

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") of Anthem Municipal Utility District (the "District") met in regular session, at 140 Monroe Drive, Kyle, Texas 78640, within the boundaries of the District, on Wednesday, August 13, 2025, and the roll was called of the members of the Board to-wit:

Steven Guzzo	President
Justin Saltrev	Vice President
Eric B. Storm	Secretary
Michael A. Garemko, Jr.	Assistant Secretary
Ravi DeSantis	Assistant Secretary

All members of the Board were present at the commencement of the meeting, with the exception of Director Guzzo, who attended via teleconference, and the exception of Director Storm, who entered under item 5 herein, thus constituting a quorum. Also present were Mr. Andy Barrett of Barrett & Associates, PLLC, attorney for the District; Mr. Justin Cox, attorney, and Mr. Hank Smith and Mr. Joey Gallegos with Atwell, LLC ("Atwell"), engineers for the District; Mario Garcia with the District's operations firm, Corey Howell with The GMS Group, L.L.C. ("GMS Group"), the District's financial advisor; and Mr. Justin Taack with Bott & Douthitt, PLLC ("Bott & Douthitt"), bookkeepers for the District. Additionally, Ms. Rachel Natasha Roy, paralegal, of Winstead PC, and Monica Garcia of Assessments of the Southwest, Inc. ("ASW") attended via teleconference. Lastly, Deputy Clint Pulpan was in attendance as well.

1. The Board called for public communications and comments, and it was noted that sidewalk issues at 156 Niagara Falls Lane continue, and that the developer has been contacted but that none of the development entities are taking ownership of the repairs at such time.

2. The minutes from the July 9, 2025 regular meeting were presented for review and approval. Following a motion by Director Saltrev, seconded by Director Garemko and unanimously carried, said Minutes were approved.

3. The Board was presented with an Agreement for Contract Paralegal Services with Red River Legal Solutions, LLC regarding onboarding of a paralegal whom was affiliated with Anthem from creation to present to assist with various issues, as they arise, and after a full discussion, and upon motion by Director DeSantis, seconded by Director Saltrev, the Board unanimously approved the engagement of Red River Legal Solutions, LLC, a copy of which Agreement is attached hereto as Exhibit "A".

4. The Board confirmed receipt from the Hays Central Appraisal District ("HCAD") of the District's certified tax roll for 2025, and it was noted that certified values came in at \$222,369,525.00 with an estimate of pending net taxable value at \$1,569,100.00. After a brief discussion, and upon motion by Director Saltrev, seconded by Director DeSantis, the Board unanimously recognized receipt of the District's certified tax roll for 2025.

5. With regard to the financial advisor's Tax Rate Study and tax rate recommendation for 2025, Mr. Howell recommended the District publish and set a total tax rate of \$1.00 this year, with that being comprised of an Operations and Maintenance tax rate of \$0.47, a Utility Debt Service tax rate of \$0.45, and a Road Debt Service Tax Rate of \$0.08. It was noted that the above recommendations will not expose the District to a potential rollback election, and per the Truth in Taxation calculations, the maximum total tax rate to avoid such election would be \$1.16542. Mr. Howell then discussed issuance of the District's pending \$10,260,000 Series 2025 Utility Bonds, and reported that they will be levying a tax against approximately \$224,000,000.00 of taxable value this year, which is a \$77,000,000.00 increase over the prior year. It was noted that per HCAD, approximately \$222,000,000.00 of that total is currently certified on the roll plus the owners' opinion of the presently uncertified value (approximately \$2 million). It was noted that the average homestead taxable value in the District decreased to \$440,284 this year from \$475,108 the prior year, and that every penny of tax rate means about \$22,000 of tax revenue for the District equaling about \$44 of annual MUD taxes paid by the average homestead owner. Additionally, Mr. Howell reviewed key assumptions used in the Debt Service Cash Flow, and after a full discussion, and upon motion by Director Storm, seconded by Director Saltev, the Board unanimously approved the Tax Rate Study and publication of the tax rate recommendation for 2025.

6. The Board then reviewed an initial draft of the proposed Operations Budget for the 9/30/26 fiscal year-end, and Mr. Taack reported that they are not adopting the Operations Budget today so they can make necessary changes between now and the September meeting. Mr. Taack discussed slight adjustments in the budget, noting expenses like mowing and district facilities have increased from the prior year. It was noted that tax revenue is projected to generate about \$842,000.00, which will net the District approximately \$218,000.00 excess after operating expenses are paid.

7. The Board reviewed the tax rate worksheet and proposed Notice of Tax Rate Hearing in more detail, voted on the proposed tax rate and authorized publication of final Notice and any necessary filings thereof, and upon motion by Director Storm, seconded by Director Saltev, the Board unanimously approved the tax rate worksheet and authorization of publication of the final Notice Tax Rate.

8. The Board then heard a report from Assessments of the Southwest, Inc. in connection with tax related services, and Ms. Garcia reported that the 1st page covers the collections and disbursements, noting that everything looks good. It was noted that the District has 96.17% of taxes collected. It was reported ASW issued 3 wires to the District's Debt Funds for bond payments, leaving the District with \$53,128.06. Director Guzzo questioned process for collecting delinquent taxes, and Ms. Garcia noted 3 notices are sent then the account is passed

along to a delinquent tax attorney. Lastly, it was noted there was nothing to approve at such time.

9. Mr. Howell reported that they are working on the 2025 Utility Bond Application, as discussed in the previous tax rate study, and once they receive TCEQ approval, the GMS Group will present a draft of bond offering documents for the Board to review and discuss.

10. Under the developer's report, it was noted that the Elevated Storage Tank was filled up over the 4th of July weekend and is operating. Lastly, it was noted that clean up items like trash, rocks, vegetation and minor cleanup will begin soon.

11. The Board then reviewed the Engineer's Report regarding construction and status of the separate construction projects currently underway along with recommendations for related pay applications and change orders, as applicable. Mr. Smith noted there are no action items and reported they are working with the sign committee and waiting for the City of Kyle to fix the leak in the pond. After a brief discussion, and upon motion by Director Garemko, seconded by Director Saltrev and unanimously carried, the Board approved the Engineering Report.

12. There was a discussion with regard to resident concerns surrounding restricted parking areas throughout the District and a report from the subcommittee to address the same. Director Garemko, with the assistance of Deputy Pulpan, presented and discussed a report to the Board regarding signage for the District. It was noted they want to find a way to control the dangers of illegal standing while kids are being dismissed from school. It was noted that Sunscape will reimburse the District for damage they caused during landscaping, and it was reported the Sheriff joined the August meeting to discuss different signs at the school besides the fire lane signs. Mr. Barrett suggested calling the Operator to discuss clean out value and the sidewalk. Lastly, Mr. Smith produced a map of the sign locations for the Board and the public.

13. With regard to any additional water and sewer or utility related agreements or easements or conveyances to or from the Cities of Kyle or Mountain City, tap fees and service rates with City of Kyle for retail water and wastewater service, or any service providers, as well as matters related to public financing, including but not limited to, the issuance of any bonds, bond anticipation notes or related matters, Mr. Barrett noted there was nothing to report.

14. The Board moved to the Accounting Report, and it was noted that action was needed by the Board related to director and vendor payments as well as 3 fund transfers in the amounts of \$66,865.37 from the District's TexPool Operating Account to the Cadence Bank Bookkeeper's Account, \$34,075.00 from TexPool Tax Account to TexPool Operating Account, and one in the amount of \$13,431.97 from the TexPool Debt Service – Utility Account to TexPool Tax Account. Mr. Taack also asked the Board to approve 3 bond payments: Series 2022 in the amount of \$124,433.13; Series 2023 in the amount of \$309,187.50; and Series 2023A in the amount of \$162,281.25. Lastly, it was noted there is one letter for the board to sign related to the 2022, 2023 & 2023A Bonds, and the only checks cut between meetings were for payroll taxes and the U.S. Treasury. Upon motion by Director Storm, seconded by Director Saltrev, the Board unanimously approved the Accounting Report and disbursement of funds, transfer and payments in accordance therewith.

15. With regard to an Operations Report and District updates, Mr. Garcia reported the signs were installed the Thursday prior to the meeting.

16. Mr. Barrett discussed with the Board the City of Kyle water and wastewater proposed rate increase, and it was noted that the City is raising water rates, but in the water and wastewater contract between the City and the District, there is specific language that states the residents can appeal such increase. Mr. Barrett noted that he is not sure what the District can do since the residents are customers of the City, but he asked the Board to provide authorization to oppose and challenge the City rate increase. After a full discussion, and upon motion by Director Garemko, seconded by Director DeSantis, the Board unanimously approved the authorization to oppose and challenge the City of Kyle water rate increase.

17. Regarding a report from Aquatic Features as to pond remediation and maintenance, it was noted there was nothing to present.

18. Regarding a report from Sunscape Landscaping, there was no additional update outside of what was noted in the written report.

19. With regard to the no-parking sign budget re-approval and necessary action with respect thereto, it was reported that the additional signs added was \$6,000.00 instead of the \$45,000.00 it would take to paint the curbs. Upon motion by Director Storm, seconded by Director Garemko, the Board unanimously approved said motion.

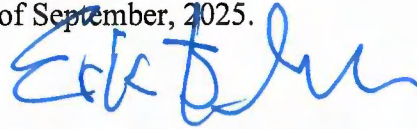
20. The Board discussed annual renewal of District insurance and bonds, and after a brief discussion, and upon motion by Director Storm, seconded by Director Saltrev, the Board unanimously approved the annual renewal of insurance and bonds.

21. The Board discussed and approved a Resolution Acknowledging Annual Review of Investment Policy and Investment Strategies, and after a brief discussion, and upon motion by Director Saltrev, seconded by Director Garemko, the Board unanimously approved the Resolution Acknowledging Annual Review of Investment Policy and Investment Strategies.

22. The Board then discussed and confirmed their next regular meeting date of Wednesday, September 13, 2025, and there being no further business to conduct, Director Saltrev moved that the meeting be adjourned, which motion was seconded by Director Storm and unanimously approved, and the Board adjourned until further call.

(EXECUTION PAGE FOLLOWS)

APPROVED AND ADOPTED this 10th day of September, 2025.



Secretary, Board of Directors

(DISTRICT SEAL)

