MIDLOTHIAN MUNICIPAL MANAGEMENT DISTRICT NO. 3

TO: THE BOARD OF DIRECTORS OF MIDLOTHIAN MUNICIPAL MANAGEMENT DISTRICT NO. 3 AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given pursuant to Chapter 551, Texas Government Code, that the Board of Directors of Midlothian Municipal Management District No. 3 ("District") will hold a public meeting on **Wednesday, October 28, 2026 at 12:00 noon at 520 Hawkins Run, Midlothian, Texas 76065,** for the following purposes:

1. Call to order;
2. Public communications and comments;
3. Consider review and approve minutes of September 30, 2026, Board of Directors meeting;
4. Conduct public hearing regarding District's proposed 2026 tax rate;
5. Consider review and approve Order Setting Tax Rate for 2026;
6. Hear report from Developer and take any action in connection with plat approval, reimbursement agreements or assignments thereunder, or other development related items;
7. Consider, review and accept engineer's report, and take any action necessary or appropriate;
8. Review and approve bookkeeping report, budget, adopt any necessary resolutions and approve signature cards relating to any new accounts, investment report, budget related matters, update listing of depositories, and take further action on such matters as may be necessary with regard to bookkeeping matters;
9. Hear report from Tax Assessor/Collector and take any action as may be necessary with regard to tax collection matters;
10. Discussion regarding operating and debt service budgets for fiscal year ending December 31, 2027, and consider approving Resolution(s) adopting the budgets;
11. Discuss tentative date for next meeting; and
12. Adjournment.

Dated: October 16, 2026.

MIDLOTHIAN MUNICIPAL MANAGEMENT DISTRICT NO. 3

Ross S. Martin, Attorney for the District

The Board of Directors may enter into Executive Session, if necessary and appropriate, pursuant to the applicable section of Subchapter D, Chapter 551, Texas Government Code Annotated, the Texas Open Meetings Act, on any matter that may come before the Board. No action, decision or vote on any subject or matter may be taken unless specifically listed on the agenda for this meeting.

Proposed Budget

Midlothian MMD 3 - Fiscal Year Ending 12/27

	Nine Month Actuals 01/26 - 09/26	Twelve Months Annualized FYE 12/26	Approved 2026 Budget	Proposed 2027 Budget
Revenues				
14301 · Maintenance Tax Collections	260,913	275,103	275,103	248,154
14802 · Interest Earned on Temp. Invest	3,600	4,800	1,700	4,800
14901 · Developer Advance	0	0	0	35,099
Total Revenues	**$264,513**	**$279,903**	**$276,803**	**$288,053**
Expenditures				
16103 · Bulk Water Purchase	41,154	61,731	63,700	61,800
16602 · Landscape Maintenance	72,314	96,419	85,900	97,500
16611 · Maintenance & Repairs	10,500	10,500	16,100	10,500
16612 · Utilities - Irrigation	1,006	1,342	1,500	1,500
16703 · Legal Fees	13,379	20,069	30,000	30,000
16705 · Auditing Fees	16,250	16,250	12,500	16,250
16706 · Engineering Fees	0	0	5,000	5,000
16708 · Financial Advisor Fees	0	0	3,500	3,500
16712 · Bookkeeping Fees	21,779	29,039	30,000	33,600
16713 · Legal Notices & Other Publ.	0	0	175	175
16714 · Printing & Office Supplies	156	207	400	250
16715 · Filing Fees	0	0	100	25
16716 · Delivery Expense	315	735	1,000	800
16717 · Postage	73	97	100	100
16718 · Insurance & Surety Bond	1,756	1,756	2,000	1,800
16722 · Bank Service Charge	540	720	360	720
16723 · Travel Expense	0	0	100	25
16728 · Record Storage Fees	314	418	400	418
17101 · Payroll Expenses	16,133	21,914	21,600	22,100
17102 · Payroll Administration	225	300	0	300
17103 · Payroll Tax Expense	1,234	1,676	1,652	1,690
17802 · Miscellaneous Expense	514	514	0	0
Total Expenditures	**$197,642**	**$263,687**	**$276,087**	**$288,054**
Net Excess Revenues <Expenditures>	**$66,871**	**$16,215**	**$716**	**($0)**

Taxpayer Impact Statement

	Current Budget Fiscal Year Ending** 12/2026	Proposed Budget Fiscal Year Ending** 12/2027	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	$759.24	$679.32	$759.24

*The District levies taxes in accordance with the Texas Water Code. The District's current operations and maintenance tax rate is equal to $0.19 per $100 of assessed value. Average homestead values are determined by the county appraisal district. All estimates above were prepared utilizing the average resident homestead value as of the time that the District's most recent Truth in Taxation worksheet was prepared in accordance with the Texas Water Code.

**Average tax bill estimates for the current and proposed budgets reflect those taxes necessary to fund the operations and maintenance tax revenues stated in the applicable budget.

***This column estimates the operations and maintenance taxes to be paid on the average homestead if the proposed budget generates the same amount of operations and maintenance tax revenues as the current budget.