	15,000
17632 · Legal - Earth Quest	0	2,500	(2,500)	77,166	27,500	49,666	30,000
17400 · Earth Quest - Other	0	417	(417)	0	4,583	(4,583)	5,000
Total 17400 · Earth Quest	10,828	15,834	(5,006)	211,541	174,166	37,375	190,000
17510 · Industrial Pk Land Purchase							
17510 a · Industrial Park Land Sale	0	0	0	(114,800)	(300,000)	185,200	(300,000)
17510 · Industrial Pk Land Purchase - Other	0	0	0	794,684	787,000	7,684	787,000
Total 17510 · Industrial Pk Land Purchase	0	0	0	679,884	487,000	192,884	487,000
Total Other Expense	10,828	15,834	(5,006)	891,425	661,166	230,259	677,000
Net Other Income	(10,828)	(15,834)	5,006	(891,425)	(661,166)	(230,259)	(677,000)
Net Income	(205,025)	(211,876)	6,851	(12,508)	(98,124)	85,616	0

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	2011 Approved Budget	2012 Approved Budget	2012/2013 Draft Budget
Ordinary Income/Expense			
Income			
13600 - Reimb from E MUD 3 Bond		495,000	
14000 - Income			
14001 - Sales Tax Revenue	4,700,000	5,100,000	5,600,000
14002 - Hotel / Motel Tax	90,000	85,000	102,000
14401 - Interest Earned on Temp. Invest	25,000	10,000	4,000
15380 - Miscellaneous Income	10,000	10,000	5,000
15392 - Interest Earned on Checking Acc	1,000	1,000	1,000
Total 14000 - Income	4,826,000	5,206,000	5,712,000
14300 - EMCID Office Bldg Revenue			
14303 - Building Rents - College	48,000	48,000	48,000
14304 - Events Revenue	5,000	3,000	3,000
Total 14300 - EMCID Office Bldg Revenue	53,000	51,000	51,000
Total Income	4,879,000	5,752,000	5,763,000
Expense			
16000 - Administrative Expense			
16011 - Salaries	340,000	340,000	392,000
16012 - Payroll Taxes	26,000	26,000	32,000
16013 - Annual Benefits	6,000	6,000	15,000
16014 - Payroll Charges - Paychex / Adm	2,700	2,700	3,000
16015 - Retirement	17,000	17,000	20,000
16016 - Health Insurance	72,000	72,000	80,000
16017 - Worker's Compensation	2,500	2,500	3,000
16030 - Mileage/Auto	30,000	30,000	30,000
16096 - Dues/ Professional Memberships	12,000	12,000	12,000
16098 - Subscriptions	5,000	5,000	5,000
16132 - Office Equipment Lease	9,000	11,000	12,000
16133 - Computers/Access/Software, etc	20,000	20,000	30,000
16310 - Travel / Training - President CEO	30,000	45,000	45,000
16311 - Travel/Training - Board members	35,000	45,000	45,000
16312 - Travel / Training - Staff	20,000	25,000	25,000
16320 - Legal Fees	75,000	95,000	150,000
16321 - Advertising	25,000	25,000	20,000
16322 - Auditing Fees	15,000	15,000	15,000
16323 - Financial Advisor	10,000	7,000	6,000
16324 - Engineering Fees	35,000	33,000	40,000
16325 - Election Expense	0	20,000	0
16333 - Accounting	25,000	25,000	25,000
16340 - Supplies	12,000	12,000	13,000
16341 - Printing	5,000	10,000	10,000
Sales Tax Audit - ESD 6 & 7			8,000
16342 - Legal Notices & Publications	1,000	1,000	0
16344 - Delivery Fees	6,000	6,000	9,000
16350 - Postage	5,000	8,000	7,000
16351 - Telephone Expense	32,000	30,000	37,000
16359 - Miscellaneous	10,000	20,000	10,000
16360 - Bank Service Charges		0	0
16600 - Payroll Expenses	200	0	0
Total 16000 - Administrative Expense	883,400	966,200	1,089,000
16200 - Building Expense			
16319 - Legal Fees - Building	5,000	5,000	0
16335 - Bldg. Maintenance Contract	18,000	18,000	72,000
16336 - Grounds Maintenance Supplies	45,000	20,000	20,000
16337 - Security	0	7,000	15,000
16338 - Pond Care	1,000	1,000	1,000
16352 - Utilities	100,000	105,000	125,000
16361 - Insurance - Building	30,000	41,000	43,000
16362 - Miscellaneous - Building	1,000	1,000	1,000
16366 - Waste Removal	3,500	3,000	3,000
16367 - Pest Control	1,000	1,000	1,000
16368 - Chemicals	500	500	0
16370 - Repairs & Maint - Building	50,000	60,000	125,000
16371 - Building Supplies	4,000	4,000	4,000
16372 - Contract Labor			
16372 a - Janitorial	22,000	23,000	0
16372 b - Maintenance	8,600	80,000	100,000
16372 - Contract Labor - Other	0	0	0
Total 16372 - Contract Labor	30,600	103,000	100,000

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	2011 Approved Budget	2012 Approved Budget	2012/2013 Draft Budget
16373 - Events Acct Expenditures	2,500	2,500	0
16374 - Capital Items	25,000	1,000	0
17306 - Building Improvements - Capital	20,000	1,000	15,000
Total 16200 - Building Expense	337,100	374,000	525,000
16375 - Bond Refunding Expense			
17000 - Community Development			
17000 6 - ESD # 6	696,000	698,000	698,000
17000 7 - ESD # 7	458,000	533,000	533,000
1700011 - ESD 11	100,000	100,000	100,000
17001 - Com Dev - Administrative	500	500	0
17002 - Com Dev - Legal Fees	5,000	5,000	5,000
17004 - Com Dev - Special Events	100,000	150,000	200,000
17008 - Community Development - Grants	200,000	250,000	250,000
17011 - Scholarship Program	550,000	600,000	625,000
Total 17000 - Community Development	2,109,500	2,336,500	2,411,000
17200 - Economic Development Exp			
17100 - Eco Dev - Marketing	100,000	110,000	120,000
17106 - Eco Dev - Legal	20,000	30,000	30,000
17120 - Legal for Land/Bldg/Industrial	30,000	20,000	40,000
17122 - Eng Fees - Industrial Pk	20,000	20,000	20,000
17130 - Economic Development Corporation	0	0	150,000
17600 - Industrial Park Capital Improv	20,000	10,000	30,000
17200 - Economic Development Exp - Other	1,000	4,000	0
Total 17200 - Economic Development Exp	191,000	194,000	390,000
17300 - Building - Debt Service Exp			
17302 - Building Payment	1,078,000	1,080,000	1,080,000
17300 - Building - Debt Service Exp - Other			
Total 17300 - Building - Debt Service Exp	1,078,000	1,080,000	1,080,000
17800 - Savings Expenditures	20,000	124,300	258,000
Total Expense	4,619,000	5,076,000	5,763,000
Net Ordinary Income	260,000	677,000	0
Other Income/Expense			
Other Expense			
17400 - Earth Quest			
17131 - Eco Dev - Project Rex	25,000	40,000	0
17180 - EarthQuest	200,000	100,000	
17322 - Engineering - Earth Quest	10,000	15,000	
17632 - Legal - Earth Quest	20,000	30,000	
17400 - Earth Quest - Other	5,000	5,000	
Total 17400 - Earth Quest	260,000	190,000	0
Industrial Park Land Sale		-300,000	0
17510 - Industrial Pk Land Purchase		787,000	
Total Other Expense	260,000	677,000	0
Net Other Income	-260,000	-677,000	0
Net Income	0	0	0