

**VISTA OAKS MUNICIPAL UTILITY DISTRICT
AGENDA**

September 8, 2025

TO: THE BOARD OF DIRECTORS OF VISTA OAKS MUNICIPAL UTILITY DISTRICT AND
TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of Vista Oaks Municipal Utility District will hold a meeting at **12:00 p.m. on Monday, September 8, 2025**, at the offices of Gray Engineering, Inc., 8834 N. Capital of Texas Highway, Suite 140, Austin, Texas. The following matters will be considered and may be acted upon at the meeting:

PUBLIC COMMENT

1. Citizen's communications and Board member announcements;

CONSENT ITEMS

(These items may be approved collectively or individually. Any of these items may be pulled for discussion at the request of any member of the board.)

2. Minutes of August 11, 2025 meeting;
3. Renewal of Landscape Maintenance Agreement *(current agreement expires September 30, 2025)*;
4. Renewal of Bookkeeping Services Agreement *(initial term of current agreement expires September 30, 2025)*;
5. Audit Services for Fiscal Year Ending September 30, 2025, including:
 - (a) Proposal from McCall Gibson Swedlund Barfoot Ellis PLLC;
 - (b) Statement on Auditing Standards No. 99 fraud questionnaire;
6. Second Amendment to Standard Agreement with Local Governmental Entity Regarding Off-Duty Contracting of County Sheriff Deputies;

BUDGET AND TAX ITEMS

7. Tax Rate analysis, including recommendation from District's financial advisor regarding 2025 tax rate;
8. Public hearing on District's 2025 tax rate, including public feedback received through appraisal district/county tax office websites;
9. Budget for fiscal year 2025-2026, including Resolution Adopting Budget;
10. Record vote on District's 2025 tax rate and Order Levying Taxes;
11. Amended and Restated Information Form *(if necessary for change in tax rate)*;

DISCUSSION/ACTION ITEMS

12. Smart meter replacement project, including:
 - (a) Update on status of required permits;
 - (b) Proposal from Crossroads Utility Services LLC for work related to meter replacement project;
 - (c) Cost estimate for additional work required in connection with smart meter tower site;
 - (d) Results of meter box audit, including any required amendment to Master Services Agreement with HydroPro Solutions, LLC to update quantities and pricing after completion of meter box audit and any related proposals;
 - (e) Any other matters related to the smart meter replacement project;
13. Report from District's engineer, including:
 - (a) Status of development of Indigo Ridge project;
 - (b) 5-year regulatory wastewater collection system inspection televising and cleaning project, including review of any proposals and approval of any other items related to the project;
 - (c) America's Water Infrastructure Act of 2018 (AWIA), including update on status of required update to Emergency Response Plan;
14. Report from District's bookkeeper, including approval of fund transfers and payment of bills and invoices;
15. Report from District's general manager and utility operator regarding:
 - (a) Security report and related matters;
 - (b) Utility operations and projects, including:
 - (i) Water usage, quality, accountability, and conservation;
 - (ii) District facilities, including recommendations regarding any necessary repairs and maintenance;
 - (c) Billing and collections, including:
 - (i) Past due accounts, write offs, adjustments, and customer service;
 - (d) Solid waste and recycling services and related matters;
16. Report from District's attorney, including:
 - (a) Consultant and Director directives;

- (b) Status of renewal of Agreements for Pass-Through Water and/or Wastewater Service;
- 17. Wholesale water and wastewater service, including update on City of Round Rock wholesale rate increase and rate appeal, consider authorizing appeal of Texas Public Utility Commission Decision in Docket No. 48836 to District Court, and any other matters related to the rate appeal; and
- 18. Future agenda items and meeting schedule.

The Board of Directors is authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code, to convene in closed or executive session for certain purposes including receiving legal advice from the District’s attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073) discussing personnel matters (Section 551.074); discussing security personnel or devices or security audits (Section 551.076); or discussing information technology security practices (Section 551.089). If the Board of Directors determines to go into executive session to discuss any item on this agenda, the Presiding Officer will announce that an executive session will be held and will identify the item to be discussed and provision of the Open Meetings Act that authorizes the closed or executive session.



John Guell

Attorney for the District

 The District is committed to compliance with the Americans with Disabilities Act. Reasonable accommodations and equal access to communications will be provided upon request. Please call Armbrust & Brown, PLLC at (512) 435-2300 for additional information. Hearing impaired or speech disabled persons equipped with telecommunications devices for the deaf may utilize the statewide Relay Texas program, 1-800-735-2988.

VISTA OAKS MUNICIPAL UTILITY DISTRICT

TAXPAYER IMPACT STATEMENT
PER TEXAS GOV'T CODE §551.043(c)(2)

Property tax bill for the median-valued homestead* for current fiscal year:	\$994.70
Estimated property tax bill for the median-valued homestead* for the upcoming fiscal year if the proposed budget (attached) is adopted:	\$1,029.25
Estimated property tax bill for the median-valued homestead* for the upcoming fiscal year if a balanced budget funded at the no-new-revenue tax rate as calculated under Chapter 26 of the Texas Tax Code*** is adopted:	\$1,024.90**

*The Appraisal District does not report "median" homestead values. The calculations above are based on "average" homestead values, which are reported.

**The No-New-Revenue Tax Rate, as calculated under Chapter 26 of the Texas Tax Code, may not be capable of funding a balanced budget for the District.

***No-New-Revenue Tax Rate = rate expressed in dollars per \$100 of table value calculated according to the following formula:

$$\text{No-New-Revenue Tax Rate} = \frac{(\text{Last Year's Levy} - \text{Lost Property Levy})}{(\text{Current Total Value} - \text{New Property Value})}$$

Last Year's Levy = the total of the amount of taxes that would be generated by multiplying the total tax rate adopted in the preceding year by the total taxable value of property on the appraisal roll for the preceding year, including taxable value that was reduced in an appeal, all appraisal roll supplements and corrections as of the date of the calculation (other than corrections made under Texas Tax Code § 25.25(d) for errors that resulted in an incorrect appraised value that exceeds more than one-fourth of the correct appraised value for a residence or one-third the correct value in the case of all other property), portions of property involved in an appeal that are not in dispute, and the amount of taxes refunded by the taxing unit in the preceding year for tax years before that year.

Lost Property Levy = amount of taxes levied in the preceding year on property value that was taxable in the preceding year but is not taxable in the current year because the property is exempt in the current year under a provision of the Texas Tax Code other than 11.251 (Tangible Personal Property Exempt), 11.253 (Tangible Personal Property in Transit), and 11.35 (Temporary Exemption for Qualified Property Damaged by Disaster), the property has qualified for special appraisal under Chapter 23 of the Texas Tax Code in the current year, or the property is located in the territory that has ceased to be part of the taxing unit since the preceding year.

Current Total Value = total taxable value of property listed on the appraisal roll for the current year, including all supplements and corrections as of the date of the calculation, less the taxable value of property exempted for the current tax year for the first time under Texas Tax Code § 11.31 (Pollution Control Property) or 11.315 (Energy Storage System in Nonattainment Area).

New Property Value = means the following:

- Total taxable value of property added to the appraisal roll in the current year by annexation and improvements listed on the appraisal roll that were made after January 1st of the preceding tax year, including personal property located in new improvements that was brought into the unit after January 1st of the preceding tax year.
- Property value that is included in the current total value for the tax year succeeding a tax year in which any portion of the value of the property was excluded from the total value because of the application of a tax abatement agreement to all or a portion of the property, less the value of the property that was included in the total value for the preceding tax year.
- For purposes of an entity created under Section 52, Article III, or Section 59, Article XVI of the Constitution, property value that is included in the current total value for the tax year succeeding a tax year in which the following occurs: (a) the subdivision of land by plat; (b) installation of water, sewer, or drainage lines, or (c) the paving of undeveloped land.

Proposed Budget

**Vista Oaks M.U.D.
Proposed Budget - General Fund
Fiscal Year Ending 9/30/2026**

	2022 Audited	2023 Audited	2024 Audited	Fiscal Year 2025		FY-2026 Proposed Budget
				Budget	Proj 12 Mo.	
Revenues:						
Property Taxes, including penalties	923,232	990,976	953,425	\$ 971,322	\$ 962,958	\$ 943,222
Service Accounts						
Basic Service	343,299	342,551	342,043	342,000	342,318	342,000
Water Revenue	413,379	424,286	366,710	383,702	415,133	383,702
Sewer Revenue	285,266	274,802	266,206	260,604	272,182	260,604
Mayfield Pass-Through	24,390	24,390	24,390	24,390	24,390	24,390
WC Park Pass-Through	2,340	2,340	2,340	2,340	2,340	2,340
Gardens @ MR Pass-Through	6,075	6,075	6,075	6,075	6,075	6,075
Service Account Penalty	-	8,040	8,596	7,200	9,029	7,200
Interest Income	25,936	136,567	179,096	120,000	151,771	37,500
Miscellaneous	1,550	-	-	-	-	-
Total Revenues	2,025,467	2,210,027	2,148,881	2,117,633	2,186,195	2,007,033
Service Expenditures:						
Current-						
District Facilities						
Water/Wastewater/Garbage						
Water Purchases	344,619	407,572	386,338	401,726	286,243	401,726
Wastewater Purchases	252,757	228,590	288,040	324,000	315,959	324,000
Base Fees (CORR)	151,188	155,551	158,460	155,772	155,772	155,772
Garbage Fees	206,745	210,535	213,248	219,761	220,455	231,970
Operations						
Operations Fee	121,711	121,356	134,161	138,185	136,012	142,140
Patrol Service	44,820	47,369	58,845	63,600	69,266	69,000
Laboratory Expenses - Water	2,688	2,399	3,919	4,200	3,096	4,200
Utilities						
Utilities	8,963	8,563	9,262	10,800	9,123	10,800
Telephone	2,368	3,198	4,117	4,200	4,639	5,100
Street Lights	18,073	17,017	17,211	18,000	16,935	18,000
Repairs & Maintenance						
Water System Maintenance	30,212	17,292	40,698	40,200	71,111	72,000
Water Loss Prevention	-	-	-	5,000	5,000	5,000
Meter Replacement	-	-	-	750,000	-	750,000
WW System Maintenance	23,197	11,218	53,015	66,000	37,508	60,000
WW Line Televising	-	-	-	15,000	15,000	15,000
L/S Maintenance	15,900	27,650	33,373	36,000	17,610	33,000
L/S Improvements	-	-	-	10,000	10,000	10,000
Lighting Maintenance	-	-	-	2,500	2,500	2,500
Street Light Maintenance	-	6,850	22,476	20,000	19,530	20,000
Drainage Maintenance (MS4)	25,367	83,411	27,439	28,800	27,214	30,000
Park/Wall Maintenance	1,563	8,928	2,988	6,000	6,000	6,000
Administrative Services						
Director's Payroll, inc payroll taxes	4,037	5,770	6,661	10,708	12,847	15,470
Director Reimbursement	3,840	3,272	316	8,625	8,016	8,625
Tax Appraisal/Collection Fees	5,381	5,359	6,066	6,600	6,384	7,000
Insurance	9,909	10,640	12,643	14,350	13,789	14,350
Credit Card/Bank Fees	22,026	24,086	23,738	24,500	25,025	26,100
Permit Fees	2,327	2,327	2,327	2,600	2,327	2,600
Legal/Public Notices	3,356	1,388	1,493	2,000	3,957	2,000
Election	-	-	-	2,500	3,621	2,500
Website Maintenance	-	-	424	3,750	3,750	3,750
Miscellaneous	4,596	5,158	8,562	9,000	7,693	9,000
Professional Fees						
Legal Fees - General	41,375	70,516	112,090	79,800	139,249	85,200
Records Retention Policy Compliance	-	-	-	5,000	5,000	5,000
Legal Fees - Special	-	-	-	5,000	5,000	10,000
Accounting Fees	23,750	27,575	29,735	29,850	32,173	35,550
Engineering Fees	9,369	23,309	16,788	18,000	12,778	18,000
Engineering Fees - Special	3,997	22,232	11,008	10,000	14,543	15,000
Engineering Fees - Wall	-	-	-	10,000	10,000	10,000
Lead & Copper	-	-	6,810	2,500	2,500	2,500
Financial Advisor	1,700	1,700	1,700	2,000	2,500	2,000
Consulting Fees	27,076	51,497	210,542	60,000	55,697	24,000
Audit Fees	16,500	17,000	17,500	18,000	18,250	19,000
Total Service Expenditures	1,429,409	1,629,327	1,921,993	2,644,526	1,814,072	2,683,853
Excess/(Deficiency) of Revenues over Service Expenditures	596,058	580,700	226,888	(526,893)	372,123	(676,820)

**Vista Oaks M.U.D.
Proposed Budget - General Fund
Fiscal Year Ending 9/30/2026**

	2022	2023	2024	Fiscal Year 2025		FY-2026
	Audited	Audited	Audited	Budget	Proj 12 Mo.	Proposed Budget
Capital Outlay						
Beautification	0	68,644	0	-	-	-
Capital Reserve	0	0	0	-	-	-
Total Capital Outlay	-	68,644		-	-	-
Total Expenditures	1,429,409	1,697,971	1,921,993	2,644,526	1,814,071	2,683,853
Excess/(Deficiency) of Revenues over Expenditures	\$ 596,058	\$ 512,056	\$ 226,888	\$ (526,893)	\$ 372,124	\$ (676,820)

Assumptions:	
-No retail wastewater rate increase included	
-No retail water rate increase included	
-Parity Tax Rate	
-Assessed Value:	\$ 457,874,717
O&M Tax Rate/\$100 of AV	0.2060
DSF Tax Rate/\$100 of AV	-
Total Tax Rate/\$100 of AV	\$ 0.2060

Estimated fund balance 9/30/25	\$ 3,765,598
FY-2026 Surplus/(Deficit)	(676,820)
Estimated fund balance 9/30/26	<u>\$ 3,088,778</u>

Capital Renewal Plan (CRP) Analysis:

Total replacement cost	\$ 22,000,000
Factor	<u>25%</u>
Suggested CRP reserve	<u>\$ 5,500,000</u> (by 2041 or 16 years)

Fund Balance Analysis:

Estimated fund balance FY-26	\$ 3,088,778
Six month operating reserve	<u>(983,927)</u>
Existing fund balance for CRP	2,104,851
Add'l CRP fund balance requirement	<u>3,395,149</u>
Annual CRP reserve requirement	<u>\$ 212,197</u>