

MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

ANTHEM MUNICIPAL UTILITY DISTRICT §

The Board of Directors (the "Board" or the "Board of Directors") of Anthem Municipal Utility District (also sometimes referred to herein as the "District") met in regular session, at 805 Las Cimas Parkway, Building 3, Suite 310, Austin, Texas, a designated office of the District outside the boundaries of the District, on September 13, 2023, and the roll was called of the members of the Board to-wit:

Brandon Brydson	President
Matt Jacobs	Vice President
Andrew Schreck	Secretary
Tammy Weber	Treasurer/Asst. Secretary
Eric B. Storm	Assistant Secretary

All members of the Board were present at the commencement of the meeting, except Director Schreck. Also present were Andy Barrett of Barrett & Associates, PLLC ("Barrett & Associates"), attorney for the District, Kimberly Studdard, paralegal, of Winstead PC ("Winstead"), bond counsel for the District, Hank Smith with Atwell, LLC ("Atwell"), engineers for the District, Justin Taack with Bott & Douthitt, PLLC ("Bott & Douthitt"), bookkeepers for the District, and William Abshire and Cody Abshire of Capital Area Utility Management, LLC ("CAUM"), operations firm for the District. In addition, Clark Wilson, representing Kyle 150, LP, a current owner and developer of land within the District was in attendance as well as Corey Howell of The GMS Group, L.L.C. ("GMS Group"), the District's financial advisor.

1. The Board called for public communications and comments, however none being heard, the Board moved on to the next item of business.

2. The Minutes from the Board's August 9, 2023 regular meeting were presented for review and approval. Following a motion by Director Storm, seconded by Director Weber and unanimously carried, said Minutes were approved as written.

3. The Board reviewed the formal Notice of Public Hearing on Tax Rate that had been published as well as posted on the Hays County website as well as the District's website, as required by law, and called the hearing to order in accordance with such Notice and upon motion by Director Storm, seconded by Director Jacobs and unanimously carried. There being no persons present who wished to address the Board in connection with such hearing, and upon motion by Director Brydson, seconded by Director Jacobs and unanimously carried, the hearing was adjourned.

4. Justin Taack then discussed the proposed Operating Budget for the upcoming fiscal year of October 1, 2023 to September 30, 2024. It was noted that operating expenses were increased from the proposed budget, as was previously discussed at the August meeting, to account for a

correction needing to be made to projected engineering fees. Following a thorough review and discussion, upon motion by Director Storm, seconded by Director Jacobs and unanimously carried, the Board adopted a Resolution Adopting Operations Budget.

5. In addition, the Board reviewed a proposed Debt Service Budget for the upcoming fiscal year of October 1, 2023 to September 30, 2024, and it was noted that the District's financial advisor had included such budget in his recommendation of the proposed tax rate for 2023 which was presented and discussed at the Board's last meeting. Following a thorough review and discussion, upon motion by Director Jacobs, seconded by Director Storm and unanimously carried, the Board adopted Resolution Adopting Debt Service Budget

6. Following the approval of the District's operating budget and debt service budget for the upcoming fiscal year, the Board reviewed a proposed Order Setting Tax Rates for 2023, a copy of which is attached hereto as **EXHIBIT "A"**. It was noted that such 2023 rate would cover operations and debt service during the District's fiscal year of October 1, 2023 through September 30, 2024 and that taxes would begin being levied upon adoption of said Order Setting Tax Rates for 2023 and due by January 31, 2024. Following a full discussion and motion by Director Brysdon, seconded by Director Jacobs and unanimously carried, the Board approved said Order Setting Tax Rates for 2023.

7. With regard to the proposed Series 2023 Utility Bonds, Mr. Barrett noted he would follow up with the TCEQ and Jones-Heroy as to status.

8. The Board then review the current Arbitrage Rebate and Yield Restriction Compliance Service Program Report from Arbitrage Compliance Specialists, Inc. ("ACS") with regard to bonds previously issued by the District, and after a brief discussion, the Board considered an Engagement Letter for compliance services for any Series 2023 Utility Bonds with ACS. Following a full discussion and motion by Director Storm, seconded by Director Jacobs and unanimously carried, the Board approved engagement of ACS for compliance services related to any Series 2023 Bonds.

9. With regard to a developer's report, Clark Wilson noted that electricity is almost complete and Phase 4 homebuilding has started. It was noted that by this time next year, all of the lots should be owned by builders, and that Landsea is working quickly to develop the back half of the District.

10. There was no update with regard to the Easement and Fence Maintenance by and between the District and the City of Kyle, and as is such, the Board moved to the next item on the agenda.

11. The Board then reviewed Atwell's September 13, 2023 Engineer's Summary for construction and status of the separate construction projects currently underway along with recommendations for related pay applications and change orders, as applicable. By motion of Director Brydson, seconded by Director Jacobs and unanimously carried, the following recommended pay applications and change orders under the stated construction contract were unanimously approved:

Freedom Phase 1A and 2 contract with CC Carlton:
Pay Application No. 4 – (\$3,539,689.04);

Change Order No. 4 – (\$391,345.00);
Change Order No. 5 – (\$66,061.25);
Change Order No. 6 – (\$541,875.48);
Change Order No. 7 – (\$16,754.65); and
Change Order No. 10 – (\$87,456.28).

The record shall reflect that copies of all approved pay applications and change orders are collectively attached hereto as **EXHIBIT "B"**.

Additionally, Mr. Smith noted the design for the elevated storage tank has gone back to the City to review and that they are awaiting payment for same. Mr. Smith noted they are continuing to work with TxDOT on the necessary turn lane into the District, but that they are still awaiting approval from Landsea, which could pose a potential problem since the school site has already gone vertical. Mr. Smith presented the Board with a proposal from HDR with regard to same, and upon motion by Director Brydson, seconded by Director Jacobs and unanimously carried, the Board approved the proposal with HDR subject to final review and approval by District's counsel.

12. With regard to any additional water and sewer related agreements or, easements or conveyances to the City of Kyle or City of Mountain City or other related matters, or any matters related to the issuance of bonds or related matters, Mr. Barrett noted he did not believe there was anything to discuss at this time.

13. The Board was presented with an Amended District Information Form, and Ms. Studdard noted changes to the form Notice to Purchaser included therein were made following the last Legislative Session, and as is such, the District needed to adopt a new Form to conform with such changes. Upon motion by Director Storm, seconded by Director Jacobs, the Board unanimously approved the Amended District Information Form, and any filing or recording as may be necessary in connection therewith.

14. The Board moved to the September 13, 2023 Accounting Report, and it was noted that action was needed by the Board related to director and vendor payments as well as a fund transfer in the amounts of \$20,996.57 from the District's TexPool Operating Account to the Cadence Bookkeeper's Account. It was noted there were no non-standard invoices received between meetings. Upon motion by Director Brydson, seconded by Director Jacobs, the Board unanimously approved the Accounting Report and disbursement of funds, transfers and payments in accordance therewith.

15. Mr. Abshire then discussed with the Board an Operations Report for August 2023 operations within the District, and Mr. Abshire noted that there are no action items. He also noted that they are monitoring the pool build and slight erosion spots on the ponds. Upon motion by Director Jacobs, seconded by Director Brydson, the Board unanimously approved the Operations Report.

16. The Board then discussed and confirmed their next regular meeting date of Wednesday, October 11, 2023, and there being no further business to conduct, Director Brydson moved that the meeting be adjourned, which motion was seconded by Director Jacobs and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 11th day of October, 2023.



Andrew Schreck, Secretary
Board of Directors
Anthem Municipal Utility District