MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF FERN BLUFF MUNICIPAL UTILITY DISTRICT

July 23, 2024

The Board of Directors ("**Board**") of Fern Bluff Municipal Utility District ("**District**") convened in a regular meeting that was open to the public at 6:00 p.m., on the above-referenced date, at the Fern Bluff Municipal Utility District Community Center, 7320 Wyoming Springs Drive, Round Rock, Texas 78681, pursuant to notice posted in accordance with law.

Director Sabatino called the meeting to order and called the roll of the Board, to wit: **George Sabatino**, President; **Marc Smith**, Vice President; **Jessica Stempko**, Secretary; **Kevin Barnes**, Treasurer; and **Richard Horton**, Assistant Secretary-Treasurer. With all Directors present, a quorum was established.

Also, in attendance or joining during the meeting, were Janey Miller, the District's General Manager; Hector Alanis, the District's Operations Manager; Jeremiah Alcantar, the District's Assistant Operations Manager; Brian Schmidt, of Texas Lawn and Garden ("**TLG**"), the District's landscaper; and Zachariah T. Evans, of the Law Office of Zachariah T. Evans, the District's Attorney.

The Board recited the Pledge of Allegiance.

Mr. Schmidt then reported on the status of the District's ongoing landscaping maintenance. He reported TLG has completed a good amount of seeding throughout the District's parks. He stated TLG also completed several repairs to irrigation facilities. Mr. Schmidt went on to report that TLG has started mowing the District's greenbelts but has paused due to ongoing rainstorms. He stated TLG will also till certain areas of the greenbelts in order to continue propagating wildflowers.

Director Sabatino then noted no citizens were present to address the Board.

The Board then considered approval of the monthly consent agenda, including minutes of their June 25, 2024, meeting; payment of bills and invoices; payment of transfers for operation expenses; pay requests; change orders; and customer charge write-offs, as applicable. After discussion, Director Stempko moved to approve the consent agenda; Director Smith seconded; and the Board voted unanimously to approve the motion.

Next, the Board reviewed the District's draft budget ("**Budget**") for the fiscal year ending September 30, 2025 ("**FY24-25**"), with Mrs. Miller providing details. She stated the District received certified property values from Williamson County Appraisal District, which reported a 7.6 percent increase in values over the previous year. Mrs. Miller recommended the Board consider adopting a tax rate of $0.19 per $100.00 of valuation (compared to the rate of $0.20 per $100.00 of valuation for the 2023 tax year) in order to fund the Budget. Ms. Miller went on to detail several projects and other anticipated expenditures that are included in the Budget. Director Smith inquired

whether certain heavy equipment and vehicle replacements were included in the Budget. Mrs. Miller indicated they were not and those replacements could likely wait until the next fiscal year.

After discussion, Director Sabatino moved to (i) adopt a proposed tax rate of $0.19 per $100.00 of valuation of real property within the District, (ii) call a public hearing on the proposed tax rate for August 27, 2024, during the Board's regular meeting starting at 6:00 p.m., and (iii) to publish notice of the public hearing; Director Barnes seconded; the Board voted unanimously to approve the motion.

Mrs. Miller then summarized the General Manager's report, a copy of which is included in the Board Packet.

During the Budget Committee report, Director Barnes inquired about certain entries in the District's monthly profit and loss report. Mrs. Miller addressed Director Barnes' inquiries.

On behalf of the Security Committee, Director Sabatino moved to approve a request from Williamson County Sheriff's Office ("**WCSO**") to increases their vehicle usage rate for security and traffic patrols within the District; Director Smith seconded; the Board voted unanimously to approve the motion. Director Sabatino went on to report that WCSO has opened enrollment for their citizen patrol training and encouraged residents to volunteer for the program.

On behalf of the Communications Committee, Director Smith and Mrs. Miller revisited the Board's conversation from the previous meeting about adding an insert in customers' bills, advising them of solid waste collection times and dates, and bulk solid waste removal options. Mr. Alanis informed the Board that the District will begin conducting residential backflow prevention testing in order to maintain the District's superior water quality rating. He and Director Smith noted this information could be communicated to residents in the next newsletter.

The Board then set their next regular meeting for August 27, 2024, at 6:00 p.m.

There being no further business, the Board adjourned.

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Jessica Stempko, Secretary
Board of Directors
Fern Bluff Municipal Utility District