MINUTES OF MEETING
OF THE BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF HAYS §

LASALLE MUNICIPAL UTILITY DISTRICT NO. 1 §

The Board of Directors (the "Board" or the "Board of Directors") of LaSalle Municipal Utility District No. 1 (the "District") met in regular session, open to the public, at 7401 B. Hwy. 71 West, Suite 160, Austin, Texas, a designated office outside of the boundaries of the District, on Tuesday, August 11, 2026, and the roll was called of the members of the Board to-wit:

Kristi LaRue	President
Eric Willis	Vice President
Chuck Kaufmann	Secretary
Douglas J. Goss	Treasurer/Asst. Secretary
John Christopher Gee	Asst. Secretary

All members of the Board were present in person at the commencement of the meeting. All directors present at the time a vote was taken voted on all items that came before the Board. Also present were Andy Barrett of Barrett & Associates ("Barrett & Associates"), PLLC, attorney for the District, Eliza Martinez of Winstead PC ("Winstead"), Hieu Nguyen of Doucet & Associates, Inc. ("Doucet"), engineers for the District, Justin Taack of Bott & Douthitt, PLLC, the District's bookkeeper, Cody Abshire of Si Environmental, LLC ("Si Enviro"), the District's operations firm, and Mr. John Howell of The GMS Group, the District's financial advisor.

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

2. The Board confirmed receipt of the minutes from the July 8, 2026, regular Board meeting, and upon motion by Director Goss, seconded by Director Willis, said minutes were unanimously approved.

3. The Board confirmed receipt from the Hays Central Appraisal District ("HCAD") of the District's certified tax roll for 2026, and it was noted that the tax roll was certified at $155,000,00.00 After a brief discussion, and upon motion by Director LaRue, seconded by Director Willis, the Board unanimously approved and confirmed the receipt from the Hays Central Appraisal District of the District's certified tax roll for 2026.

4-5. The Board adopted the Financial Advisor's Tax Rate Study and Tax Rate Recommendation, which are attached. In summary, the financial advisor's Tax Rate Study and tax rate recommendation for 2026, Mr. Howell recommended the District publish and set a total tax rate of $0.95 this year, with that being comprised of an Operations and Maintenance tax rate of $0.41 and set a WSD Debt Service tax rate of $0.32, and Road Debt Service of $0.22**.** Per Hays County Appraisal District and the Hays County Tax Office, the 2026 average homestead taxable value in the District is

$278,986.00, which represents a 5.30% increase over the 2025 average homestead taxable value of $264,892.00. Per the District's Truth in Taxation calculations, it was noted that the above recommendations would not create any exposure to a rollback election. The Board then reviewed the Truth-in-Taxation worksheet and authorize publication of same. Mr. Taack noted that the stricter tax rates do not apply since it is a developing district. After a full discussion, and upon motion by Director Kaufman, seconded by Director Goss, the Board unanimously approved the Tax Rate Study, publication of the recommended tax rate for 2026, and Truth-in-Taxation worksheet with Notice.

6. The Board then reviewed an initial draft of proposed Operations Budget for the upcoming fiscal year of October 1, 2026 to September 30, 2027. Mr. Taack reported they are going to defer this item to next month. The tax impact statement needs to be published before setting the budget.

7. The Board then reviewed tax rate worksheet and proposed Notice of Tax Rate Hearing, vote on the proposed total tax rate and authorize publication of final Notice and any necessary filings thereof. It was noted to add the tax rate worksheet to the Notice of Public Hearing on Tax Rate. Additionally, they will correct outcome of the votes and will publish in the Hays Free Press. Lastly, the total tax rate is $0.95. After a full discussion, and upon motion by Director Kaufmann, seconded by Director Willis, the Board unanimously approved the tax rate worksheet and proposed Notice of Tax Rate Hearing, voted on the proposed total tax rate of $0.95, and authorized publication of final Notice in the Hays Free Press.

8. Mr. Nguyen then presented to the Board the Engineer's Report, a copy of which is attached hereto as **EXHIBIT "A".** Mr. Nguyen reported there were no actions items at this time. It was also noted that updates for the maintenance plan of drainage facilities is being reviewed with MUD operator. Upon motion by Director Willis and seconded by Director LaRue, the Engineer's Report was unanimously approved.

9. Regarding the developer report, Mr. Hieu noted he will ask about a landscaping update, but it is ultimately Lennar's responsibility. Additionally, Mr. Willis noted that the City may be holding meters.

10. With regard to the Attorney Report's, Mr. Barrett reported there was nothing to discuss at such time.

11. Mr. Taack next presented the Cash Activity Report, a copy of which is attached as **EXHIBIT "B",** and he noted that he would need the Board's approval on disbursement of funds related to director and vendor payments as well as various consultant invoices and one fund transfer from the TexPool Operating Account to the PNC Bookkeeper's Account in the amount of $60,210.05 for expenditures. Additionally, Mr. Taack noted they cut a check to McCall Gibson Swedlund Barfoot Ellis PLLC for auditing fees for SR2026 AUP in the amount of $21,000.00. Upon motion by Director Gee and seconded by Director Willis, the Cash Activity Report and disbursement of funds, transfers, and payments in accordance therewith were unanimously approved.

12. Mr. Abshire then discussed with the Board an Operations Report, reporting that regular landscaping maintenance of the pond area was completed. The wet pond was serviced in the month of

July, and they are monitoring inlets and sidewalls for erosion. Mr. Abshire also reported no builder violations found during the July inspection. Mr. Abshire then asked the Board to consider expansion to SWMP as detailed in the attached monthly and annual reports. The base operations fee adjusted from $1,750.00 to $2,000.00 monthly. After a full discussion, and upon motion by Director Willis, seconded by Director LaRue, the Board unanimously approved the Operations Reports, expansion to SWMP, and increase in operator fee from $1,750.00 to $2,000.00 monthly.

13. The Board confirmed the next regular meeting date would be September 8, 2026, and there being no further business to conduct, Director Gee moved that the meeting be adjourned, which motion was seconded by Director LaRue, and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 8th day of September 2026.

Chuck Kaufman, Secretary
Board of Directors
LaSalle Municipal Utility District No. 1

(DISTRICT SEAL)



LASALLE MUNICIPAL UTILITY DISTRICT NO. 1
2026 TAX RATE SETTING

POINTS FOR DISCUSSION
8/6/2026

RECOMMENDATION:

- Publish a total tax rate of $0.95 this year ($0.95 last three years).
- Set a total tax rate of $0.95 this year.
- Next month, consider setting an Operations and Maintenance tax rate of $0.41; ($0.95 last year).
- Next month, consider setting a W/S/D Debt Service tax rate of $0.32; ($0.00 last year).
- Next month consider setting a Road Debt Service of $0.22 ($0.00 last year).
- The parity tax rate is $0.90 (just FYI – Not a recommendation).
- Remember, in future years the debt service tax rate(s) will increase but the increases will be offset by decreases in the O&M tax rate.
- The above rates will NOT subject the District to a potential rollback situation, based upon information provided by Hays CAD.

FINDINGS/ANALYSIS:

- The 2026 taxable value is approximately $155 million versus $84 million certified last year.
- The average taxable value of a homestead increased from $264,892 in 2025 to $278,986 in 2026 a 5.30% increase (see the attached page).
- Every penny of tax rate generates approximately $15,000 of tax revenue for the District; the average homestead taxpayer will pay approximately $27 for each penny of tax levy.
- $0.41 of Operations and Maintenance Tax Rate will generate approximately $620,000 of tax revenue for the General Fund's revenue budget at 98% collection.
- The District's General Fund budget will be balanced with the $0.41 O & M tax rate. See the attached schedule.
- Remember General Fund dollars can always be transferred from the General Fund to the debt service funds (if need be).
- The $0.32 W/S/D debt service tax rate works just fine in terms of keeping an adequate reserve balance in the W/S/D debt service fund.
- The $0.22 Road debt service tax rate works just fine in terms of keeping an adequate reserve balance in the Road debt service fund.

LASALLE MUNICIPAL UTILITY DISTRICT NO. 1

Historical Review of Taxes Paid by Average Homestead

YEAR	AVERAGE HOMESTEAD VALUE	DISTRICT TAX RATE	TAXES PAID
2026	$278,986	$0.95	$2,650
2025	$264,892	$0.95	$2,516

Based on the 2026 values, 1 penny of tax rate implies approximately $27 of taxes paid to the District by the average homestead.

The parity tax rate is $0.90. (Not a recommendation, just FYI.)

LASALLE MUNICIPAL UTILITY DISTRICT NO. 1

Pro-Forma Operating Fund "Cash" Balance
8/3/2026

Current Operating Fund Balance (6/9/2026)	$660,000	
Plus: Net Cash Outflow (6/9/2026-12/31/2026)	($130,000)	
"1/1/2027 Available" Balance	**$530,000**	
Plus: Collection of 2026 O&M Tax Levy	$620,000	(a)
Plus: 2027 Operating Revenue	$0	(b)
Less: 2027 Operating Expenses	($200,000)	(b)
"1/1/2028 Available" Balance	**$950,000**	

(a) Assumes **$0.41** O&M tax rate on $155 million (with 98% tax collection).

(b) Per 2026 budget information.

LaSalle Municipal Utility District No. 1

Road Debt Service Cash Flow - With NO A.V. Growth Assumed

Reflects the Pending Sale of $11,800,000 Series 2026 Road Bonds @ ACTUAL RESULTS

8/2/2026

2026TxRtStROADonlyNoGrowthDebtServiceCashFlow

COMBINED DEBT SERVICE FUND CASH FLOW ANALYSIS

Prepared by The GMS Group, L.L.C.

Calendar Year	Beginning Balance (A)	Interest Earnings (B)	Previous Yr. Assessed Valuation (C)	Debt Tax Rate (T)	Tax Coll. Factor	Projected Tax Revenues	Other Fund Sources (D)	Total Funds Available for Debt Service	Debt Service Reqmnts (E)	Projected Ending Balance	Reserve Balance
2027	$425,000	$12,750	$155,000,000	$0.22	98%	$334,180		$771,930	$544,656	$227,274	30%
2028	$227,274	$6,818	$180,666,678	$0.39	98%	$690,508		$924,600	$747,306	$177,294	24%
2029	$177,294	$5,319	$180,666,678	$0.42	98%	$743,624		$926,237	$742,256	$183,980	25%
2030	$183,980	$5,519	$180,666,678	$0.42	98%	$743,624		$933,124	$736,506	$196,618	27%
2031	$196,618	$5,899	$180,666,678	$0.42	98%	$743,624		$946,140	$730,056	$216,084	30%
2032	$216,084	$6,483	$180,666,678	$0.42	98%	$743,624		$966,190	$722,906	$243,284	34%
2033	$243,284	$7,299	$180,666,678	$0.42	98%	$743,624		$994,207	$721,206	$273,001	38%
2034	$273,001	$8,190	$180,666,678	$0.42	98%	$743,624		$1,024,815	$717,756	$307,058	43%
2035	$307,058	$9,212	$180,666,678	$0.42	98%	$743,624		$1,059,894	$721,456	$338,438	47%
2036	$338,438	$10,153	$180,666,678	$0.42	98%	$743,624		$1,092,215	$724,556	$367,659	51%
2037	$367,659	$11,030	$180,666,678	$0.42	98%	$743,624		$1,122,313	$722,156	$400,156	55%
2038	$400,156	$12,005	$180,666,678	$0.42	98%	$743,624		$1,155,785	$724,256	$431,529	59%
2039	$431,529	$12,946	$180,666,678	$0.42	98%	$743,624		$1,188,099	$730,656	$457,443	63%
2040	$457,443	$13,723	$180,666,678	$0.42	98%	$743,624		$1,214,790	$731,356	$483,434	66%
2041	$483,434	$14,503	$180,666,678	$0.42	98%	$743,624		$1,241,561	$736,356	$505,204	69%
2042	$505,204	$15,156	$180,666,678	$0.42	98%	$743,624		$1,263,985	$735,406	$528,578	72%
2043	$528,578	$15,857	$180,666,678	$0.42	98%	$743,624		$1,288,060	$738,494	$549,566	74%
2044	$549,566	$16,487	$180,666,678	$0.42	98%	$743,624		$1,309,677	$740,481	$569,196	77%
2045	$569,196	$17,076	$180,666,678	$0.42	98%	$743,624		$1,329,896	$741,069	$588,827	79%
2046	$588,827	$17,665	$180,666,678	$0.42	98%	$743,624		$1,350,116	$745,397	$604,719	81%
2047	$604,719	$18,142	$180,666,678	$0.42	98%	$743,624		$1,366,485	$748,631	$617,853	83%
2048	$617,853	$18,536	$180,666,678	$0.42	98%	$743,624		$1,380,013	$745,550	$634,463	84%
2049	$634,463	$19,034	$180,666,678	$0.42	98%	$743,624		$1,397,121	$751,025	$646,096	86%
2050	$646,096	$19,383	$180,666,678	$0.42	98%	$743,624		$1,409,103	$750,263	$658,840	87%
2051	$658,840	$19,765	$180,666,678	$0.42	98%	$743,624		$1,422,230	$753,263	$668,967	89%
2052	$668,967	$20,069	$180,666,678	$0.42	98%	$743,624		$1,432,660	$754,913	$677,748	90%
2053	$677,748	$20,332	$180,666,678	$0.42	98%	$743,624		$1,441,704	$755,213	$686,492	91%
2054	$686,492	$20,595	$180,666,678	$0.42	98%	$743,624		$1,450,710	$754,163	$696,548	92%
2055	$696,548	$20,896	$180,666,678	$0.42	98%	$743,624		$1,461,068	$756,650	$704,418	#DIV/0!

(A) Represents the 1-1-2027 beginning balance in the Road DSF.
(B) Projected @ 3.0%.
(C) Reflects the 1/1/2026 and the 3/1/2026 Taxable Values as provided by Hays CAD. No AV growth assumed.
(D) Represents twelve (12) months of capitalized interest and accrued interest funded with the Series 2026 Road Bonds.
(E) Reflects annual debt service requirements from the sale of $11,800,000 Series 2026 Road Bonds ACTUAL RESULTS.
(T) Reflects the District's ROAD Debt Service tax rate only.

LaSalle Municipal Utility District No. 1

Debt Service Cash Flow - With NO A.V. Growth Assumed

Reflects the Sale of $9,200,000 Series 2025 WSD Bonds ACTUAL RESULTS

8/3/2026

2025TxRtStWSDNoGrowthDebtServiceCashFlow

DEBT SERVICE FUND CASH FLOW ANALYSIS

Prepared by The GMS Group, L.L.C.

Calendar Year	Beginning Balance (A)	Interest Earnings (B)	Previous Yr. Assessed Valuation (C)	Debt Tax Rate (T)	Tax Coll. Factor	Projected Tax Revenues	Other Fund Sources (D)	Total Funds Available for Debt Service	Debt Service Reqmnts (E)	Projected Ending Balance	Reserve Balance
2027	$90,000	$2,700	$155,000,000	$0.32	98%	$486,080		$578,780	$433,919	$144,861	25%
2028	$144,861	$4,346	$180,666,678	$0.32	98%	$566,571		$715,778	$583,784	$131,993	23%
2029	$131,993	$3,960	$180,666,678	$0.33	98%	$584,276		$720,229	$578,350	$141,879	25%
2030	$141,879	$4,256	$180,666,678	$0.33	98%	$584,276		$730,412	$577,419	$152,993	27%
2031	$152,993	$4,590	$180,666,678	$0.33	98%	$584,276		$741,859	$575,825	$166,034	29%
2032	$166,034	$4,981	$180,666,678	$0.33	98%	$584,276		$755,291	$573,569	$181,722	32%
2033	$181,722	$5,452	$180,666,678	$0.33	98%	$584,276		$771,450	$572,150	$199,300	35%
2034	$199,300	$5,979	$180,666,678	$0.33	98%	$584,276		$789,555	$572,694	$216,861	38%
2035	$216,861	$6,506	$180,666,678	$0.33	98%	$584,276		$807,643	$573,825	$233,818	41%
2036	$233,818	$7,015	$180,666,678	$0.33	98%	$584,276		$825,108	$574,544	$250,565	44%
2037	$250,565	$7,517	$180,666,678	$0.33	98%	$584,276		$842,358	$574,850	$267,508	46%
2038	$267,508	$8,025	$180,666,678	$0.33	98%	$584,276		$859,809	$579,641	$280,168	48%
2039	$280,168	$8,405	$180,666,678	$0.33	98%	$584,276		$872,849	$578,916	$293,934	50%
2040	$293,934	$8,818	$180,666,678	$0.33	98%	$584,276		$887,028	$582,500	$304,528	52%
2041	$304,528	$9,136	$180,666,678	$0.33	98%	$584,276		$897,940	$585,097	$312,843	53%
2042	$312,843	$9,385	$180,666,678	$0.33	98%	$584,276		$906,504	$586,669	$319,835	54%
2043	$319,835	$9,595	$180,666,678	$0.33	98%	$584,276		$913,706	$587,381	$326,325	55%
2044	$326,325	$9,790	$180,666,678	$0.33	98%	$584,276		$920,391	$592,091	$328,300	56%
2045	$328,300	$9,849	$180,666,678	$0.33	98%	$584,276		$922,425	$590,788	$331,638	56%
2046	$331,638	$9,949	$180,666,678	$0.33	98%	$584,276		$925,863	$593,675	$332,188	56%
2047	$332,188	$9,966	$180,666,678	$0.33	98%	$584,276		$926,430	$595,638	$330,792	55%
2048	$330,792	$9,924	$180,666,678	$0.33	98%	$584,276		$924,992	$596,675	$328,317	55%
2049	$328,317	$9,850	$180,666,678	$0.33	98%	$584,276		$922,443	$596,788	$325,655	54%
2050	$325,655	$9,770	$180,666,678	$0.33	98%	$584,276		$919,701	$600,859	$318,841	53%
2051	$318,841	$9,565	$180,666,678	$0.33	98%	$584,276		$912,683	$603,775	$308,908	51%
2052	$308,908	$9,267	$180,666,678	$0.33	98%	$584,276		$902,451	$605,534	$296,917	49%
2053	$296,917	$8,907	$180,666,678	$0.33	98%	$584,276		$890,100	$606,138	$283,963	47%
2054	$283,963	$8,519	$180,666,678	$0.33	98%	$584,276		$876,758	$605,584	$271,173	45%
2055	$271,173	$8,135	$180,666,678	$0.33	98%	$584,276		$863,584	$608,759	$254,825	#DIV/0!

(A) The 2027 figure reflects 1-1-2027 beginning balance in the WSD Debt Service Fund.
(B) Projected @ 3.0%.
(C) Reflects the 1/1/2026 and the 8/1/2026 Taxable Values as provided by Hays CAD. No AV growth assumed.
(D) None assumed.
(E) Reflects annual debt service requirements from the sale of $9,200,000 Series 2025 WSD Bonds ACTUAL RESULTS.
(T) Reflects the District's WSD Debt Service tax rate only.

2026 Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts

Form 50-858

LASALLE MUNICIPAL UTILITY DISTRICT NO. 1	512-370-2924
Water District Name	Phone
600 W. 5th STREET, SUITE 900, AUSTIN, TX., 78701	www.winsteadspecialdistricts.com
Water District's Address, City, State, ZIP Code	Water District's Website Address

GENERAL INFORMATION: The Comptroller's office provides this worksheet to assist water districts in determining their voter-approval tax rate.The information provided in this worksheet is offered as technical assistance and not legal advice.Water districts should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

O Low tax rate water district (Water Code Section 49.23601)

X Developing water district (Water Code Section 49.23603)

O Developed water district in a declared disaster area (Water Code Section 49.23602(d))

SECTION 1: Voter-Approval Tax Rate

The voter-approval tax rate for low tax rate and developing water districts is the current year's debt service and contract tax rates plus the maintenance and operation (M&O) tax rate that would impose no more than 1.08 times the amount of M&O tax imposed by the water district in the preceding year on the average appraised value of a residence homestead in the water district. The average appraised value disregards any homestead exemption available only to people with disabilities or those age 65 or older.

The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll or certified estimate of value and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

If any part of a developed water district is located in an area declared a disaster area during the current tax year by the governor or by the president, the board of the district may calculate the voter-approval tax rate in the manner provided in Water Code Section 49.23601(a) and determine whether an election is required to approve the adopted tax rate in the manner provided in Water Code Section 49.23601(c). In such cases, the developed water district may use this form to calculate its voter-approval tax rate.

Line	Worksheet	Amount/Rate
1.	Prior average appraised value of residence homestead.[1]	$ 264,892.00
2.	Prior general exemptions available for the average homestead. Excluding age 65 or older or disabled persons exemptions.[2]	$ 0.00
3.	Prior average taxable value of residence homestead. Line 1 minus Line 2.	$ 264,892.00
4.	Prior adopted M&O tax rate.	$ 0.95000 / $100
5.	Prior M&O tax on average residence homestead. Multiply Line 3 by Line 4, divide by $100.	$ 2,516.47
6.	Highest M&O tax on average residence homestead with increase. Multiply Line 5 by 1.08[3]	$ 2,717.79
7.	Current average appraised value of residence homestead.	$ 278,986.00
8.	Current general exemptions available for the average homestead. Excluding age 65 or older or disabled persons exemptions.[4]	$ 0.00
9.	Current average taxable value of residence homestead. Line 7 minus Line 8.	$ 278,986.00
10.	Highest Current M&O tax rate. Line 6 divided by Line 9, multiply by $100.[5]	$ 0.97417
11.	Current debt tax rate.	$ 0.00000 / $100
12.	Current contract tax rate.	$ 0.00000 / $100
13.	Current voter-approval tax rate. Add lines 10, 11, and 12.	$ 0.97417 / $100

1) Tex. Water Code - 49.236(a)(2)(C)
2) Tex. Water Code - 49.236(a)(2)(D)
3) Tex. Water Code - 49.23601(a)(3) and 49.23603(a)(3)
4) Tex. Water Code - 49.236(a)(2)(E)
5) Tex. Water Code - 49.23601(a)(3) and 49.23603(a)(3)

SECTION 2: Mandatory Tax Election Rate

For a low tax rate water district, the election tax rate is the highest total tax rate the district may adopt without holding an automatic election to approve the adopted tax rate.

For a developing water district, the election tax rate is the highest total tax rate the district may adopt before qualified voters of the district may petition for an election to lower the adopted tax rate.

If any part of a developed water district is located in an area declared a disaster area during the current tax year by the governor or by the president, the board of the district may calculate the election tax rate as the highest tax rate the district may adopt without holding an automatic election to approve the adopted tax rate.

In these cases, the election tax rate is the rate that would impose 1.08 times the amount of tax imposed by the district in the preceding year on the average appraised value of a residence homestead in the water district. The average appraised value disregards any homestead exemption available only to people with disabilities or those age 65 or older.

Line	Worksheet	Amount/Rate
14.	Prior Average Taxable Value of Residence Homestead. Enter the amount from Line 3.	$ 264,892.00
15.	Prior Adopted Total Tax Rate.	$ 0.95000 /100
16.	Prior Total Tax on Average Residence Homestead. Multiply Line 14 by Line 15.	$ 2,516.47
17.	Current Highest Amount of Taxes per Average Residence Homestead. Multiply Line 16 by 1.08.	$ 2,717.79
18.	Current Tax Election Tax Rate. Divide Line 17 by Line 9 and multiply by $100.	$ 0.97417 / $100

SECTION 3: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the voter-approval tax rate and mandatory tax election rate as authorized by the governing body of the water district. By signing below, you certify that you are the designated officer or employee of the taxing unit and and have calculated the tax rates in accordance with requirements in Water Code.[6]

Printed Name of Water District Representative

Water District Representative

Date

6) Tex. Water Code - 49.23601, 49.23602(d), and 49.23603