**PRELIMINARY OFFICIAL STATEMENT DATED JULY 15, 2026**



IN THE OPINION OF BOND COUNSEL (HEREIN DEFINED), UNDER EXISTING LAW AND ASSUMING CONTINUING COMPLIANCE WITH COVENANTS IN THE BOND ORDER, INTEREST ON THE BONDS WILL BE EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES AND IS NOT INCLUDED IN COMPUTING THE ALTERNATIVE MINIMUM TAXABLE INCOME OF INDIVIDUALS; SEE "TAX MATTERS" HEREIN. HOWEVER, SUCH INTEREST IS TAKEN INTO ACCOUNT IN DETERMINING THE ANNUAL ADJUSTED FINANCIAL STATEMENT INCOME OF APPLICABLE CORPORATIONS FOR THE PURPOSE OF DETERMINING THE ALTERNATIVE MINIMUM TAX IMPOSED ON CORPORATIONS.

The Bonds will be designated "Qualified Tax-Exempt Obligations" for financial institutions. SEE "TAX MATTERS – Qualified Tax-Exempt Obligations."

**NEW ISSUE—BOOK-ENTRY ONLY** | **RATINGS: Moody's Investor's Services, Inc. "Aa2"**
**CUSIP No. 970046** | **See "MUNICIPAL BOND RATING" herein**

**$5,810,000**
**WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1**
(A political subdivision of the State of Texas, located in Williamson and Travis Counties, Texas)
**UNLIMITED TAX AND REVENUE BONDS**
**SERIES 2026**

**Dated: September 1, 2026** | **Due: April 1 (as shown below)**

Interest on the Williamson-Travis Counties Municipal Utility District No. 1 (the "District") $5,810,000 Unlimited Tax and Revenue Bonds (the "Bonds") will accrue from September 1, 2026, and will be payable on April 1, 2027, and each October 1 and April 1 thereafter. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC"), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. **No physical delivery of the Bonds will be made to the owners thereof.** Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "BOOK ENTRY-ONLY SYSTEM" herein. The initial Paying Agent/Registrar is BOKF, NA, Dallas, Texas. See "THE BONDS – Paying Agent/Registrar."

**MATURITIES, AMOUNTS, INTEREST RATES AND YIELDS**

| Principal Amount | Maturity | Interest Rate | Yield (a) | Principal Amount | Maturity | Interest Rate | Yield (a) |
|---|---|---|---|---|---|---|---|
| $130,000 | 2028 | % | % | $230,000 | 2041(b) | % | % |
| $135,000 | 2029 | % | % | $240,000 | 2042(b) | % | % |
| $140,000 | 2030 | % | % | $255,000 | 2043(b) | % | % |
| $145,000 | 2031 | % | % | $265,000 | 2044(b) | % | % |
| $155,000 | 2032(b) | % | % | $275,000 | 2045(b) | % | % |
| $160,000 | 2033(b) | % | % | $290,000 | 2046(b) | % | % |
| $170,000 | 2034(b) | % | % | $305,000 | 2047(b) | % | % |
| $175,000 | 2035(b) | % | % | $315,000 | 2048(b) | % | % |
| $185,000 | 2036(b) | % | % | $330,000 | 2049(b) | % | % |
| $195,000 | 2037(b) | % | % | $345,000 | 2050(b) | % | % |
| $200,000 | 2038(b) | % | % | $360,000 | 2051(b) | % | % |
| $210,000 | 2039(b) | % | % | $380,000 | 2052(b) | % | % |
| $220,000 | 2040(b) | % | % | | | | |

(a) The initial reoffering yields are established by and are the sole responsibility of the Underwriter (hereinafter defined) and may be subsequently changed.

(b) The Bonds maturing on or after April 1, 2032, are subject to redemption in whole or from time to time in part, at the option of the District, on April 1, 2031 or on any date thereafter, at a price equal to the par value thereof plus accrued interest from the most recent interest payment date to the date fixed for redemption. In the event the Bonds are to be redeemed in part, the maturities and principal amounts to be redeemed shall be selected by the District. If fewer than all of the Bonds within a maturity are redeemed, the Bonds to be redeemed shall be selected, on behalf of the District, by the Paying Agent/Registrar, in its capacity as Registrar, by lot or other customary method, in integral multiples of $5,000 in any one maturity. See "THE BONDS — Optional Redemption."

The proceeds from the sale of the Bonds will be used by the District to: (1) fund certain improvements to the District's water system service lines and sanitary sewer system, (2) purchase and install smart water meters, (3) fund associated engineering costs; and (4) pay twelve months of capitalized interest, administrative costs and issuance expenses associated with the sale and delivery of the Bonds. See "USE OF BOND PROCEEDS."

The Bonds, when issued, will constitute valid and binding obligations of the District and will be payable from the proceeds of a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District. In addition, the Bonds are secured by a pledge of and a lien on certain net revenues, if any, from the District's waterworks and sanitary sewer system. See "THE BONDS – Sources of and Security for Payment." The Bonds are obligations solely of the District and are not obligations of the State of Texas, Williamson County, Texas, Travis County, Texas, the City of Cedar Park, Texas, or any entity other than the District. Neither the faith and credit nor the taxing power of the State of Texas, Williamson County, Texas, or Travis County, Texas, the City of Cedar Park, Texas, is pledged to the payment of the principal of or interest on the Bonds. **The Bonds are subject to certain investment considerations described under the caption "INVESTMENT CONSIDERATIONS."**

The Bonds are offered when, as and if issued by the District, subject to approval by the Attorney General of Texas and the approval of certain legal matters by Coats Rose, P.C., Austin, Texas, Bond Counsel. Certain legal matters will be passed upon for on behalf of the District by McCall, Parkhurst & Horton LLP, Houston, Texas, Disclosure Counsel. Delivery of the Bonds is expected on or about September 30, 2026.

**BIDS DUE: WEDNESDAY, AUGUST 26, 2026, AT 10:00 A.M. HOUSTON TIME**

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## USE OF INFORMATION IN OFFICIAL STATEMENT

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended ("Rule 15c2-12"), this Preliminary Official Statement constitutes an "official statement" of the District with respect to the Bonds that has been deemed "final" by the District as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

No dealer, broker, salesman, or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the District.

This Official Statement is not to be used in connection with an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not registered or qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Any information and expressions of opinion herein contained are subject to change and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof.

All of the summaries of the statutes, resolutions, contracts, audited financial statements, engineering, and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from Coats Rose, P.C., 2700 Via Fortuna, Suite 350, Austin, Texas 78746, upon payment of duplication costs.

This Official Statement contains, in part, estimates, assumptions, and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions, or matters of opinion, or as to the likelihood that they will be realized. Any information and expressions of opinion herein contained are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof. However, the District has agreed to keep this Official Statement current by amendment or sticker to reflect material changes in the affairs of the District and, to the extent that information actually comes to its attention, the other matters described in this Official Statement until delivery of the Bonds to the Underwriter (hereinafter defined). See "SOURCES OF INFORMATION - Updating of Official Statement".

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of this Official Statement for any purpose.

## SALE AND DISTRIBUTION OF THE BONDS

### Award of the Bonds

After requesting competitive bids for the Bonds, the District has accepted the bid producing the lowest net interest cost to the District, which was tendered by ___________________ (the "Underwriter"), to purchase the Bonds bearing the rates shown on the cover page of this Official Statement at a price of ________% of par plus accrued interest to the date of delivery, which resulted in a net effective interest rate of ________%, as calculated pursuant to Chapter 1204 of the Texas Government Code, as amended.

The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into unit investment trusts) and others at prices lower than the public offering price stated on the cover page hereof. The initial offering price may be changed from time to time by the Underwriter.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

### Prices and Marketability

The delivery of the Bonds is conditioned upon the receipt by the District of a certificate executed and delivered by the Underwriter on or before the date of delivery of the Bonds stating the prices at which a substantial number of the Bonds of each maturity have been sold to the public. For this purpose, the term "public" shall not include any person who is a bond house, broker, or similar person acting in the capacity of underwriter or wholesaler. Otherwise, the District has no understanding with the Underwriters regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds after their initial sale by the District. Information concerning reoffering yields or prices is the responsibility of the Underwriter.

THE PRICES AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER AFTER THE BONDS ARE RELEASED FOR SALE, AND THE BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE BONDS INTO INVESTMENT ACCOUNTS. IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS

THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

The District has no control over the trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked price of the bonds may be greater than the difference between the bids and asked prices of bonds of comparable maturity and quality issued by more traditional municipal entities as bonds of such entities are more generally bought, sold or traded in the secondary market.

**Securities Laws**

No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission ("SEC") under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdiction.

## CONTINUING DISCLOSURE OF INFORMATION - SEC RULE 15c2-12

In the order adopted by the Board of Directors authorizing the issuance of the Bonds (the "Bond Order"), the District has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the Bond Order, the District is obligated to provide certain updated financial information and operating data annually and timely notice of specified events to the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has established the Electronic Municipal Market Access ("EMMA") system.

**Annual Reports**

The information to be updated with respect to the District includes the quantitative financial information and operating data of the District of the general type included in "DISTRICT DEBT" (except for "Estimated Overlapping Debt"), "TAX DATA," (except for "Estimated for Overlapping Taxes"), and "APPENDIX A" (Auditor's Report and Financial Statements of the District) of this Official Statement. The District will update and provide this information within six months after the end of each of its fiscal years ending in or after 2026. The District will provide the updated information to MSRB via EMMA or any of the MSRB's successor to its functions as a repository through its EMMA system.

The District may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12 (the "Rule"). The updated information will include audited financial statements if it commissions an audit and the audit is completed by the required time. If the audit of such financial statements is not complete within such period, the District shall provide unaudited financial statements for the applicable fiscal year to EMMA within such six-month period, and audited financial statements when the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in the Bond Order or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation.

The District's current fiscal year end is September 30. Accordingly, it must provide updated information by March 31 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify MSRB via EMMA of the change.

**Event Notices**

The District will provide timely notices of certain events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds; (7) modifications to rights of beneficial owners of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership, or similar event of the District or other obligated person; (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person or the sale of all or substantially all of the assets of the District or other obligated person within the meaning of the Rule, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the District or other obligated person, if material, or agreements to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or other obligated person, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District or other obligated person, any of which reflect financial difficulties. The terms "obligated person" and financial obligation" when used in this paragraph shall have the meanings ascribed to them under the Rule. The term "material" when used in this paragraph shall have the meaning ascribed to it under federal securities laws. Neither the Bonds nor the Bond Order makes any provision for debt service reserves, liquidity enhancement, the pledge of property (other than ad valorem tax revenues) to secure payment of the Bonds, or appointment of a trustee. In addition, the District will provide timely notice of any failure by the District to provide information, data, or financial statements in accordance with its agreement described above under "Annual Reports."

**Availability of Information**

The District has agreed to provide the foregoing updated information only to the MSRB via EMMA. Investors will be able to access, without charge from the MSRB, continuing disclosure information filed with the MSRB at www.emma.msrb.org.

**Limitations and Amendments**

The District has agreed to update information and to provide notices of material events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement although holders and beneficial owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or operations of the District, if but only if, the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering described herein in compliance with the Rule, taking into account any amendments and interpretations of the Rule to the date of such amendment, as well as changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Bonds consent or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the beneficial owners of the Bonds. The District may also amend or repeal the agreement if the SEC amends or repeals the applicable provisions of such rule or a court of final jurisdiction determines that such provisions are invalid but, in either case, only to the extent that its right to do so would not prevent the Underwriter from lawfully purchasing the Bonds in the offering described herein. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

**Compliance with Prior Undertakings**

The District currently has no prior outstanding bonds or continuing disclosure agreements; during the last five years, in all material respects, the District has complied with the covenants made as a part of its prior continuing disclosure agreements pursuant to SEC Rule 15c2-12.

## MUNICIPAL BOND RATING

Moody's Investors Service ("Moody's") has assigned a rating of "Aa2" on the Bonds based upon the District's underlying credit without bond insurance. An explanation of the significance of such rating may be obtained from Moody's. The rating reflects only the view of Moody's and the District makes no representation as to the appropriateness of such rating. The District can make no assurance that the Moody's rating will continue for any period of time or that such rating will not be revised downward or withdrawn entirely by Moody's if in the judgment of Moody's circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

## BOND INSURANCE

The District has applied to Assured Guaranty Inc. ("AG") and Build America Mutual Assurance Company ("BAM") for qualification of the Bonds for bond insurance. The Underwriter (as defined herein) may bid for the Bonds with or without bond insurance. If the Underwriter bids for the Bonds with bond insurance, the cost of the bond insurance premium must be paid for by the Underwriter. The District will pay for the cost of the Moody's rating. The Underwriter must pay for the cost of any rating other than the Moody's rating. If the Underwriter purchases the Bonds with bond insurance and, subsequent to the sale date and prior to the closing date, the bond insurer's credit rating is downgraded the Underwriter is still obligated to accept delivery of the Bonds. Information relative to the cost of the insurance premium will be available from AG or BAM on the day of the sale.

## OFFICIAL STATEMENT SUMMARY

The following information is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. The reader should refer particularly to sections that are indicated for more complete information.

### THE BONDS

**Description:** The $5,810,000 Williamson-Travis Counties Municipal Utility District No. 1 (the "District") Unlimited Tax and Revenue Bonds, Series 2026 (the "Bonds") are dated September 1, 2026, and issued pursuant to Article XVI, Section 59 of the Texas Constitution, the general laws of the State of Texas, including Chapters 49 and 54, Texas Water Code, as amended, an approving order of the Texas Commission on Environmental Quality (the "TCEQ"), an election held within the District, and an order (the "Bond Order") of the Board of Directors of the District. The Bonds mature on April 1 in the years and in the principal amounts set forth on the cover page of this Official Statement. Interest on the Bonds is payable on April 1, 2027, and each October 1 and April 1 thereafter until maturity or prior redemption. See "THE BONDS."

**Book-Entry-Only System:** The Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM."

**Redemption Provisions:** Bonds maturing on or after April 1, 2032, are subject to early redemption, in whole or from time to time in part, on April 1, 2031, or on any date thereafter at the option of the District at a price of par plus accrued interest to the date of redemption. See "THE BONDS – Optional Redemption."

**Authorized but Unissued Bonds:** After the sale of the Bonds, the District will have $3,671 remaining authorized but unissued unlimited tax and revenue bonds that may be issued in the future for the purpose of providing waterworks, sanitary sewer, and drainage facilities to the land within the District or refunding bonds previously sold by the District. See "THE BONDS – Issuance of Additional Debt."

**Source of Payment:** The Bonds, when issued, will constitute valid and binding obligations of the District and will be payable from the proceeds of a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District and will be further payable from and secured by a pledge of and a lien on certain net revenues, if any, from the District's waterworks and sanitary sewer system. See "TAX PROCEDURES." With respect to payment from taxes, the Bonds are further payable equally and ratably with any bonds to be issued in the future by the District. See "THE BONDS – Sources of and Security for Payment." The Bonds are obligations of the District and are not obligations of the State of Texas, Williamson County, Texas, Travis County, Texas, the City of Cedar Park, Texas, or any other political subdivision or agency.

**Use of Proceeds:** The proceeds from the sale of the Bonds will be used by the District to: (1) fund certain improvements to the District's water system service lines and sanitary sewer system, (2) purchase and install smart water meters, (3) fund associated engineering costs; and (4) pay twelve months of capitalized interest, administrative costs and issuance expenses associated with the sale and delivery of the Bonds. See "USE OF BOND PROCEEDS."

**Qualified Tax Exempt Obligations:** The District will designate the Bonds as "qualified tax-exempt obligations" for financial institutions. See "TAX MATTERS – Qualified Tax-Exempt Obligations."

**Municipal Bond Rating:** In connection with the sale of the Bonds, the District has made application to Moody's which assigned the underlying rating of "Aa2" on the Bonds based upon the District's underlying credit without bond insurance. An explanation of the significance of such rating may be obtained from Moody's. The rating reflects only the view of Moody's and the District makes no representation as to the appropriateness of such rating. See "MUNICIPAL BOND RATING."

**Bond Insurance:** The District has applied to Assured Guaranty Inc. ("AG") and Build America Mutual Assurance Company ("BAM") for qualification of the Bonds for bond insurance. The Underwriter (defined herein) may bid for the Bonds with or without bond insurance. If the Underwriter bids for the Bonds with bond insurance, the cost of the bond insurance premium must be paid for by the Underwriter. Information relative to the cost of the insurance premium will be available from the bond insurance companies on the day of the sale. See "BOND INSURANCE."

**Payment Record:** The District has never defaulted on the timely payment of its bonds or other obligations.

**Legal Opinions:** Coats Rose, P.C., Austin, Texas, Bond Counsel. See “LEGAL MATTERS” and “TAX MATTERS.”

**Paying Agent/Registrar:** BOKF, N.A., Dallas, Texas. See “THE BONDS – Paying/Agent Registrar.”

**Investment Considerations:** The Bonds are subject to certain risk factors as set forth in this Official Statement. Prospective purchasers should carefully examine this Official Statement with respect to the investment security of the Bonds, particularly the section captioned "INVESTMENT CONSIDERATIONS."

**THE DISTRICT**

**Description:** The District was created by an order of the Texas Water Commission, predecessor agency to the Texas Commission on Environmental Quality (“TCEQ”), on May 22, 1985, and operates pursuant to the laws of the State of Texas, including the Constitution of the State and Chapters 49 and 54 of the Texas Water Code, as amended. The District is located entirely within Williamson and Travis Counties, approximately 10 miles northwest of the central business district of Austin, Texas. The District is located within the extraterritorial jurisdiction of the City of Cedar Park, Texas except for a small part of the District which has been annexed by the City of Cedar Park, Texas. At creation, the District originally contained approximately 547 acres. Since creation, tracts of land totaling approximately 16 acres have been annexed by the District, increasing the total District area to approximately 563 acres. See “THE DISTRICT – Description.”

**Development of the District:** The District is substantially built out and was developed for single-family residential and commercial purposes. As of July 1, 2026, the District included 523 developed and improved acres, 0 developable acres that remain to be developed, and 40 undevelopable acres, which include drainage easements, district plant sites, community association sites, and other undevelopable acres. See “THE DISTRICT – Status of Land Development/Land Uses in the District.” As of July 1, 2026, the approximate status of development in the District includes 1,918 single-family residential homes, 0 homes under construction, and 0 vacant developed lots. Included in the approximately 523 developed and improved acres is approximately 32 acres of commercial building development. See “THE DISTRICT – Status of Land Development/Land Uses in the District.”

**The System:** The District receives wholesale water service from the City of Cedar Park, Texas. The retail water supplier for Cedar Park, TX is the Lower Colorado River Authority (“LCRA”). The District receives wastewater service from Cedar Park, Texas. According to the District’s engineer, the District has adequate water supply and wastewater treatment capacity to serve the District’s single-family and commercial connections. The District drains into Cypress Creek and further into Lake Travis. The District also drains into Buttercup Creek, which flows to South Brushy Creek Segment 1244D and ultimately to impaired Brushy Creek 1244. According to the District’s engineer, the Flood Insurance Rate Map ("FIRM") currently in effect published by the Federal Emergency Management Agency, which covers the land located in the District, indicates that all of the land within the District is located outside the 100-year flood plain. See “THE SYSTEM.”

## SELECTED FINANCIAL INFORMATION
(Unaudited)

| | | |
|---|---|---|
| 2026 Certified Taxable Value | $889,866,032 | (a) |
| 2025 Certified Taxable Value | $940,738,584 | (b) |
| | | |
| Direct Debt | | |
| The Bonds | $5,810,000 | |
| Total Direct Debt | $5,810,000 | |
| See “DISTRICT DEBT” | | |
| | | |
| Estimated Overlapping Debt | $40,130,772 | (c) |
| Direct and Estimated Overlapping Debt | $45,940,772 | |
| | | |
| Percentage of Direct Debt to: | | |
| 2026 Certified Taxable Value | 0.65% | |
| 2025 Certified Taxable Value | 0.62% | |
| | | |
| See “DISTRICT DEBT” | | |
| | | |
| Percentage of Direct and Estimated Overlapping Debt to: | | |
| 2026 Certified Taxable Value | 5.12% | |
| 2025 Certified Taxable Value | 4.88% | |
| | | |
| See “DISTRICT DEBT” | | |
| | | |
| 2025 Tax Rate Per $100 of Assessed Value: | | |
| Maintenance Tax | $0.27340 | |
| Total 2025 Tax Rate | $0.27340 | |
| | | |
| General Fund Cash and Investment Balance as of July 15, 2026 | $3,906,371 | (d) |
| Pro-Form Debt Service Fund Cash and Investment Balance as of delivery of the Bonds | $290,500 | (e) |

(a) Reflects the Certified Taxable Value as of January 1, 2026, according to data supplied by the Williamson Central Appraisal District and Travis Central Appraisal District (the “Appraisal Districts”). This value includes $2,204,605, which represents the amount of uncertified value which is still under protest by the Appraisal Review Board. The District is authorized by law to levy taxes only against certified values. See "DISTRICT TAX DATA."

(b) Reflects the Certified Taxable Valuation as of January 1, 2025, according to data supplied by the Appraisal Districts. See “TAX DATA – Analysis of Tax Base” and “TAX PROCEDURES.”

(c) See “DISTRICT DEBT – Estimated Overlapping Debt.”

(d) Unaudited figure per the District’s records. See “THE SYSTEM – Operating History.”

(e) Unaudited figure per the District’s records. Neither Texas law nor the District’s Bond Order requires that the District maintain any particular balance in the Debt Service Fund. See “TAX DATA – Tax Rate Calculations.”

## DEBT SERVICE REQUIREMENTS

The following sets forth the estimated debt service requirements for the District's Bonds at an estimated interest rate of 4.50%. This schedule does not reflect that twelve (12) months of capitalized interest will be funded from Bond proceeds.

| | Plus: The Bonds | | Total |
|---|---|---|---|
| **Year** | **Principal** | **Interest*** | **Debt Service*** |
| 2027 | - | $283,238 | $283,238 |
| 2028 | $130,000 | $258,525 | $388,525 |
| 2029 | $135,000 | $252,563 | $387,563 |
| 2030 | $140,000 | $246,375 | $386,375 |
| 2031 | $145,000 | $239,963 | $384,963 |
| 2032 | $155,000 | $233,213 | $388,213 |
| 2033 | $160,000 | $226,125 | $386,125 |
| 2034 | $170,000 | $218,700 | $388,700 |
| 2035 | $175,000 | $210,938 | $385,938 |
| 2036 | $185,000 | $202,838 | $387,838 |
| 2037 | $195,000 | $194,288 | $389,288 |
| 2038 | $200,000 | $185,400 | $385,400 |
| 2039 | $210,000 | $176,175 | $386,175 |
| 2040 | $220,000 | $166,500 | $386,500 |
| 2041 | $230,000 | $156,375 | $386,375 |
| 2042 | $240,000 | $145,800 | $385,800 |
| 2043 | $255,000 | $134,663 | $389,663 |
| 2044 | $265,000 | $122,963 | $387,963 |
| 2045 | $275,000 | $110,813 | $385,813 |
| 2046 | $290,000 | $98,100 | $388,100 |
| 2047 | $305,000 | $84,713 | $389,713 |
| 2048 | $315,000 | $70,763 | $385,763 |
| 2049 | $330,000 | $56,250 | $386,250 |
| 2050 | $345,000 | $41,063 | $386,063 |
| 2051 | $360,000 | $25,200 | $385,200 |
| 2052 | $380,000 | $8,550 | $388,550 |
| **TOTALS** | **$5,810,000** | **$4,150,088** | **$9,960,088** |

Maximum Annual Debt Service Requirements (2047) .......... $389,713*

$0.047 Tax Rate on the 2026 Certified Taxable Value at 95% collections produces .......... $399,861*

$0.044 Tax Rate on the 2025 Certified Taxable Value at 95% collections produces .......... $393,229*

*Preliminary, subject to change.

**OFFICIAL STATEMENT**

**relating to**

**$5,810,000**

**WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1**
***(A political subdivision of the State of Texas, located within Williamson and Travis Counties, Texas)***

**UNLIMITED TAX AND REVENUE BONDS**
**SERIES 2026**

## INTRODUCTION

This Official Statement provides certain information in connection with the issuance of the $5,810,000 Williamson-Travis Counties Municipal Utility District No. 1 Unlimited Tax and Revenue Bonds, Series 2026 (the "Bonds").

The Bonds are issued pursuant to an order (the "Bond Order") adopted by the Board of Directors of Williamson-Travis Counties Municipal Utility District No. 1 (the "District"), Article XVI, Section 59 of the Texas Constitution; the general laws of the State of Texas related to the political jurisdictions, including Chapters 49 and 54 of the Texas Water Code, as amended, an approving order of the Texas Commission on Environmental Quality (the "TCEQ"), and an election held within the District.

This Official Statement includes descriptions of the Bonds, Use of Bond Proceeds, the Bond Order, and certain information about the District's status of development and the District's financial condition. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained by requesting such in writing to the Bond Counsel and providing for payment of reproduction costs.

## INVESTMENT CONSIDERATIONS

### General

The Bonds are obligations of the District and are not obligations of the State of Texas, Williamson County, Texas and Travis County, Texas, the City of Cedar Park, Texas (the "City"), or any other political subdivision. The Bonds are payable from a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property within the District and will be further payable from and secured by a pledge of and a lien on certain net revenues, if any, from the District's waterworks and sanitary sewer system. See "THE BONDS – Sources of and Security for Payment."

The security for payment of the Bonds depends on the District's ability to collect taxes levied against all taxable property within the District in an amount sufficient to pay debt service on the Bonds when due. The District makes no representation that over the term of the Bonds taxable property within the District will maintain values sufficient to justify continued payment of taxes by property owners or that there will be a market for the property if the District forecloses on property subject to the District's tax lien. Further, the collection of delinquent taxes due the District and the enforcement by a bondholder of the District's obligation to collect sufficient taxes may be costly and lengthy processes. See "Tax Collections" and "Registered Owners' Remedies" herein and "THE BONDS – Sources of and Security for Payment."

### Dependence on Future Development and Potential Impact on District Tax Rates

Assuming no further residential building development or commercial development within the District, other than that which has been constructed, the value of such land and improvements currently located and under construction within the District could be a major determinant of the ability of the District to collect, and the willingness of property owners to pay ad valorem taxes levied by the District. After the issuance of the Bonds, the maximum annual debt service requirement on the Bonds and the outstanding bonds will be $389,713 (2047). The District's January 1, 2026, Certified Taxable Value is $889,866,032 and the January 1, 2025, Certified Taxable Value is $940,738,584. Assuming no increase or decrease from the January 1, 2026, Certified Taxable Value and no use of other District funds, a tax rate of $0.047 per $100 of Assessed Valuation at 95% collection rate would be necessary to pay the Maximum Annual Debt Service Requirements. Assuming no increase or decrease from the January 1, 2025, Certified Taxable Value and no use of other District funds, a tax rate of $0.044 per $100 of Assessed Valuation at 95% collection rate would be necessary to pay the Maximum Annual Debt Service Requirements. See "DISTRICT TAX DATA – Tax Adequacy of Tax Revenue."

### Marketability

The District has no understanding (other than the initial reoffering yields) with the Underwriter (defined herein) regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the spread between the bid and asked price of more traditional issuers as such bonds are generally bought, sold, or traded in the secondary market.

**Tax Collections**

The District's ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the ad valorem tax levy constitutes a lien on the property against which taxes are levied in favor of the District. Such lien is on a parity with the liens of all other state and local taxing authorities on such property and may be enforced by foreclosure. However, ad valorem tax collection through foreclosure may be impaired by (a) cumbersome, time-consuming, and expensive collection procedures, (b) a bankruptcy court's stay of tax collection procedures, (c) market conditions affecting the marketability of taxable property within the District at foreclosure sale of such property, (d) adverse effects on marketability from a taxpayer's limited right to redeem its foreclosed property, (e) sale or transfer of personal property to bona fide purchasers, or (f) insufficient foreclosure proceeds to satisfy the tax liens of all state and local taxing authorities with parity liens on the property.

The District's lien on taxable property can be foreclosed only in a judicial proceeding. Attorneys' fees and other costs of collecting delinquent taxes could substantially reduce the net proceeds to the District from a tax foreclosure sale. Finally, if proceedings are initiated by or against a District taxpayer pursuant to the Federal Bankruptcy Code, a bankruptcy court with jurisdiction over such bankruptcy could stay the District's collection of delinquent ad valorem taxes assessed against such taxpayer.

**Registered Owners' Remedies**

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Order, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Order, the Registered Owners have the right to seek a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Order. Except for mandamus, the Bond Order does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages. Even if such sovereign immunity were waived and a judgment against the District for money damages were obtained, the judgment could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District.

**Bankruptcy Limitation to Registered Owners' Rights**

The enforceability of the rights and remedies of the Registered Owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Specifically, the District may voluntarily file a petition for protection from creditors under the federal bankruptcy laws. During the pendency of the bankruptcy proceedings, the remedy of mandamus would not be available to the Registered Owners unless authorized by a federal bankruptcy judge.

Subject to the requirements of Texas law, the District may voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. Section 901-946, if the District: (a) is generally authorized to file for federal bankruptcy protection by the State law; (b) is insolvent or unable to meet its debts as they mature; (c) desires to effect a plan to adjust such debts; and (d) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Under Texas law, the District must obtain the approval of the TCEQ prior to filing bankruptcy. Such law requires that the TCEQ investigate the financial condition of the District and authorize the District to proceed only if the District has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

Notwithstanding noncompliance by a district with Texas law requirements, a district could file a voluntary bankruptcy petition under Chapter 9, thereby invoking the protection of the automatic stay until the bankruptcy court, after a hearing, dismisses the petition. A federal bankruptcy court is a court of equity and federal bankruptcy judges have considerable discretion in the conduct of bankruptcy proceedings and in making the decision of whether to grant the petitioning district relief from its creditors. While such a decision might be appealable, the concomitant delay and loss of remedies to the Registered Owners could potentially and adversely impair the value of the Registered Owners' claim.

If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the Federal Bankruptcy Code, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect Registered Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Registered Owners' claims against the District.

A district cannot be placed into bankruptcy involuntarily.

**Approval of the Bonds**

As required by law, the Attorney General of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General of Texas does not pass upon or guarantee the safety of the Bonds as an investment or the adequacy or accuracy of the information contained in this Official Statement.

**Drought Conditions**

The Austin area, including the area in and around the District in Williamson County and Travis County, like other areas of the State, is susceptible to drought conditions. The City of Cedar Park, Texas provides water to the District in amounts sufficient to service the residents of the District. However, if drought conditions occur, water usage and rates could be impacted. See “THE SYSTEM.”

**Use of Net System Revenues**

As stated elsewhere in this Official Statement, the Bonds are payable from a continuing direct annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District. In addition, the Bonds are secured by a pledge of and a lien on certain net revenues, if any, from the District’s waterworks and sanitary sewer system. The District does not anticipate using the net revenues of the District’s waterworks and sewer system to provide for annual debt service requirements, nor does the District presently anticipate the need of such net revenues in order to pay, when due, the debt service requirements on the Bonds. See “THE BONDS – Sources of and Security for Payment.”

**Landowners Under No Obligation to the District**

No landowner within the District has any commitments or obligations to proceed at any particular rate or according to any specified plan with the development of land or the construction of homes in the District. Currently, there is no restriction on any landowner’s right to sell its land. Failure to construct taxable improvements on developed lots would restrict the rate of growth of taxable value in the District. The District is also dependent upon certain principal taxpayers for the timely payment of ad valorem taxes, and the District cannot predict what effect future financial conditions may have on the ability of such principal taxpayers to pay property taxes. See "TAX DATA – Principal Taxpayers."

**Future Debt**

At an election held within the District on June 18, 1985, the District’s voters authorized the issuance of $25,751,525 waterworks and sewer system combination unlimited tax and revenue bonds for the purpose of constructing waterworks system, sanitary sewer system and drainage and storm sewer system facilities to serve the District, or refunding outstanding bonds of the District. After issuance of the Bonds, the District will have $3,671 authorized but unissued waterworks and sewer system combination unlimited tax and revenue bonds remaining. The District has reserved in the Bond Order the right to issue the remaining authorized but unissued waterworks and sewer system combination unlimited tax and revenue bonds which have heretofore been authorized by the voters of the District subject to the approval of the Attorney General of the State of Texas, and the Texas Commission on Environmental Quality (“TCEQ”) where applicable. According to the Engineer, such bond authorization should be adequate to finance the District’s share of development costs to allow for the development of all of the land within the District.

The District has also reserved the right to issue certain other additional bonds, special project bonds, and other obligations described in the Bond Order. All of the remaining bonds described above which have heretofore been authorized by the voters of the District may be issued by the District from time to time as needed. If additional bonds are issued in the future and property values have not increased proportionately, such issuance might increase gross debt/property valuation ratios and thereby adversely affect the investment quality or security of the Bonds. See "THE BONDS – Issuance of Additional Debt."

**Changes in Tax Legislation**

Certain tax legislation, if enacted whether currently proposed or proposed in the future, may directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, may also affect the value and liquidity of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed, pending, or future legislation.

**Continuing Compliance with Certain Covenants**

Failure of the District to comply with certain covenants contained in the Bond Order on a continuing basis prior to the maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

**Environmental Regulations**

Wastewater treatment, water supply, storm sewer facilities and construction activities within the District are subject to complex environmental laws and regulations at the federal, state and local levels that may require or prohibit certain activities that affect the environment, such as:

- Requiring permits for construction and operation of water wells, wastewater treatment and other facilities;
- Restricting the manner in which wastes are treated and released into the air, water and soils;
- Restricting or regulating the use of wetlands or other properties; or
- Requiring remedial action to prevent or mitigate pollution.

Sanctions against a municipal utility district or other type of special purpose district for failure to comply with environmental laws and regulations may include a variety of civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions to ensure future compliance. Environmental laws and compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Environmental laws can also inhibit growth and development within the District. Further, changes in regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

***Air Quality Issues.*** Air quality control measures required by the United States Environmental Protection Agency (the "EPA") and the TCEQ may impact new industrial, commercial and residential development in the Austin area. Under the Clean Air Act ("CAA") Amendments of 1990, the five-county Austin area ("Austin Area")—Travis, Hays, Williamson, Bastrop, and Caldwell Counties—has been designated an attainment/unclassifiable area under two separate federal ozone standards: the eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 ("the 2008 Ozone Standard"), and the EPA's most-recent promulgation of an even lower, 70 ppb eight-hour ozone standard in 2015 ("the 2015 Ozone Standard").

Although the Austin Area is currently in attainment, the Austin Area has been and continues to be near the non-attainment thresholds for ozone. Accordingly, it is possible that the Austin Area could be re-classified as a nonattainment area should ozone levels increase. A designation of nonattainment for ozone or any other pollutant could negatively impact business due to the additional permitting/regulatory constraints that accompany this designation and because of the community stigma associated with a nonattainment designation. In the past, the Austin Area has entered into agreements with the TCEQ to undertake voluntary actions to help avoid a nonattainment designation. Since 2004, the Austin Area has been party to a curtailment agreement with the TCEQ, and the Austin Area is currently part of an EPA Ozone Advance Program.

In order to comply with the EPA's ozone standards, the TCEQ has established a state implementation plan ("SIP") setting emission control requirements, some of which regulate the inspection and use of automobiles. These types of measures could impact how people travel, what distances people are willing to travel, where people choose to live and work, and what jobs are available in the Austin Area. It is possible that additional controls will be necessary to allow the Austin Area to maintain attainment with the ozone standards. Such additional controls could have a negative impact on the Austin Area's economic growth and development.

***Water Supply & Discharge Issues.*** Water supply and discharge regulations that municipal utility districts, including the District, may be required to comply with involve: (1) groundwater well permitting and surface water appropriation; (2) public water supply systems; (3) wastewater discharges from treatment facilities; (4) storm water discharges; and (5) wetlands dredge and fill activities. Each of these is addressed below:

Certain governmental entities regulate groundwater usage in the Austin Area. A municipal utility district or other type of special purpose district that (i) is located within the boundaries of such an entity that regulates groundwater usage, and (ii) relies on local groundwater as a source of water supply, may be subject to requirements and restrictions on the drilling of water wells and/or the production of groundwater that could affect both the engineering and economic feasibility of district water supply projects.

Pursuant to the federal Safe Drinking Water Act ("SDWA") and the EPA's National Primary Drinking Water Regulations ("NPDWRs"), which are implemented by the TCEQ's Water Supply Division, a municipal utility district's provision of water for human consumption is subject to extensive regulation as a public water system. Municipal utility districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency's rules. The EPA has established NPDWRs for more than ninety (90) contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future. Further, the EPA has established a NPDWR for six (6) Per- and Polyfluoroalkyl Substances ("PFAS"), which requires public water systems to perform certain monitoring and remediation measures. Public water systems may be subject to additional PFAS regulation in the future, which could increase the cost of constructing, operating, and maintaining water production and distribution facilities.

Texas Pollutant Discharge Elimination System ("TPDES") permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000) ("CGP"), with an effective date of March 5, 2023, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain non-stormwater discharges into surface water in the state. The CGP has a 5-year permit term, and is then subject to renewal. Moreover, the Clean Water Act ("CWA") and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district's ability to obtain and maintain compliance with TPDES permits.

In addition to the foregoing, special district activities in the Austin Area involving the clearing of acreage and construction within the Edwards Aquifer recharge, transition, and contributing zones are subject to the TCEQ's Edwards Aquifer Protection Program, which requires a site-specific application, construction plan approval, and the implementation of temporary and permanent structural and non-structural Best Management Practices and the protection of sensitive features.

Operations of utility districts, including the District, are also potentially subject to requirements and restrictions under the CWA regarding the use and alteration of wetland areas that are within the "waters of the United States." The District must obtain a permit from the United States Army Corps of Engineers ("USACE") if operations of the District require that wetlands be filled, dredged, or otherwise altered.

In 2023, the Supreme Court of the United States issued its decision in *Sackett v. EPA*, which clarified the definition of "waters of the United States" and significantly restricted the reach of federal jurisdiction under the CWA. Under the *Sackett* decision, "waters of the United States" includes only geographical features that are described in ordinary parlance as "streams, oceans, rivers, and lakes" and to adjacent wetlands that are indistinguishable from such bodies of water due to a continuous surface connection. Subsequently, the EPA and USACE issued a final rule amending the definition of "waters of the United States" under the CWA to conform with the Supreme Court's decision.

While the *Sackett* decision and subsequent regulatory action removed a great deal of uncertainty regarding the ultimate scope of "waters of the United States" and the extent of EPA and USACE jurisdiction, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements, in the future.

**Bond Insurance Investment Considerations**

*The District has applied for a bond insurance policy to guarantee the scheduled payment of principal and interest on the Bonds. If such policy is issued, investors should be aware of the following risk factors:*

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the applicable bond insurance policy (the "Policy") for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Bonds by an issuer which is recovered by the issuer from the bond owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the policy insurer (the "Bond Insurer") at such time and in such amounts as would have been due absent such prepayment by the District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies and the Bond Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See description of "BOND INSURANCE" herein.

The obligations of the Bond Insurer are contractual obligations and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the District nor the Underwriters have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Issuer to pay principal and interest on the Bonds and the claims paying ability of the Bond Insurer, particularly over the life of the investment. See

"BOND INSURANCE" herein for further information provided by the Bond Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Bond Insurer.

**Storm Water**

In 2018, the National Weather Service completed a rainfall study known as NOAA Atlas 14, Volume 11 Participation-Frequency Atlas of the United States ("Atlas 14"). Flood plain boundaries within the District may be redrawn based on the Atlas 14 study based on higher statistical rainfall amount, resulting in interim flood plain regulations applying to a larger number of properties within the District. Such regulations could additionally result in higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the flood plain. See "THE SYSTEM – 100-Year Flood Plain."

**Temporary Tax Exemption for Property Damaged by Disaster**

The Tax Code (hereinafter defined) provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% physically damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Tax Code, the Appraisal Districts is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised.

**Cybersecurity**

The District's consultants use digital technologies to collect taxes, hold funds and process disbursements. These systems necessarily hold sensitive protected information that is valued on the black market. As a result, the electronic systems and networks of organizations like the District's consultants are considered targets for cyber-attacks and other potential breaches of their systems. To the extent the District is determined to be the party responsible for various electronic systems or suffers a loss of funds due to a security breach, there could be a material adverse effect on the District's finances. Insurance to protect against such breaches is limited.

## USE OF BOND PROCEEDS

The proceeds from the sale of the Bonds will be used by the District to: (1) fund certain improvements to the District's water system service lines and sanitary sewer system, (2) purchase and install smart water meters, (3) fund associated engineering costs; and (4) pay twelve months of capitalized interest, administrative costs and issuance expenses associated with the sale and delivery of the Bonds. The District's present estimate of the use of proceeds of the Bonds is as follows:

| | | |
|---|---|---|
| **CONSTRUCTION COSTS (a)** | | **TOTAL AMOUNT** |
| **Developer Contribution Items - None** | **$** | **-** |
| **District Items** | | |
| A. Smart Water Meter Purchase & Installation | $ | 932,619 |
| B. Dagama & Sun Chase Lift Station Rehabilitation | | 634,300 |
| C. Sanitary Sewer System Rehabilitation | | 948,986 |
| D. Water System Service Line Inspection | | 77,725 |
| E. Water System Line Replacement | | 1,560,675 |
| F. Contingencies (Items A-E)) | | 415,431 |
| G. Engineering Fees (Items C-E) | | 418,930 |
| **Total District Items** | **$** | **4,988,666** |
| **TOTAL CONSTRUCTION COSTS** | **$** | **4,988,666** |
| **NON-CONSTRUCTION COSTS** | | |
| A. Legal Fees | $ | 140,000 |
| B. Fiscal Agent Fees | | 116,200 |
| C. Capitalized Interest (12 months @ 5.00%) | | 290,500 |
| D. Bond Discount (3%) | | 174,300 |
| E. Bond Issuance Expenses | | 29,999 |
| F. Bond Application Report Costs | | 50,000 |
| G. Attorney General Fee (0.10% or $9,500) | | 5,810 |
| H. TCEQ Bond Issuance Fee (0.25%) | | 14,525 |
| I. Contingency (b) | | - |
| **TOTAL NON-CONSTRUCTION COSTS** | **$** | **821,334** |
| **TOTAL BOND ISSUE REQUIREMENT** | **$** | **5,810,000** |

(a) TCEQ rules require, with certain exceptions, that developers contribute to the District's construction program a minimum of 30% of the construction costs of certain system facilities; none of the facilities being financed with proceeds of the Bonds were subject to such rules.

(b) The TCEQ Order requires the District to designate any surplus bond proceeds resulting from the sale of the bonds at a lower interest rate than the rate initially projected in the District's Bond Application to the TCEQ as a contingency line item in the Official Statement.

## THE DISTRICT

### Authority

The District is a municipal utility district created by the Texas Water Commission, predecessor to the Texas Commission on Environmental Quality ("TCEQ"), on May 22, 1985, and confirmed at an election held within the District on June 18, 1985. The rights, powers, privileges, authority, and functions of the District are established by the general laws of the State of Texas pertaining to municipal utility districts, including particularly Chapters 49 and 54, Texas Water Code, as amended. The District is subject to the continuing supervision of the TCEQ. The District is empowered to purchase, construct, operate, and maintain all works, improvements, facilities, and plants necessary for the supply of water; the collection, transportation, and treatment of wastewater; and the control and diversion of storm water.

The District receives fire protection services from the City of Cedar Park under the Amended Fire Protection Agreement effective December 21, 2005, whereas the District's customers pay a fire protection rate in exchange for fire protection services from the City of Cedar Park. The 2026 Fire Protection Rate is $35.35.

**Description**

The District was created by an order of the Texas Water Commission, predecessor agency to the Texas Commission on Environmental Quality ("TCEQ"), on May 22, 1985, and operates pursuant to the laws of the State of Texas, including the Constitution of the State under Chapters 49 and 54 of the Texas Water Code, as amended. The District is located entirely within Williamson and Travis Counties, approximately 10 miles northwest of the central business district of Austin, Texas. The District is located within the extraterritorial jurisdiction of the City of Cedar Park, Texas except for a small part of the District which has been annexed by the City of Cedar Park, Texas. At creation, the District originally contained approximately 547 acres. Since creation, tracts of land totaling approximately 16 acres have been annexed by the District, increasing the total District area to approximately 563 acres.

**Status of Land Development/Land Uses in the District**

A summary of the approximate land use in the District as of July 1, 2026, appears in the following table:

| Type of Land Use | Approximate Acres |
|---|---|
| Developed and Improved Acres | 523 |
| Acres Remaining to be Developed | 0 |
| Drainage Easements | 31 |
| District Plant Sites | 0 |
| Community Association Site(s) and Other Undevelopable Acres | 9 |
| **Total Approximate Acres** | **563** |

**Status of Single-Family Development in the District**

The approximate tabulation of the single-family residences and vacant developed lots within the District as of July 1, 2026, is as follows:

| Subdivision and Section | Completed Homes | Homes Under Construction | Developed Vacant Lots (a) | Total Lots |
|---|---|---|---|---|
| Anderson Mill West | | | | |
| Section 1 | 229 | - | - | 229 |
| Section 2 | 92 | - | - | 92 |
| Section 3 | 165 | - | - | 165 |
| Section 4 & 4A | 49 | - | - | 49 |
| Section 5 | 145 | - | - | 145 |
| Section 6 & 6A | 200 | - | - | 200 |
| Section 9 & 9A | 4 | - | - | 4 |
| Section 10, 10A & 10B | 12 | - | - | 12 |
| Section 14 | 51 | - | - | 51 |
| Section 15 | 52 | - | - | 52 |
| Section 16 | 53 | - | - | 53 |
| Section 17 | 86 | - | - | 86 |
| Section 18 | 44 | - | - | 44 |
| Section 19 | 124 | - | - | 124 |
| Section 21 | 52 | - | - | 52 |
| Lakeline Oaks | | | - | |
| Section 1 | 93 | - | - | 93 |
| Section 2 | 115 | - | - | 115 |
| Section 3 | 75 | - | - | 75 |
| Section 5 | 117 | - | - | 117 |
| Hunter's Glenn | | | - | |
| Section 1 | 85 | - | - | 85 |
| Section 2 | 91 | - | - | 91 |
| **TOTAL** | 1,918 | 0 | 0 | 1,918 |

Other Areas (a)

(a) Includes approximately 31 acres of drainage rights-of-way; approximately 9 acres of open spaces; approximately 5 acres improved with a church; approximately 27 acres for Leander Independent School District, approximately 32 acres for retail and commercial properties and approximately 0 additional developable acres. The school ad churches are not subject to ad valorem taxation.

**Commercial Connections**

The District includes approximately 32 acres of commercial development. As of July 1, 2026, the commercial development in the District included, but was not limited to, the following: Circle K Convenience Store, VCA Lakeline Animal Hospital, Mr. Sharky's Car Wash, Walgreens, AutoZone Auto Parts, Advanced Family Dentistry & Braces, Texas Tooth Fairies Pediatric Dentistry, Live Oak Unitarian Universalist Church, The Lord's Church of Austin, Rising Stars Preschool, Cypress Elementary School, and Naumann Elementary School.

**Management of the District**

The District is governed by the Board of Directors, which has control over the supervision of all affairs of the District. All of the Directors either own property or reside within the District. Director's elections are held within the District in November in even-numbered years except that such elections may be cancelled if the Directors are unopposed, subject to any approval that might be required by the United States Department of Justice. Directors are elected to serve four-year, staggered terms. The current members and officers of the Board along with their titles are listed below:

| Name | Title | Term Expires |
|---|---|---|
| Beth Jones | President | 2026 |
| Hanoi Avila | Vice President | 2026 |
| Christopher Rocco | Secretary | 2028 |
| David Flores | Assistant Secretary | 2026 |
| Carroll Norrell | Assistant Secretary | 2028 |

The District has contracted for utility system operating, bookkeeping, tax assessing and collecting services, engineering, legal, financial advisory and annual auditing of its books as follows:

*Tax Assessor/Collector* – The District's Tax Assessor/Collector for the District is the Williamson County Tax Office and the Travis County Tax Office.

*Bookkeeper* – The District has contracted with Artesian Financial Services, LLC for bookkeeping services.

*Auditor* – The District's annual financial statements as of and for the year ended September 30, 2025, have been audited by McCall Gibson Swedlund Barfoot Ellis PLLC, Certified Public Accountants. See "APPENDIX A" for a copy of the District's September 30, 2025, audited financial statements.

*Utility System Operator* – The District has engaged Inframark, LLC to operate and maintain the System.

*Engineer* – The consulting engineer for the District is Westwood Professional Services, Inc. (the "Engineer").

*Financial Advisor* – The GMS Group, L.L.C., serves as Financial Advisor to the District, and is paid an hourly fee for certain work performed for the District and a contingent fee to be computed on each separate issuance of the bonds, if and when such bonds are delivered.

*General Counsel and Bond Counsel* – Coats Rose, P.C. serves as Bond Counsel to the District and as General Counsel for the District on matters other than the issuance of bonds. Payment for General Counsel services is based on an hourly fee charge. Bond Counsel is paid a fee from the proceeds of the Bonds; such fee is contingent upon the sale and delivery of the Bonds.

## DISTRICT INVESTMENT POLICY

The District has adopted an Investment Policy as required by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended. The District's goal is to preserve principal and maintain liquidity while securing a competitive yield in its portfolio. Funds of the District are invested in short-term U.S. Treasuries, certificates of deposit insured by the Federal Deposit Insurance Corporation ("FDIC") or secured by collateral evidenced by perfected safekeeping receipts held by a third-party bank, and public funds investment pools rated in the highest rating category by a nationally recognized rating service. The District does not currently own, nor does it anticipate the inclusion of, long-term securities or derivative products in the District portfolio.

## THE SYSTEM

### Description of the System

The water, wastewater and storm drainage facilities and the accompanying rights of use therein are described below, based upon information obtained from the District's Engineer.

*- Water System -*

The District receives wholesale water supply from the City of Cedar Park, Texas. The District executed an amended agreement with the City of Cedar Park, Texas on September 22, 2015. According to the amended agreement, the City of Cedar Park, Texas is committed to providing service for the entire wholesale service area, which includes the acreage in the District. The Lower Colorado River Authority ("LCRA") is the retail water supplier for the City of Cedar Park, Texas. The District does not have any interconnects. The City of Cedar Park, Texas is committed to serve all of the projected ESFC's within the District.

*- Wastewater Plant & System -*

The District receives wastewater service from the City of Cedar Park, Texas. The District executed an amended agreement with the City of Cedar Park, Texas on January 12, 1990. According to the amended agreement, the City of Cedar Park, Texas is committed to providing service for the entire wholesale service area, including within the District. The District owns and operates three (3) wastewater lift stations, which are utilized to collect and convey wastewater throughout the District to the City of Cedar Park for treatment.

*- Drainage System -*

The District discharges storm water indirectly into Cypress Creek and then into Lake Travis. The District also discharges waters into Buttercup Creek, which flows to S. Brushy Creek Segment 1244D and ultimately to impaired Brushy Creek 1244. All sections contain curb and gutter drainage leading to a storm sewer system that discharges into natural drainage ways, water quality ponds, or storm water detention ponds.

### 100-Year Flood Plain

According to the Engineer, the Flood Insurance Rate Map ("FIRM") currently in effect published by the Federal Emergency Management Agency which covers the land located in the District indicates that all of the land within the District is located outside the 100-year flood plain.

### Operating History

The Bonds are payable from the levy of an ad valorem tax, without legal limitation as to rate or amount, upon all taxable property in the District and from Net Revenues of the System as defined in the Bond Order. The information included in the table below relating to the District's water and sewer system operations is taken from the District's audited financial statements and is provided for information purposes only. The District makes no representation as to Net Revenues that may be available for Debt Service in the future.

| | For Fiscal Years Ended September 30 (a) | | | | |
|---|---|---|---|---|---|
| **REVENUES** | **2025** | **2024** | **2023** | **2022** | **2021** |
| Property Taxes | $2,443,256 | $2,426,734 | $2,414,090 | $2,100,940 | $1,828,934 |
| Water and Wastewater Service | $2,091,263 | $1,835,526 | $1,913,395 | $1,961,079 | $1,880,827 |
| Fire Protection Fees | $680,845 | $667,336 | $665,984 | $636,822 | $613,790 |
| Investment Revenues | $223,288 | $194,277 | $155,925 | $20,580 | $1,469 |
| Miscellaneous Revenues | $145,474 | $535,725 | $26,940 | $59,819 | $58,171 |
| **TOTAL REVENUES** | **$5,584,126** | **$5,659,598** | **$5,176,334** | **$4,779,240** | **$4,383,191** |
| **EXPENDITURES** | | | | | |
| Professional Fess | $385,334 | $282,066 | $249,242 | $341,096 | $586,348 |
| Contracted Services | $1,988,958 | $1,920,423 | $1,942,515 | $1,832,053 | $1,768,945 |
| Purchased Water and Wastewater Service | $1,379,135 | $1,383,555 | $1,327,186 | $1,370,993 | $1,206,982 |
| Utilities | $50,632 | $66,395 | $56,413 | $14,007 | $13,019 |
| Repairs and Maintenance | $505,382 | $432,714 | $760,169 | $668,311 | $599,991 |
| Other | $103,707 | $82,912 | $115,588 | $108,579 | $123,854 |
| Capital Outlay | $379,949 | $454,795 | $257,128 | $128,540 | $47,816 |
| **TOTAL EXPENDITURES** | **$4,793,097** | **$4,622,860** | **$4,708,241** | **$4,463,579** | **$4,346,975** |
| **EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES** | **$791,029** | **$1,036,738** | **$468,093** | **$315,661** | **$36,216** |
| **OTHER FINANCING SOURCES** | | | | | |
| Transfers In (Out) | $- | $- | $16,560 | $- | $- |
| **NET CHANGE IN FUND BALANCE** | $791,029 | $1,036,738 | $484,653 | $315,661 | $36,216 |
| **BEGINNING FUND BALANCE** | **$4,388,234** | **$3,351,496** | **$2,866,843** | **$2,551,182** | **$2,514,966** |
| **ENDING FUND BALANCE** | **$5,179,263** | **$4,388,234** | **$3,351,496** | **$2,866,843** | **$2,551,182** |

(a) Data is taken from the District's audited financial statements. See "APPENDIX A."

(b) As of July 15, 2026, the District's General Fund had an unaudited cash and investment balance of approximately $3,906,371. For the fiscal year ended September 30, 2026, the District's General Fund has budgeted unaudited revenues of $5,292,730 and budgeted unaudited expenditures of $5,086,032, which includes $363,610 of capital expenditures.

## DISTRICT DEBT
**(unaudited)**

| | | |
|---|---|---|
| 2026 Certified Taxable Value | $889,866,032 | (a) |
| 2025 Certified Taxable Value | $940,738,584 | (b) |
| | | |
| Direct Debt | | |
| The Bonds | $5,810,000 | |
| Total Direct Debt | $5,810,000 | |
| See “DISTRICT DEBT” | | |
| | | |
| Estimated Overlapping Debt | $40,130,772 | (c) |
| Direct and Estimated Overlapping Debt | $45,940,772 | |
| | | |
| Percentage of Direct Debt to: | | |
| 2026 Certified Taxable Value | 0.65% | |
| 2025 Certified Taxable Value | 0.62% | |
| | | |
| See “DISTRICT DEBT” | | |
| | | |
| Percentage of Direct and Estimated Overlapping Debt to: | | |
| 2026 Certified Taxable Value | 5.16% | |
| 2025 Certified Taxable Value | 4.88% | |
| | | |
| See “DISTRICT DEBT” | | |
| | | |
| 2025 Tax Rate Per $100 of Assessed Value: | | |
| Maintenance Tax | $0.27340 | |
| Total 2025 Tax Rate | $0.27340 | |
| | | |
| General Fund Cash and Investment Balance as of July 15, 2026 | $3,906,371 | (d) |
| Pro-Forma Debt Service Fund Cash and Investment Balance as of delivery of the Bonds | $290,500 | (e) |

---

(a) Reflects the Certified Taxable Value as of January 1, 2026, according to data supplied by the Appraisal Districts. The District is authorized by law to levy taxes only against certified values. This value includes $2,204,605, which represents the amount of uncertified value which is still under protest by the Appraisal Review Board. See "DISTRICT TAX DATA."

(b) Reflects the Certified Taxable Valuation as of January 1, 2025, according to data supplied by the Appraisal Districts. See “TAX DATA – Analysis of Tax Base” and “TAX PROCEDURES.”

(c) See “DISTRICT DEBT – Estimated Overlapping Debt.”

(d) Unaudited figure per the District’s records. See “THE SYSTEM – Operating History.”

(e) Unaudited figure per the District’s records. Neither Texas law nor the District’s Bond Order requires that the District maintain any particular balance in the Debt Service Fund. See “TAX DATA – Tax Rate Calculations.”

### Estimated Overlapping Debt

Other governmental entities whose boundaries overlap the District have outstanding bonds payable from ad valorem taxes. The following statement of direct and estimated overlapping ad valorem tax debt was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas or other available information. Except for the amount relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person is entitled to rely upon such information as being accurate or complete. Political subdivisions overlapping the District are authorized by Texas law to levy and collect ad valorem taxes for operation, maintenance, and/or general revenue purposes in addition to taxes for payment of their debt, and some are presently levying and collecting such taxes.

| | As of 6/30/26 | Overlapping Debt | |
|---|---|---|---|
| **Taxing Jurisdiction** | **Outstanding Debt** | **Percent** | **Amount** |
| Austin Community College District | $ 657,685,000 | 0.22% | $ 1,446,907 |
| City of Cedar Park | $ 260,145,000 | 0.22% | $ 572,319 |
| Leander Independent School District | $1,483,944,911 | 2.07% | $ 30,717,659 |
| Travis County | $1,202,190,000 | 0.06% | $ 721,314 |
| Travis County Healthcare District | $ 398,205,000 | 0.06% | $ 238,923 |
| Williamson County | $1,261,500,000 | 0.51% | $ 6,433,650 |
| **Total Estimated Overlapping Debt** | | | $ 40,130,772 |
| The District's Direct Debt (a) | | | $ 5,810,000 |
| **Total Direct and Estimated Overlapping Debt** | | | $ 45,940,772 |

(a) The Bonds.

## TAX DATA

### Maintenance Tax Rate

The District has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District's improvements. The District is authorized to levy such a maintenance tax in an amount not to exceed $1.50 per $100 assessed valuation. Such tax is in addition to taxes which the District is authorized to levy for paying principal of and interest on the Bonds and any tax bonds which may be issued in the future.

In 2025, the District levied a tax of $0.273400 per $100 of assessed valuation for maintenance purposes. The proceeds of the maintenance tax are deposited into the District's General Operating Fund and are used to pay certain operating costs. The District has not levied a debt service tax rate since 2022.

### Debt Service Tax Rate

The District intends to levy a debt service tax in 2026.

### Analysis of Tax Base

Based on information provided to the District by its Tax Assessor/Collector, the following represents the composition of property comprising the gross tax roll valuations and the exemptions for 2021 through 2026.

| | Type of Property | | | | | |
|---|---|---|---|---|---|---|
| **Year** | **Land** | **Improvements** | **Personal Property** | **Gross Assessed Valuations** | **Exemptions** | **Taxable Valuations** (a) |
| 2026 | $169,854,265 | $735,627,189 | $11,190,316 | $916,671,770 | $26,805,738 | $889,866,032 (b) |
| 2025 | $211,590,358 | $739,658,059 | $10,896,602 | $962,145,019 | $21,406,435 | $940,738,584 |
| 2024 | $213,011,586 | $750,198,263 | $10,539,925 | $973,749,774 | $75,288,284 | $898,461,490 |
| 2023 | $182,265,731 | $772,962,475 | $10,077,786 | $965,305,992 | $122,476,424 | $842,829,568 |
| 2022 | $174,441,187 | $903,888,477 | $9,719,726 | $1,088,049,390 | $264,383,800 | $823,665,590 |
| 2021 | $134,766,851 | $612,479,585 | $9,510,621 | $756,757,057 | $72,330,170 | $684,426,887 |

(a) Reflects the Gross Assessed Valuation supplied by the Appraisal Districts less exemptions.

(b) Reflects the Certified Taxable Valuation as of January 1, 2026, according to data supplied by the Appraisal Districts. See “TAX PROCEDURES.”

## Principal Taxpayers

The list of principal taxpayers for 2026 and the other information in this table were provided by the District's Tax Assessor/Collector based on certified tax rolls net of any exemptions. This information does not reflect any corrections subsequent to action of the Appraisal Districts.

| Taxpayer (a) (b) | Type of Property | 2026 Valuation | Percent of Total |
|---|---|---|---|
| S-K CEDAR PARK OPPORTUNITY II LLC | Commercial | $31,811,132 | 3.57% |
| CUBESMART LP | Commercial | $8,989,361 | 1.01% |
| ZAGS 26 LLC | Commercial | $4,290,000 | 0.48% |
| YOLO VENTURES LLC | Commercial | $3,561,798 | 0.40% |
| PRS SALIDO LLC | Commercial | $3,287,401 | 0.37% |
| 44TX MPG LLC | Commercial | $3,280,566 | 0.37% |
| TEXAS GAS SERVICES COMPANY | Commercial | $3,170,569 | 0.36% |
| EXCHANGERIGHT NET LEASED PORTFOLIO 24 DST | Commercial | $3,142,125 | 0.35% |
| VCA REAL PROPERTY ACQUISITION CORPORATION | Commercial | $2,485,991 | 0.28% |
| CIRCLE K STORES INC. | Commercial | $2,289,014 | 0.26% |
| | ***TOTALS*** | **$66,307,877** | **7.45%** |

(a) Reflects information obtained from Appraisal Districts records. The District makes no representation as to the accuracy of such information.

## Levy and Collection

The following represents the collection history of District taxes for the years 2021 through 2025.

| Tax Year | Taxable Valuation | Tax Rate | Tax Levy | Cumulative Tax Collections (a) | Tax Year Ended September 30 |
|---|---|---|---|---|---|
| 2025 | $940,738,584 | $0.273400 | $2,571,979 | 98.04% | 2026 |
| 2024 | $898,461,490 | $0.273300 | $2,455,495 | 99.51% | 2025 |
| 2023 | $842,829,568 | $0.288100 | $2,428,192 | 99.74% | 2024 |
| 2022 | $823,665,590 | $0.301800 | $2,485,823 | 99.59% | 2023 |
| 2021 | $684,426,887 | $0.329100 | $2,252,449 | 99.74% | 2022 |

(a) According to the District's records, the current tax collections have averaged approximately 98% for the past five years.

## Tax Distribution

The following table sets forth the tax rate distribution of the District for the years 2021 through 2025.

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Debt Service (a) | $0.0000 | $0.0000 | $0.00000 | $0.0078 | $0.3016 |
| Maintenance/Operation | $0.2734 | $0.2733 | $0.288100 | $0.2940 | $0.0275 |
| **Total** | **$0.2734** | **$0.2733** | **$0.28810** | **$0.3018** | **$0.3291** |

(a) The District intends to levy a debt service tax in 2026.

## Maintenance Tax

The District has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District's improvements. The District is authorized to levy such a maintenance tax in an amount not to exceed $1.50 per $100 assessed valuation. Such tax is in addition to taxes which the District is authorized to levy for paying principal of and interest on the Bonds and any tax bonds which may be issued in the future.

## Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per $100 assessed valuation which would be required to meet certain debt service requirements if no growth in the District occurs beyond the District's 2025 Certified Taxable Value and the 2026 Certified Taxable Value as provided by the Appraisal Districts and the District's Tax Assessor/Collector. The calculations further assume the collection of 95% of taxes levied and the issuance of no additional bonds.

| | |
|---|---|
| Maximum Annual Debt Service Requirements (2047) | $ 389,713 |
| Tax rate of $0.047 on the 2026 Certified Taxable Value produces | $ 399,861 |
| Tax rate of $0.044 on the 2025 Certified Taxable Value produces | $ 393,229 |

## Estimated Overlapping Taxes

Property within the District is subject to taxation by several taxing authorities in addition to the District. Under Texas law, a tax lien attaches to property to secure the payment of all taxes, penalty and interest for the year on January 1 of that year. The tax lien on property in favor of the District is on a parity with tax liens of other taxing jurisdictions. See "TAX PROCEDURES." In addition to ad valorem taxes required to make debt service payments on bonded debt of the District and of such other jurisdictions (see "DISTRICT DEBT – Estimated Overlapping Debt"), certain taxing jurisdictions are authorized by Texas law to assess, levy and collect ad valorem taxes for operation, maintenance, administrative and/or general revenue purposes.

Set forth below are all 2025 taxes levied by such taxing jurisdictions, assuming each assesses at 100% basis of assessment. No recognition is given to local assessments for civic association dues, fire department contributions, solid waste disposal charges, or any other levy of entities other than political subdivisions.

| Taxing Jurisdictions | 2025 Tax Rate Per $100 Assessed Valuation Williamson County Portion | 2025 Tax Rate Per $100 Assessed Valuation Travis County Portion |
|---|---|---|
| Williamson County (a) | $0.369447 | $0.000000 |
| Williamson County FM Road (a) | $0.044329 | $0.000000 |
| Upper Brushy Creek WCID (a) | $0.017000 | $0.000000 |
| Travis County (a) | $0.000000 | $0.374845 |
| Travis County Healthcare District (a) | $0.000000 | $0.118100 |
| Leander ISD | $1.150778 | $1.150778 |
| Austin Community College District | $0.109629 | $0.109629 |
| **Overlapping Taxes** | **$1.691183** | **$1.753350** |
| The District (c) | $0.273400 | $0.273400 |
| **Total Direct and Overlapping Tax Rate** | **$1.964583** | **$2.026650** |

(a) Approximately 12% of the District is in Travis County and 88% is in Williamson County.

# TAX PROCEDURES

## Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in an amount sufficient to pay the principal and interest on the Bonds and any additional bonds payable from taxes that the District may hereafter issue and to pay the expenses of assessing and collecting such taxes. See "INVESTMENT CONSIDERATIONS – Future Debt." The District agrees in the Bond Order to levy such a tax from year to year as described more fully in this Official Statement under the caption "THE BONDS – Source of and Security for Payment." Under Texas law, the Board may also levy and collect an annual ad valorem tax for the operation and maintenance of the District and its water and wastewater system and for the payment of certain contractual obligations if authorized by the voters in the District. See "TAX DATA – Maintenance Tax."

## Tax Code and County-Wide Appraisal District

The Texas Tax Code (the "Tax Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Tax Code are complex and are not fully summarized here. The Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas an appraisal district with the responsibility for recording and appraising property for all taxing units in a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the appraisal district. Each Appraisal District has the responsibility for appraising property for all taxing units within its respective county. Such appraisal values are subject to review and change by the Williamson County Appraisal Review Board and the Travis Central Appraisal Review Board (the "Appraisal Review Boards"). The Texas Comptroller of Public Accounts may provide for the administration and enforcement of uniform standards and procedures for appraisal of property.

**Property Subject to Taxation by the District**

Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income and mobile homes, are subject to taxation by the District. Principal categories of exempt property include, but are not limited to, property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; certain goods, wares, and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; most individually owned automobiles, and intangible personal property. In addition, the District may by its own action exempt residential homesteads of persons 65 years or older and of certain disabled persons, and travel trailers, to the extent deemed advisable by the Board. The District may be required to offer such an exemption if a majority of voters approve it at an election. The District would be required to call such an election upon petition by 20% of the number of qualified voters who voted in the preceding election. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax-supported debt incurred prior to adoption of the exemption by the District. Furthermore, the District must grant exemptions to disabled veterans, or certain surviving dependents of disabled veterans if requested, but only to the maximum extent of $5,000 to $12,000 of assessed valuation depending upon the disability rating of the veteran, if such rating is less than 100%. A veteran who receives a disability rating of 100% is entitled to the exemption for the full amount of the residential homestead. The District does not currently grant such exemption.

Additionally, subject to certain conditions, the surviving spouse of a disabled veteran is entitled to an exemption for the full value of the veteran's residence homestead to which the disabled veterans' exemption applied including the surviving spouse of a disabled veteran who would have qualified for such exemption if it had been in effect on the date the disabled veteran died. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homesteads in an amount equal to the partially disabled veteran's disability rating if the residence homestead was donated by a charitable organization at no cost to the veteran. This exemption also applies to a residence homestead that was donated by a charitable organization at some cost to such veterans. Also, the surviving spouse of a member of the armed forces who was killed or fatally injured in the line of duty, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse.

The surviving spouse of a first responder who is killed or fatally injured in the line of duty is entitled to an exemption of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the first responder's death. Such exemption would be transferrable to a subsequent residence homestead of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

***Residential Homestead Exemptions.*** The Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to 20% of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the assessor and collector of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted before July 1. The District does not currently grant a residential homestead exemption.

***Freeport Goods and Goods-in-Transit Exemptions.*** A "Freeport Exemption" applies to goods, wares, and merchandise other than oil, gas, and petroleum products (defined as liquid and gaseous materials immediately derived from refining petroleum or natural gas), and to aircraft or repair parts used by a certified air carrier acquired in or imported into Texas that are destined to be forwarded outside of Texas and that are detained in Texas for assembling, storing, manufacturing, processing, or fabricating for fewer than 175 days. Although certain taxing units may take official action to tax such property in transit and negate such exemption, the District does not have such an option. A "Goods-in-Transit" Exemption is applicable to the same categories of tangible personal property that are covered by the Freeport Exemption, if, for tax year 2011 and prior applicable years, such property is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation, and the location where said property is detained during that period is not directly or indirectly owned or under the control of the property owner. For tax year 2012 and subsequent years, such Goods-in-Transit Exemption includes tangible personal property acquired in or imported into Texas for storage purposes only if such property is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit personal property. A taxing unit must exercise its option to tax goods-in-transit property before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law. The District has taken official action to allow taxation of all such goods-in-transit personal property for all prior and subsequent years.

## Tax Abatement

Williamson County, Travis County or the City of Cedar Park, Texas may designate all or part of the area within the District as a reinvestment zone. Thereafter, Williamson County, Travis County, the City of Cedar Park, Texas, or the District, at the option and discretion of each entity, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt property from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to 10 years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with the terms of the tax abatement. Each taxing jurisdiction, including the District, has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions.

## Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal Districts at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Assessments under the Tax Code are to be based on 100% of market value, as such is defined in the Tax Code. A residence homestead is required to be appraised solely on the basis of its value as a residence homestead regardless of whether residential use is considered to be the highest and best use of the property.

The Tax Code permits land designated for agricultural use, open space, or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its market value. The Tax Code permits, under certain circumstances, that residential real property inventory held by a person in the trade or business are valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. Landowners wishing to avail themselves of the agricultural use, open space, or timberland designation or residential real property inventory designation must apply for the designation, and the chief appraiser is required by the Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions while claiming it for another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous three years for agricultural use and taxes for the previous five years for open space land and timberland.

The Tax Code requires the Appraisal Districts to implement a plan for periodic reappraisal of property to update appraisal values. The plan must provide for appraisal of all real property in the Appraisal Districts at least once every three years. It is not known what frequency of reappraisal will be utilized by the Appraisal Districts or whether reappraisals will be conducted on a zone- or county-wide basis. The District, however, at its expense, has the right to obtain from the Appraisal Districts a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate the rate and extent of growth of taxable values within the District, it cannot be used for establishing a tax rate within the District until such time as the Appraisal Districts chooses to formally include such values on its appraisal roll.

The Tax Code provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Tax Code, the Appraisal Districts is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised.

## District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units (such as the District) may appeal orders of the Appraisal Review Boards by filing a timely petition for review in state district court. In such event, the value of the property in question will be determined by the court or by a jury if requested by any party. Additionally, taxing units may bring suit against the Appraisal Districts to compel compliance with the Tax Code. The Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda that could result in the repeal of certain tax increases. The Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property values, appraisals that are higher than renditions, and appraisals of property not previously on an appraisal roll.

## Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon: a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes, and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. A delinquent tax incurs a penalty of 6% of the amount of the tax for the first calendar month it is delinquent, plus 1% for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of 12% regardless of the number of months the tax has been delinquent and incurs an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. A delinquent tax on personal property incurs an additional penalty, in an amount established by the District and a delinquent tax attorney, 60 days after the date the taxes become delinquent. The delinquent tax accrues interest at a rate of 1% for each month or portion of a month it remains unpaid. The Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, may be rejected by taxing units. The District's tax collector is required to enter into an installment payment agreement with any person who is delinquent on the payment of tax on a residence homestead for payment of tax, penalties and interest, if the person requests an installment agreement and has not entered into an installment agreement with the collector in the preceding 24 months. The installment agreement must provide for payments to be made in monthly installments and must extend for a period of at least 12 months and no more than 36 months. Additionally, the owner of a residential homestead property who is (i) 65 years of age or older, (ii) disabled, or (iii) a disabled veteran, is entitled by law to pay current taxes on a residential homestead in installments without penalty or to defer the payment of taxes during the time of ownership. In the instance of tax deferral, a tax lien remains on the property and interest continues to accrue during the period of deferral.

## Rollback of Operations and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, classifies districts differently based on the current operation and maintenance tax rate or on the percentage of build-out that the District has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per $100 of taxable value are classified as "Low Tax Rate Districts." Districts that have financed, completed, and issued bonds to pay for all improvements and facilities necessary to serve at least 95% of the projected build-out of the district are classified as "Developed Districts." Districts that do not meet either of the classifications previously discussed can be classified herein as "Other Districts." The impact each classification has on the ability of a district to increase its maintenance and operations tax rate is described for each classification below. Debt service and contract tax rates cannot be reduced by a rollback election held within any of the districts described below.

***Low Tax Rate Districts.*** Low Tax Rate Districts that adopt a total tax rate that would impose more than 1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are required to hold a rollback election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the rollback election, the total tax rate for a Low Tax Rate District is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

***Developed Districts.*** Developed Districts that adopt a total tax rate that would impose more than 1.035 times the amount of the total tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions for the preceding tax year, plus any unused increment rates, as calculated and described in Section 26.013 of the Tax Code, are required to hold a rollback election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the rollback election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus 1.035 times the previous year's operation and maintenance tax rate plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor of Texas or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Special Taxing Unit and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Special Taxing Units.

***Other Districts.*** Districts that do not meet the classification of a Low Tax Rate District or a Developed District are classified as Other Districts. The qualified voters of these districts, upon the Other District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If an election is called and passes, the total tax rate for Other Districts is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

***The District.*** A determination as to a district's status as a Low Tax Rate District, Developed District or Other District will be made by the Board of Directors on an annual basis, beginning with the 2026 tax rate setting. The Board of Directors designated the District as a Developed District for purposes of setting the 2025 tax rate. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation.

## Tax Payment Installations after Disaster

Certain qualified taxpayers, including owners of residential homesteads, located within a designated disaster area or emergency area and whose property has been damaged as a direct result of the disaster or emergency, are entitled to enter into a tax payment installment agreement with a taxing jurisdiction, such as the District, if the taxpayer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date.

Additionally, the Tax Code authorizes a taxing jurisdiction such as the District, solely at the jurisdiction's discretion to adopt a similar installment payment option for taxes imposed on property that is located within a designated disaster area or emergency area and is owned or leased by certain qualified business entities, regardless of whether the property has been damaged as a direct result of the disaster or emergency.

## District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property as of January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State of Texas and each local taxing unit, including the District, having power to tax the property. The District's tax lien is on a parity with tax liens of other such taxing units (see "TAX DATA – Estimated Overlapping Taxes"). A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both, subject to restrictions on residential homesteads described above under "Levy and Collection of Taxes." In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property and land designated for agricultural use and six months for all other property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights (a taxpayer may redeem property within six months for commercial property, within two years for residence homesteads and land designated for agricultural use, and six months for all other property after the purchaser's deed issued at the foreclosure sale is filed in the county records), or by bankruptcy proceedings that restrict the collection of taxpayer debts. The District's ability to foreclose its tax lien or collect penalties or interest on delinquent taxes may be limited on property owned by a financial institution which is under receivership by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act, 12 U.S.C. 1825, as amended. See "INVESTMENT CONSIDERATIONS – Tax Collections."

# THE BONDS

## General

The Bond Order authorizes the issuance and sale of the Bonds and prescribes terms, conditions, and provisions for the payment of the principal of, and interest, on the Bonds by the District. Set forth below is a summary of certain provisions of the Bond Order. Capitalized terms in such summary are used as defined in the Bond Order. Such summary is not a complete description of the entire Bond Order and is qualified in its entirety by reference to the Bond Order, a copy of which is available from the District's Bond Counsel upon request.

The Bonds will be dated and will bear interest from September 1, 2026, at the per annum rates shown on the cover page hereof. The Bonds are fully registered, serial bonds maturing on April 1 in the years and in the principal amounts set forth on the cover page hereof. Interest on the Bonds is payable April 1, 2027, and each October 1 and April 1 thereafter until the earlier of maturity or redemption. The Record Date on the Bonds is the 15$^{th}$ day of the calendar month next preceding the interest payment date.

The Bonds will be issued only in fully registered form in any integral multiple of $5,000 of the principal amount for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company ("DTC"), pursuant to the Book-Entry-Only System described herein. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds, will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

In the event that the Book-Entry-Only System is discontinued, interest on the Bonds shall be payable by check on or before each interest payment date, mailed by the Paying Agent/Registrar to the registered owners ("Registered Owners") as shown on the bond register (the "Register") kept by the Paying Agent/Registrar at the close of business on the 15$^{th}$ calendar day of the month immediately preceding each interest payment date to the address of such Registered Owner as shown on the Register, or by such other customary banking arrangements as may be agreed upon by the Paying Agent/Registrar and a Registered Owner at the risk and expense of such Registered Owner.

**Optional Redemption**

The Bonds scheduled to mature on or after April 1, 2032, are subject to redemption prior to scheduled maturity at the option of the District, in whole or from time to time in part, on April 1, 2031, and on any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest from the most recent interest payment date to the redemption date. In the event the Bonds are to be redeemed in part, the maturities and principal amounts to be redeemed shall be selected by the District. In the event of redemption of fewer than all of the Bonds of a particular maturity, the Paying Agent/Registrar, on behalf of the District, will select the Bonds of such maturity to be redeemed by lot or by such other customary method, in integral multiples of $5,000 in any one maturity, as the Paying Agent/Registrar deems fair and appropriate or while the Bonds are in Book-Entry-Only form the portions to be redeemed shall be selected by DTC in accordance with its procedures.

**Authority for Issuance**

The Bonds are issued pursuant to an election held on June 18, 1985. The Bonds are issued by the District pursuant to the terms and provisions of the Bond Order; Article XVI, Section 59 of the Texas Constitution; the laws of the State of Texas, including Chapters 49 and 54 of the Texas Water Code, as amended; and an order of the TCEQ.

**Sources of and Security for Payment**

In the Bond Order the District covenants to levy a tax sufficient in rate and amount to pay principal of and interest on the Bonds when due, full allowance being made for delinquencies and costs of collection, and the District undertakes to collect such tax. The net proceeds from taxes levied for debt service purposes will be deposited in the District's Debt Service Fund and will be used to pay principal of and interest on the Bonds and on any additional bonds payable from taxes which the District may hereafter issue. In addition, the Bonds are secured by a pledge of the net revenues, if any, of the District's waterworks and sewer system. The Bonds are the obligations of the District and are not the obligations of the State of Texas, Williamson County, Travis County, the City of Cedar Park, or any entity other than the District.

**Defeasance**

The Bond Order provides that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest, and redemption price thereon in any manner permitted by law. Under current tax law such discharge may be accomplished either: (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of and all interest to accrue on the Bonds to maturity or redemption, or (ii) by depositing with any place of payment (paying agent) of the Bonds or other obligations of the District payable from revenues or from ad valorem taxes or both, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct noncallable obligations of the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision or a state that have been refunded and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and that mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds.

Upon such deposit as described above, such Bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided however, that the right to call the Bonds for redemption is not extinguished if the District: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in the future in a manner that would permit investments other than those described above to be made with amounts deposited to defease the Bonds.

**Funds**

In the Bond Order, the Debt Service Fund is confirmed and the proceeds from all taxes levied, appraised, and collected for and on account of the Bonds authorized by the Bond Order, shall be deposited as collected in such fund. Accrued interest on the Bonds and 12 months of capitalized interest shall be deposited into the Debt Service Fund upon receipt. The remaining proceeds of sale of the Bonds shall be deposited into the Capital Projects Fund to be used for the purpose of certain construction costs and for paying the costs of issuance of the Bonds. Any monies remaining in the Capital Projects Fund will be used as described in the Bond Order or ultimately transferred to the Debt Service Fund. See "USE OF BOND PROCEEDS" for a more complete description of the use of the Bond proceeds.

**No Arbitrage**

The District will certify as of the date the Bonds are delivered and paid for that, based upon all facts and estimates then known or reasonably expected to be in existence on the date the Bonds are delivered and paid for, the District reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds, or any portion of the Bonds, to be "arbitrage bonds" under the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations prescribed thereunder. Furthermore, all officers, employees, and agents of the District have been authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the District as of the date the Bonds are delivered and paid for. In particular, all or any officers of the District are authorized to certify to the facts and circumstances and reasonable expectations of the District on the date the Bonds are delivered and paid for regarding the amount and use of the proceeds of the Bonds. Moreover, the District covenants in the Bond Order that it shall make such use of the proceeds of the Bonds, regulate investment of proceeds of the Bonds, and take such other and further actions and follow such procedures, including, without limitation, calculating the yield on the Bonds, as may be required so that the Bonds shall not become "arbitrage bonds" under the Code and the regulations prescribed from time to time thereunder.

**Paying Agent/Registrar**

Pursuant to the Bond Order, the initial paying agent and initial registrar with respect to the Bonds is BOKF, N.A., Dallas, Texas. The District will maintain at least one Registrar where the Bonds may be surrendered for transfer and/or for exchange or replacement for other Bonds and for the purpose of maintaining the Bond Register on behalf of the District. The Registrar is required at all times to be a duly qualified banking corporation or association organized and doing business under the laws of the United States of America, or of any state thereof, and subject to supervision or examination by federal or state banking authorities.

The District reserves the right and authority to change any paying agent/registrar and, upon any such change, the District covenants and agrees in the Bond Order to promptly cause written notice thereof, specifying the name and address of such successor paying agent/registrar, to be sent to each Registered Owner of the Bonds by United States mail, first class, postage prepaid.

**Registration and Transfer**

In the event the Book-Entry-Only System should be discontinued, the Bonds will be transferable only on the Bond Register kept by the Registrar upon surrender and reissuance. The Bonds are exchangeable for an equal principal amount of Bonds of the same maturity and of any authorized denomination upon surrender of the Bonds to be exchanged at the operations office of the Registrar in Austin, Texas. See "BOOK-ENTRY-ONLY SYSTEM" herein for a description of the system to be utilized initially in regard to the ownership and transferability of the Bonds. Every Bond presented or surrendered for transfer is required to be duly endorsed, or be accompanied by a written instrument of transfer, in a form satisfactory to the Registrar. Neither the Registrar nor the District is required (1) to transfer or exchange any Bond during the period beginning at the opening of business on a Record Date (defined herein) and ending at the close of business on the next succeeding interest payment date, or (2) to transfer or exchange any Bond selected for redemption in whole or in part within 30 calendar days of the redemption date. No service charge will be made for any transfer or exchange, but the District or the Registrar may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

**Lost, Stolen or Destroyed Bonds**

In the event the Book-Entry-Only System is discontinued, the District has agreed to replace mutilated, destroyed, lost, or stolen Bonds upon surrender of the mutilated Bonds, or receipt of satisfactory evidence of such destruction, loss, or theft and receipt by the District and the Registrar of security or indemnity as may be required by either of them to keep them harmless. The District will require payment of taxes, governmental charges, and expenses in connection with any such replacement.

**Issuance of Additional Debt**

If authorized by the District's voters and with the approval of the TCEQ, the District may issue bonds necessary to provide and maintain improvements for which the District was created. See "THE DISTRICT." At an election held in the District on June 18, 1985, the District's voters authorized the issuance of $25,751,525 unlimited tax and revenue bonds, of which $3,671 will remain authorized but unissued after the sale of the Bonds for the purpose of providing waterworks, sanitary sewer, and drainage facilities to the land within the District or refunding bonds previously sold by the District. See "INVESTMENT CONSIDERATIONS – Future Debt." The Bond Order imposes no limitation on the amount of additional parity bonds which may be issued by the District, and in the Bond Order the District reserves the right to issue additional unlimited tax bonds, unlimited tax and revenue bonds, revenue bonds, and inferior lien bonds.

## BOOK-ENTRY-ONLY SYSTEM

*This section describes how ownership of the Bonds (defined as "Securities" in this section only) is to be transferred and how the principal of, premium, if any, Maturity Value, and interest on the Securities are to be paid to and credited by DTC while the Securities are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The District, the Financial Advisor, and the Underwriter believe the source of such information to be reliable but take no responsibility for the accuracy or completeness thereof.*

The District and the Underwriter cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Securities, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Securities), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Securities. The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each maturity of the Securities, each in the aggregate principal amount or Maturity Value, as the case may be, of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Securities under the DTC system must be made by or through Direct Participants, who will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive securities representing their ownership interests in Securities except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners.

The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If fewer than all of the Securities within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on

DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the District or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, securities are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, securities will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources that the District believes to be reliable, but none of the District, the Financial Advisor or the Underwriter takes any responsibility for the accuracy thereof. Termination by the District of the DTC Book-Entry-Only System may require consent of DTC Participants under DTC Operational Arrangements.

## LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

The following is quoted from Section 49.186 of the Texas Water Code, and is applicable to the District:

"(a) All bonds, notes, and other obligations issued by a district shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of authorities, public agencies, and bodies politic.

(b) A district's bonds, notes, and other obligations are eligible and lawful security for all deposits of public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of authorities, public agencies, and bodies politic, to the extent of the market value of the bonds, notes, and other obligations when accompanied by any unmatured interest coupons attached to them."

The Public Funds Collateral Act (Chapter 2257, Texas Government Code) also provides that bonds of the Authority (including the Bonds) are eligible as collateral for public funds.

## LEGAL MATTERS

### Legal Opinion

The District will furnish to the Underwriters a transcript of certain certified proceedings incident to the issuance and authorization of the Bonds. Such transcript will include the approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of the Public Accounts of the State of Texas, to the effect that the Bonds are valid and legally binding obligations of the District payable from the proceeds of an annual ad valorem tax, levied without limit as to rate or amount, upon all taxable property in the District. The District will also furnish to the Underwriters the approving legal opinion of Coats Rose, P.C., Austin, Texas, Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and legally binding obligations of the District under the Constitution and laws of the State of Texas. The fees of Bond Counsel for services rendered with respect to the sale of the Bonds are contingent upon the issuance and delivery of the Bonds.

### Legal Review

Bond Counsel has reviewed the information appearing in the Official Statement under "THE DISTRICT – Authority," "TAX PROCEDURES," "THE BONDS," "LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS," "LEGAL MATTERS – Legal Opinion" (to the extent such section relates to the opinion of Bond Counsel), "– Legal Review," "TAX MATTERS," "REGISTRATION AND QUALIFICATION UNDER SECURITIES LAWS," and "CONTINUING DISCLOSURE OF INFORMATION – SEC RULE 15c2-12," solely to determine whether such information fairly summarizes the procedures and documents referred to therein. Bond Counsel has not, however, independently verified any of the other factual information contained in this Official Statement, nor has it conducted an investigation of the affairs of the District for the purpose of passing upon the accuracy or completeness of any of the other information contained herein. No person is entitled to rely upon Bond Counsel's limited participation as an assumption of responsibility for or an expression of opinion of any kind with regard to the accuracy or completeness of any information contained herein, other than the matters discussed immediately above.

Coats Rose, P.C. also serves as general counsel to the District on matters other than the issuance of bonds and is paid on an hourly basis for such services rendered. The legal fees paid to Bond Counsel for services rendered in connection with issuance of the

Bonds are based on a percentage of the Bonds actually issued, sold, and delivered and, therefore, such fees are contingent upon the sale and delivery of the Bonds.

**No Material Adverse Change**

The obligations of the Underwriters to take and pay for the Bonds, and of the District to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition (financial or otherwise) of the District from that set forth or contemplated in the Preliminary Official Statement, as it may be amended or supplemented through the date of the sale.

## TAX MATTERS

In the opinion of Coats Rose, P.C., Bond Counsel, under existing law, interest on the Bonds is excludable from gross income for federal income tax purposes and interest on the Bonds is not subject to the alternative minimum tax on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code")) for the purpose of determining the alternative minimum tax imposed on such applicable corporations.

The Internal Revenue Code of 1986, as amended (the "Code"), imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of proceeds and the source of repayment, limitations on the investment of proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of proceeds be paid periodically to the United States, and a requirement that the District file an information report with the Internal Revenue Service (the "Service"). The District has covenanted in the Bond Order that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Bond Order pertaining to those sections of the Code that affect the exclusion from gross income of interest on the Bonds for federal income tax purposes and, in addition, will rely on representations by the District, the District's Financial Advisor, and the Underwriter with respect to matters solely within the knowledge of the District, the District's Financial Advisor, and the Underwriter, respectively, which Bond Counsel has not independently verified. If the District should fail to comply with the covenants in the Bond Order or if the foregoing representations should be determined to be inaccurate or incomplete, interest on the Bonds could become taxable from the date of delivery of the Bonds regardless of the date on which the event causing such taxability occurs.

Under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the Bonds, received or accrued during the year. Payments of interest on tax-exempt obligations, such as the Bonds are in many cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any owner who is not an "exempt recipient" and who fails to provide certain identifying information. Individuals generally are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients.

Except as stated above, Bond Counsel will express no opinion as to any federal, state, or local tax consequences resulting from the ownership of, receipt of interest on, or disposition of, the Bonds.

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, taxpayers owning an interest in a FASIT that holds tax-exempt obligations, and individuals otherwise qualifying for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax-exempt interest such as interest on the Bonds. These categories of prospective purchasers should consult their own tax advisors as to the applicability of these consequences.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date hereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures, the Service is likely to treat the District as the taxpayer and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit regardless of the ultimate outcome of the audit.

**Federal Income Tax Accounting Treatment of Original Issue Discount**

The issue price of certain of the Bonds (the "Original Issue Discount Bonds") may be less than the stated redemption price at maturity. In such case, under existing law and based upon the assumptions hereinafter stated: (a) the difference between: (i) the stated amount payable at the maturity of each Original Issue Discount Bond and (ii) the issue price of such Original Issue Discount Bond constitutes original issue discount with respect to such Original Issue Discount Bond in the hands of any owner who has purchased such Original Issue Discount Bond at the initial public offering price in the initial public offering of the Bonds; and (b) such initial owner is entitled to exclude from gross income (as defined in Section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the period that such Original Issue Discount Bond continues to be owned by such owner.

In the event of the redemption, sale, or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Bond was held by such initial owner) is includable in gross income. (Because original issue discount is treated as interest for federal income tax purposes, the discussion regarding interest on the Bonds under the caption "TAX MATTERS" generally applies, except as otherwise provided below, to original issue discount on an Original Issue Discount Bond held by an owner who purchased such Bond at the initial offering price in the initial public offering of the Bonds, and should be considered in connection with the discussion in this portion of the Official Statement.)

The foregoing is based on the assumptions that: (a) the Underwriter has purchased the Bonds for contemporaneous sale to the general public and not for investment purposes, and (b) all of the Original Issue Discount Bonds have been offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm's-length transactions for a cash price (and with no other consideration being included) equal to the initial offering prices thereof stated on the cover page of this Official Statement, and (c) the respective initial offering prices of the Original Issue Discount Bonds to the general public are equal to the fair market value thereof. Neither the District nor Bond Counsel warrants that the Original Issue Discount Bonds will be offered and sold in accordance with such assumptions.

Under existing law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Bond for purposes of determining the amount of gain or loss recognized by such owner upon redemption, sale, or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price plus the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Bond.

The federal income tax consequences of the purchase, ownership, and redemption, sale, or other disposition of Original Issue Discount Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of interest accrued upon redemption, sale, or other disposition of such Bonds and with respect to the federal, state, local, and foreign tax consequences of the purchase, ownership and redemption, sale, or other disposition of such Bonds.

**Collateral Federal Income Tax Consequences**

The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Bonds. This discussion is based on Existing Law, which is subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with Subchapter C earnings and profits, foreign corporations subject to the branch profits tax, taxpayers qualifying for the health insurance premium assistance credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Bonds, if such obligation was acquired at a "market discount" and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to "market discount Bonds" to the extent such gain does not exceed the accrued market discount of such Bonds; although for this purpose, a de minimis amount of market discount is ignored. A "market discount bond" is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the "revised issue price" (i.e., the issue price plus accrued original issue discount). The "accrued market discount" is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

**State, Local and Foreign Taxes**

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

**Information Reporting and Backup Withholding**

Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Bonds will be sent to each registered holder and to the Internal Revenue Service. Payments of interest and principal may be subject to backup withholding under section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number ("TIN"), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient's federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of Non-U.S. Holders, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

**Future and Proposed Legislation**

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

**Qualified Tax-Exempt Obligations**

The District will designate the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code and will represent that (i) the aggregate amount of tax-exempt bonds (including the Bonds) issued by the District and entities aggregated with the District under the Code during calendar year 2026 is not expected to exceed $10,000,000 and (ii) the District and entities aggregated with the District under the Code have not designated more than $10,000,000 in "qualified tax-exempt obligations" (including the Bonds) during calendar year 2026.

Pursuant to Section 265 of the Code, qualifying financial institutions may be permitted to deduct that portion of interest expense the financial institution is able to allocate to designated bank-qualified investments. Notwithstanding this exception, financial institutions acquiring the Bonds will be subject to a 20% disallowance of allocable interest expense.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

## REGISTRATION AND QUALIFICATION UNDER SECURITIES LAWS

The offer and sale of the Bonds have not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, and the Bonds have not been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

## NO LITIGATION CERTIFICATE

The District will furnish the Underwriter a certificate, executed by both the President and Secretary of the Board, and dated as of the date of delivery of the Bonds, to the effect that no litigation of any nature is pending or to the best of their knowledge threatened, either in state or federal courts, contesting or attacking the Bonds, restraining or enjoining the levy, assessment and collection of ad valorem taxes which are pledged to the payment of the Bonds or in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Bonds or affecting the validity of the Bonds or the title of the present officers and directors of the District.

## SOURCES OF INFORMATION

### General

The information contained in this Official Statement has been obtained primarily from the District's records, the District's Engineer, the District's Tax Assessor/Collector and other sources believed to be reliable; however, no representation is made as to the accuracy or completeness of the information contained herein, except as described under "CERTIFICATION OF OFFICIAL STATEMENT" below. The summaries of the statutes, resolutions and engineering and other related reports set forth herein are included subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents for further information.

### Regulation of Issuance

Before the Bonds can be issued, the Attorney General of Texas must pass upon the legality of certain related matters. The Attorney General of Texas neither guarantees nor passes upon the safety of the Bonds as an investment nor passes upon the adequacy or accuracy of the information contained in this Official Statement.

### Financial Advisor

The GMS Group, L.L.C. is employed as the Financial Advisor to the District to render certain professional services, including advising the District on a plan of financing and preparing the Official Statement for the sale of the Bonds. In its capacity as Financial Advisor, The GMS Group, L.L.C. has compiled and edited this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

### Consultants

In approving this Official Statement, the District has relied upon the following consultants:

*Engineer* – The information contained in this Official Statement relating to engineering matters generally and to the description of the System and, in particular, the engineering information included in the sections captioned "THE DISTRICT" and "THE SYSTEM" has been provided and reviewed by Westwood Professional Services and has been included herein in reliance upon the authority of said firm as experts in the field of civil engineering.

*Tax Assessor/Collector* – The information contained in this Official Statement relating to assessed valuations of property generally and, in particular, that information concerning the valuations contained in the sections captioned "TAX DATA," "TAX PROCEDURES," and "DISTRICT DEBT" has been provided by the Travis Central Appraisal District and the Williamson Central Appraisal District. Such information has been included herein in reliance upon their authority as experts in the field of tax assessing and collecting.

*Auditor* – The financial statements of the District as of September 30, 2025, and for the year then ended, included in this offering document, have been audited by McCall Gibson Swedlund Barfoot Ellis PLLC, independent auditors, as shown in their report appearing herein. See "APPENDIX A."

### Updating of Official Statement

The District will keep the Official Statement current by amendment or sticker to reflect material changes in the affairs of the District and, to the extent that information comes to its attention, to the other matters described in the Official Statement until the delivery of the Bonds to the Underwriter. All information with respect to the resale of the Bonds shall be the responsibility of the Underwriter.

### Continuing Availability of Financial Information

Pursuant to Texas law, the District has its financial statements prepared in accordance with generally accepted accounting principles and has its financial statements audited by a certified public accountant in accordance with generally accepted auditing standards within 120 days after the close of its fiscal year. The District audit report is filed with the TCEQ within 135 days after the close of its fiscal year and additionally in the office of the District.

The District's financial records and audit reports are available for public inspection during regular business hours at the office of the District, and copies will be provided on written request, to the extent permitted by law, upon payment of copying charges. Requests for copies should be addressed to the District in care of Coats Rose, P.C., 2700 Via Fortuna, Suite 350, Austin, Texas 78746.

## CERTIFICATION OF OFFICIAL STATEMENT

The District, acting through its Board in its official capacity, hereby certifies as of the date hereof that the information, statements and descriptions pertaining to the District and its affairs contained herein, to the best of its knowledge and belief, contain no untrue statement of a material fact and do not omit to state any material facts necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading. With respect to information included in this Official Statement other than that relating to the District, the Board has no reason to believe that said information contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements herein, in light of the circumstances under which they are made, not misleading; however, the Board has made no independent investigation as to the accuracy or completeness of the information derived from sources other than the District. This Official Statement is duly certified and approved by the Board of Directors, Williamson-Travis Counties Municipal Utility District No. 1, as of the date specified on the first page hereof.

## MISCELLANEOUS

All estimates, statements, and assumptions in this Official Statement and the Appendices hereto have been made on the basis of the best information available and are believed to be reliable and accurate. Any statement in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated is intended as such and not a representation of fact and no representation is made that any such statement will be realized.

This Official Statement was approved by the Board of Directors of Williamson-Travis Counties Municipal Utility District No. 1 as of the date shown on the cover page.

**APPENDIX A**

**WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1**

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT**

**FOR THE YEAR ENDED**

**SEPTEMBER 30, 2025**

# WILLIAMSON-TRAVIS COUNTIES
# MUNICIPAL UTILITY DISTRICT NO. 1

## WILLIAMSON AND TRAVIS COUNTIES, TEXAS

## ANNUAL FINANCIAL REPORT

## SEPTEMBER 30, 2025

**McCALL GIBSON SWEDLUND BARFOOT ELLIS PLLC**
Certified Public Accountants

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**_McCall Gibson Swedlund Barfoot Ellis PLLC_**
*Certified Public Accountants*

*Chris Swedlund*
*Noel W. Barfoot*
*Joseph Ellis*
*Ashlee Martin*

*Mike M. McCall*
*(retired)*
*Debbie Gibson*
*(retired)*

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Williamson-Travis Counties Municipal Utility District No. 1
Williamson and Travis Counties, Texas

**Opinions**

We have audited the accompanying financial statements of the governmental activities and major fund of Williamson-Travis Counties Municipal Utility District No. 1 (the "District") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Board of Directors
Williamson-Travis Counties Municipal Utility District No. 1

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide an assurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC
Certified Public Accountants
Houston, Texas

January 30, 2026

Management's discussion and analysis of Williamson-Travis Counties Municipal Utility District No. 1 (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the District's financial statements.

## USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Fund Balance Sheet and (2) the Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. This report also includes required and other supplementary information in addition to the basic financial statements.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes all of the District's assets, liabilities and deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District's net position changed during the current fiscal year. All current year revenues and expenditures are included regardless of when cash is received or paid.

## FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has one governmental fund type. The General Fund accounts for resources not accounted for in another fund, customer service revenues, maintenance tax revenues, costs and general expenditures.

**FUND FINANCIAL STATEMENTS** (Continued)

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities explains the differences between the two presentations and assists in understanding the differences between these two perspectives.

## NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

## OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI") and other supplementary information. A budgetary comparison schedule is included as RSI for the General Fund.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets exceeded liabilities by $14,886,056 as of September 30, 2025. This compares with assets exceeding liabilities by $14,392,087 in the prior fiscal year.

A portion of the District's net position reflects its net investment in capital assets (e.g. water, wastewater, drainage and recreational facilities, less any debt used to acquire those assets that is still outstanding). The District uses these assets to provide water, wastewater, drainage and recreational services within the District.

The following is a comparative analysis of the Statement of Net Position as of September 30, 2025, and September 30, 2024:

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

| | Summary of Changes in the Statement of Net Position | | |
|---|---|---|---|
| | 2025 | 2024 | Change Positive (Negative) |
| Current and Other Assets | $ 6,190,515 | $ 5,155,764 | $ 1,034,751 |
| Capital Assets (Net of Accumulated Depreciation) | 9,629,916 | 9,935,545 | (305,629) |
| Total Assets | $ 15,820,431 | $ 15,091,309 | $ 729,122 |
| Total Liabilities | $ 934,375 | $ 699,222 | $ (235,153) |
| Net Position: | | | |
| Net Investment in Capital Assets | $ 9,629,916 | $ 9,935,545 | $ (305,629) |
| Unrestricted | 5,256,140 | 4,456,542 | 799,598 |
| Total Net Position | $ 14,886,056 | $ 14,392,087 | $ 493,969 |

The District net position increased by $493,969, accounting for a 3.4% increase in net position. The following table provides a comparative analysis of the District's operations for the years ending September 30, 2025, and September 30, 2024:

| | Summary of Changes in the Statement of Activities | | |
|---|---|---|---|
| | 2025 | 2024 | Change Positive (Negative) |
| Revenues: | | | |
| Property Taxes | $ 2,451,825 | $ 2,430,247 | $ 21,578 |
| Charges for Services | 2,772,108 | 2,502,862 | 269,246 |
| Other Revenues | 368,762 | 730,002 | (361,240) |
| Total Revenues | $ 5,592,695 | $ 5,663,111 | $ (70,416) |
| Expenses for Services | 5,098,726 | 4,790,919 | (307,807) |
| Change in Net Position | $ 493,969 | $ 872,192 | $ (378,223) |
| Net Position, Beginning of Year | 14,392,087 | 13,519,895 | 872,192 |
| Net Position, End of Year | $ 14,886,056 | $ 14,392,087 | $ 493,969 |

## FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUND

The General Fund fund balance increased by $791,029, primarily due to property tax and service revenues exceeding operating and capital costs.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors adopted an unappropriated budget for the current fiscal year. Actual revenues net of expenditures were $640,170 more than budgeted. See the budget to actual comparison for additional information.

## CAPITAL ASSETS

The District's capital assets as of September 30, 2025, amount to $9,629,916 (net of accumulated depreciation). These capital assets include land, as well as the water and wastewater systems, recreational and detention facilities, fences and capital recovery fees.

Capital Assets At Year-End, Net of Accumulated Depreciation

| | 2025 | 2024 | Change Positive (Negative) |
|---|---|---|---|
| Capital Assets Not Being Depreciated: | | | |
| Land and Land Improvements | $ 84,052 | $ 84,052 | $ |
| Construction in Progress | 314,851 | 79,891 | 234,960 |
| Capital Assets, Net of Accumulated Depreciation: | | | |
| Water and Wastewater System | 6,804,388 | 7,187,903 | (383,515) |
| Park and Detention Facilities | 2,383,942 | 2,513,395 | (129,453) |
| District Fences | 8,539 | 16,405 | (7,866) |
| Capital Recovery Fees | 34,144 | 53,899 | (19,755) |
| Total Net Capital Assets | $ 9,629,916 | $ 9,935,545 | $ (305,629) |

## CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Williamson-Travis Counties Municipal Utility District No. 1, c/o Coats Rose, P.C., Terrace 2, 2700 Via Fortuna, Suite 350, Austin, Texas 78746

## WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
### STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
### SEPTEMBER 30, 2025

| | General Fund | Adjustments | Statement of Net Position |
|---|---|---|---|
| **ASSETS** | | | |
| Cash | $ 314,747 | $ | $ 314,747 |
| Investments | 5,495,008 | | 5,495,008 |
| Receivables: | | | |
| Property Taxes | 76,877 | | 76,877 |
| Service Accounts | 296,571 | | 296,571 |
| Other | 7,312 | | 7,312 |
| Land | | 84,052 | 84,052 |
| Construction in Progress | | 314,851 | 314,851 |
| Capital Assets (Net of Accumulated Depreciation) | | 9,231,013 | 9,231,013 |
| **TOTAL ASSETS** | $ 6,190,515 | $ 9,629,916 | $ 15,820,431 |

The accompanying notes to the financial statements are an integral part of this report.

# WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
## STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
## SEPTEMBER 30, 2025

| | General Fund | Adjustments | Statement of Net Position |
|---|---|---|---|
| **LIABILITIES** | | | |
| Accounts Payable | $ 556,308 | $ | $ 556,308 |
| Security Deposits | 378,067 | | 378,067 |
| **TOTAL LIABILITIES** | $ 934,375 | $ -0- | $ 934,375 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Property Taxes | $ 76,877 | $ (76,877) | $ -0- |
| **FUND BALANCE** | | | |
| Unassigned | $ 5,179,263 | $ (5,179,263) | $ -0- |
| **TOTAL FUND BALANCE** | $ 5,179,263 | $ (5,179,263) | $ -0- |
| **TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** | $ 6,190,515 | | |
| **NET POSITION** | | | |
| Net Investment in Capital Assets | | $ 9,629,916 | $ 9,629,916 |
| Unrestricted | | 5,256,140 | 5,256,140 |
| **TOTAL NET POSITION** | | $ 14,886,056 | $ 14,886,056 |

The accompanying notes to the financial statements are an integral part of this report.

# WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
## RECONCILIATION OF THE GOVERNMENTAL FUND
## BALANCE SHEET TO THE STATEMENT OF NET POSITION
## SEPTEMBER 30, 2025

| | |
|---|---|
| Total Fund Balance - Governmental Fund | $ 5,179,263 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | |
| Land, construction in progress and capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds. | 9,629,916 |
| Deferred inflows of resources related to property tax revenues on delinquent taxes for the 2024 and prior tax levies became part of recognized revenue in the governmental activities of the District. | 76,877 |
| Total Net Position - Governmental Activities | $ 14,886,056 |

The accompanying notes to the financial statements are an integral part of this report.

# WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
## STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | General Fund | Adjustments | Statement of Activities |
|---|---|---|---|
| **REVENUES** | | | |
| Property Taxes | $ 2,443,256 | $ 8,569 | $ 2,451,825 |
| Water and Wastewater Service | 2,057,310 | | 2,057,310 |
| Fire Protection Fee | 680,845 | | 680,845 |
| Penalty and Interest | 33,953 | | 33,953 |
| Investment Revenues | 223,288 | | 223,288 |
| Miscellaneous Revenues | 145,474 | | 145,474 |
| **TOTAL REVENUES** | $ 5,584,126 | $ 8,569 | $ 5,592,695 |
| **EXPENDITURES/EXPENSES** | | | |
| Service Operations: | | | |
| Professional Fees | $ 385,334 | $ | $ 385,334 |
| Contracted Services | 1,988,958 | | 1,988,958 |
| Purchased Water and Wastewater Service | 1,379,135 | | 1,379,135 |
| Utilities | 50,632 | | 50,632 |
| Repairs and Maintenance | 505,382 | 50,000 | 555,382 |
| Depreciation | | 635,578 | 635,578 |
| Other | 103,707 | | 103,707 |
| Capital Outlay | 379,949 | (379,949) | |
| **TOTAL EXPENDITURES/EXPENSES** | $ 4,793,097 | $ 305,629 | $ 5,098,726 |
| **NET CHANGE IN FUND BALANCE** | $ 791,029 | $ (791,029) | $ |
| **CHANGE IN NET POSITION** | | 493,969 | 493,969 |
| **FUND BALANCE/NET POSITION - OCTOBER 1, 2024** | 4,388,234 | 10,003,853 | 14,392,087 |
| **FUND BALANCE/NET POSITION - SEPTEMBER 30, 2025** | $ 5,179,263 | $ 9,706,793 | $ 14,886,056 |

The accompanying notes to the financial statements are an integral part of this report.

# WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
## RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
## FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | |
|---|---|
| Net Change in Fund Balance - Governmental Fund | $ 791,029 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | |
| Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied. | 8,569 |
| Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities. | (635,578) |
| Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected. | 329,949 |
| Change in Net Position - Governmental Activities | $ 493,969 |

The accompanying notes to the financial statements are an integral part of this report.

## NOTE 1. CREATION OF DISTRICT

Williamson-Travis Counties Municipal Utility District No. 1 (the "District") was created effective March 27, 1985, by an Order of the Texas Water Commission, presently known as the Texas Commission on Environmental Quality (the "Commission"). Pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, the District is empowered to purchase, operate and maintain all facilities, plants and improvements necessary to provide water, sanitary sewer service, storm sewer drainage, irrigation, solid waste collection and disposal, including recycling, and to construct parks and recreational facilities for the residents of the District. The District is also empowered to establish, operate and maintain a fire department to perform all fire-fighting activities within the District.

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB"). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Commission.

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether or not an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District's financial statement as component units.

### Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting ("GASB Codification").

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any are eliminated by adjustment to obtain net total revenue and expense of the government-wide Statement of Activities.

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

Governmental Funds

The District has one governmental fund and considers it to be a major fund.

General Fund - To account for resources not required to be accounted for in another fund, customer service revenues, maintenance tax revenues, costs and general expenditures.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if they are collectable within 60 days of year end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Fund Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis.

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset.

Assets are capitalized, including infrastructure assets, if they have an original cost greater than $5,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are as follows:

| | Years |
|---|---|
| Water and wastewater facilities | 30-40 |
| Park and detention facilities: | |
| Park improvements and pavilion | 5-30 |
| District office | 30 |
| Office furniture | 10 |
| Detention ponds | 30 |
| District fences | 15 |
| Capital recovery fees | 23-33 |

### Budgeting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

### Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Directors are considered to be wages subject to federal income tax withholding for payroll tax purposes only.

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the balance sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental funds types increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

*Nonspendable*: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The District does not have any nonspendable fund balances.

*Restricted*: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally. The District does not have any restricted fund balances.

*Committed*: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

*Assigned*: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have assigned fund balances.

*Unassigned*: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

## NOTE 3. LONG – TERM DEBT

As of September 30, 2025, the District has authorized but unissued tax bonds in the amount of $5,813,671.

## NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District's deposits was $314,747 and the bank balance was $381,169 and fully covered by a combination of federal depository insurance and sweep account arrangements. The District was not exposed to custodial credit risk at year end.

The carrying values of the deposits are included in the Governmental Fund Balance Sheet and the Statement of Net Position at September 30, 2025, as listed below:

| | Cash |
|---|---|
| GENERAL FUND | $ 314,747 |

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest District funds without express written authority from the Board of Directors.

**NOTE 4. DEPOSITS AND INVESTMENTS** (Continued)

Investments (Continued)

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District's investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in TexPool, an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas has oversight of the pool. Federated Hermes, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool meets the criteria established in GASB Statement No. 79 and measures all of its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

As of September 30, 2025, the District had the following investments and maturities:

| Fund and Investment Type | Fair Value | Maturities of Less Than 1 year |
|---|---|---|
| GENERAL FUND | | |
| TexPool | $ 5,495,008 | $ 5,495,008 |

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2025, the District's investment in TexPool was rated AAAm by Standard and Poor's.

Interest rate risk is the risk the changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in TexPool to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the District.

## NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2025:

| | October 1, 2024 | Increases | Decreases | September 30, 2025 |
|---|---|---|---|---|
| **Capital Assets Not Being Depreciated** | | | | |
| Land and Land Improvements | $ 84,052 | $ | $ | $ 84,052 |
| Construction in Progress | 79,891 | 379,949 | 144,989 | 314,851 |
| **Total Capital Assets Not Being Depreciated** | $ 163,943 | - <br> $ 379,949 | $ 144,989 | $ 398,903 |
| **Capital Assets Subject to Depreciation** | | | | |
| Water and Wastewater System | $ 18,289,940 | $ | $ | $ 18,289,940 |
| Park and Detention Facilities | 5,212,587 | 94,989 | | 5,307,576 |
| District Fences | 1,741,657 | | | 1,741,657 |
| Capital Recovery Fees | 1,112,422 | | | 1,112,422 |
| **Total Capital Assets Subject to Depreciation** | $ 26,356,606 | $ 94,989 | $ -0- | $ 26,451,595 |
| **Less Accumulated Depreciation** | | | | |
| Water and Wastewater System | $ 11,102,037 | $ 383,515 | $ | $ 11,485,552 |
| Park and Detention Facilities | 2,699,192 | 224,442 | | 2,923,634 |
| District Fences | 1,725,252 | 7,866 | | 1,733,118 |
| Capital Recovery Fees | 1,058,523 | 19,755 | | 1,078,278 |
| **Total Accumulated Depreciation** | $ 16,585,004 | $ 635,578 | $ -0- | $ 17,220,582 |
| **Total Depreciable Capital Assets, Net of Accumulated Depreciation** | $ 9,771,602 | $ (540,589) | $ -0- | $ 9,231,013 |
| **Total Capital Assets, Net of Accumulated Depreciation** | $ 9,935,545 | $ (160,640) | $ 144,989 | $ 9,629,916 |

## NOTE 6. MAINTENANCE TAX

On June 18, 1985, the voters of the District approved the levy and collection of a maintenance tax not to exceed $1.50 of assessed valuation of taxable property within the District. During the year ended September 30, 2025, the District levied an ad valorem maintenance tax rate of $0.2733 per $100 of assessed valuation, which resulted in a tax levy of $2,457,665 on the adjusted taxable valuation of $899,218,636 for the 2024 tax year. This maintenance tax is to be used by the General Fund to pay expenditures of operating the District’s waterworks and sanitary sewer system.

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

## NOTE 7. WHOLESALE WATER AND WASTEWATER SERVICE AGREEMENT

Effective September 22, 2015, the District and the City of Cedar Park, Texas (the "City") entered into a Wholesale Water and Wastewater Service Agreement (the "Agreement"). The Agreement was amended on November 1, 2016. Per the Agreement, the City has agreed to provide the District with a wholesale water supply and wholesale wastewater treatment services. The Agreement established wholesale rates for water and wastewater services provided and further provided mechanisms for calculating increases in the respective rates. The current rate being charged by the City is $4.75 per 1,000 gallons of water purchased and $3.99 per 1,000 gallons of wastewater services purchased. During the current fiscal year, the District recorded $940,680 for purchased water services and $438,455 for purchased wastewater services.

## NOTE 8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District carries commercial insurance for its fidelity bonds and participates in the Texas Municipal League Intergovernmental Risk Pool (TML) to provide property, general liability, automobile, boiler and machinery, errors and omissions and law enforcement liability coverage. The District, along with other participating entities, contributes annual amounts determined by TML's management. As claims arise they are submitted and evaluated and denied or allowed by TML. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

# WILLIAMSON-TRAVIS COUNTIES
# MUNICIPAL UTILITY DISTRICT NO. 1

## REQUIRED SUPPLEMENTARY INFORMATION

## SEPTEMBER 30, 2025

# WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
## FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Property Taxes | $ 2,375,349 | $ 2,443,256 | $ 67,907 |
| Water and Wastewater Service | 1,814,400 | 2,057,310 | 242,910 |
| Fire Protection Fee | 700,600 | 680,845 | (19,755) |
| Penalty and Interest | 28,600 | 33,953 | 5,353 |
| Investment Revenues | 75,250 | 223,288 | 148,038 |
| Miscellaneous Revenues | 17,500 | 145,474 | 127,974 |
| **TOTAL REVENUES** | $ 5,011,699 | $ 5,584,126 | $ 572,427 |
| **EXPENDITURES** | | | |
| Service Operations: | | | |
| Professional Fees | $ 242,250 | $ 385,334 | $ (143,084) |
| Contracted Services | 1,888,775 | 1,988,958 | (100,183) |
| Purchased Water and Wastewater Service | 1,221,100 | 1,379,135 | (158,035) |
| Utilities | 61,000 | 50,632 | 10,368 |
| Repairs and Maintenance | 668,975 | 505,382 | 163,593 |
| Other | 102,372 | 103,707 | (1,335) |
| Capital Outlay | 676,368 | 379,949 | 296,419 |
| **TOTAL EXPENDITURES** | $ 4,860,840 | $ 4,793,097 | $ 67,743 |
| **NET CHANGE IN FUND BALANCE** | $ 150,859 | $ 791,029 | $ 640,170 |
| **FUND BALANCE - OCTOBER 1, 2024** | 4,388,234 | 4,388,234 | |
| **FUND BALANCE - SEPTEMBER 30, 2025** | $ 4,539,093 | $ 5,179,263 | $ 640,170 |

See accompanying independent auditor's report.

# WILLIAMSON-TRAVIS COUNTIES
# MUNICIPAL UTILITY DISTRICT NO. 1

## SUPPLEMENTARY INFORMATION REQUIRED BY THE

## WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

## SEPTEMBER 30, 2025

# WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
## SERVICES AND RATES
## FOR THE YEAR ENDED SEPTEMBER 30, 2025

### 1. SERVICES PROVIDED BY THE DISTRICT DURING THE FISCAL YEAR:

| | | | | | |
|---|---|---|---|---|---|
| X | Retail Water | | Wholesale Water | X | Drainage |
| X | Retail Wastewater | | Wholesale Wastewater | | Irrigation |
| X | Parks/Recreation | X | Fire Protection | X | Security |
| X | Solid Waste/Garbage | | Flood Control | | Roads |
| | Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) | | | | |
| X | Other (specify): Restrictive Covenant Enforcement | | | | |

### 2. RETAIL SERVICE PROVIDERS

#### a. RETAIL RATES FOR A 3/4" METER (OR EQUIVALENT):

Based on the rate order effective June 16, 2025.

| | Minimum Charge | Minimum Usage | Flat Rate Y/N | Rate per 1,000 Gallons over Minimum Use | Usage Levels |
|---|---|---|---|---|---|
| WATER: | $ 25.00* | N/A | N | $ 4.94 | 0,001 to 10,000 |
| | | | | $ 5.94 | 10,001 to 15,000 |
| | | | | $ 7.12 | 15,001 and 20,000 |
| | | | | $ 10.68 | 20,000 and up |
| WASTEWATER: | | N/A | N | $ 4.84 | 0,001 and up |
| FIRE PROTECTION | $34.89 | | | | |
| SURCHARGE: Regulatory Assessment Fee | $0.05% of water and wastewater bill | | | | |

District employs winter averaging for wastewater usage? X Yes ___ No

Total monthly charges per 10,000 gallons usage: Water: $74.39 Wastewater: $48.40 Fire Protection: $34.89
Surcharge: $0.61

* Base fee of $25.00

See accompanying independent auditor's report.

## 2. RETAIL SERVICE PROVIDERS (Continued)

### b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)

| Meter Size | Total Connections | Active Connections | ESFC Factor | Active ESFCs |
|---|---|---|---|---|
| Unmetered | | | x 1.0 | |
| ≤¾" | 1,892 | 1,888 | x 1.0 | 1,888 |
| 1" | 20 | 20 | x 2.5 | 50 |
| 1½" | 10 | 10 | x 5.0 | 50 |
| 2" | 2 | 2 | x 8.0 | 16 |
| 3" | 4 | 4 | x 15.0 | 60 |
| 4" | | | x 25.0 | |
| 6" | | | x 50.0 | |
| 8" | | | x 80.0 | |
| 10" | | | x 115.0 | |
| Total Water Connections | 1,928 | 1,924 | | 2,064 |
| Total Wastewater Connections | 1,917 | 1,913 | x 1.0 | 1,913 |

## 3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (Unaudited):

| | | |
|---|---|---|
| Gallons billed to customers: | 167,905,000 | Water Accountability Ratio: 88.86 %<br>(Gallons billed/Gallons purchased) |
| Gallons purchased: | 188,953,000 | From: City of Cedar Park, Texas |

See accompanying independent auditor's report.

**4. STANDBY FEES** (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? Yes ____ No _X_

Does the District have Operation and Maintenance standby fees? Yes ____ No _X_

**5. LOCATION OF DISTRICT:**

Is the District located entirely within one county?

Yes _____ No __X__

Counties in which District is located:

Williamson and Travis Counties, Texas

Is the District located within a city?

Entirely _____ Partly __X__ Not at all _____

City in which District is partially located:

City of Cedar Park, Texas

Is the District located within a city's extraterritorial jurisdiction (ETJ)?

Entirely __X__ Partly ______ Not at all _____

ETJ in which District is located:

City of Cedar Park, Texas

Is the general membership of the Board appointed by an office outside the District?

Yes _____ No __X__

# WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
## GENERAL FUND EXPENDITURES
## FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | | |
|---|---|---|
| PROFESSIONAL FEES: | | |
| Auditing | $ | 17,750 |
| Engineering | | 100,426 |
| Legal | | 267,158 |
| TOTAL PROFESSIONAL FEES | $ | 385,334 |
| PURCHASED SERVICES FOR RESALE: | | |
| Purchased Water Service | $ | 940,680 |
| Purchased Wastewater Service | | 438,455 |
| TOTAL PURCHASED SERVICES FOR RESALE | $ | 1,379,135 |
| CONTRACTED SERVICES: | | |
| Appraisal District | $ | 13,384 |
| Bookkeeping | | 46,774 |
| Utility Manager | | 638,210 |
| Solid Waste Disposal | | 552,106 |
| Security | | 57,639 |
| Fire Fighting | | 680,845 |
| TOTAL CONTRACTED SERVICES | $ | 1,988,958 |
| UTILITIES | $ | 50,632 |
| REPAIRS AND MAINTENANCE | $ | 505,382 |
| ADMINISTRATIVE EXPENDITURES: | | |
| Director Fees | $ | 34,728 |
| Election Costs | | 2,571 |
| Insurance | | 27,557 |
| Payroll Taxes and Administration | | 6,388 |
| Other | | 21,528 |
| TOTAL ADMINISTRATIVE EXPENDITURES | $ | 92,772 |

See accompanying independent auditor’s report.

**WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1**
**GENERAL FUND EXPENDITURES**
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| | |
|---|---|
| CAPITAL OUTLAY | $ 379,949 |
| | |
| OTHER EXPENDITURES: | |
| Permit Fees | $ 4,743 |
| Regulatory Assessment | 6,192 |
| TOTAL OTHER EXPENDITURES | $ 10,935 |
| | |
| TOTAL EXPENDITURES | $ 4,793,097 |

See accompanying independent auditor's report.

## WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
## INVESTMENTS
## SEPTEMBER 30, 2025

| Funds | Identification or Certificate Number | Interest Rate | Maturity Date | Balance at End of Year | Accrued Interest Receivable at End of Year |
|---|---|---|---|---|---|
| GENERAL FUND | | | | | |
| TexPool | XXXX0002 | Varies | Daily | $ 5,403,206 | $ |
| TexPool | XXXX0004 | Varies | Daily | 91,802 | |
| TOTAL GENERAL FUND | | | | $ 5,495,008 | $ -0- |

See accompanying independent auditor's report.

**WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1**
**TAXES LEVIED AND RECEIVABLE**
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

| | Maintenance Tax | | Debt Service Tax | |
|---|---|---|---|---|
| TAXES RECEIVABLE - | | | | |
| OCTOBER 1, 2024 | $ 49,106 | | $ 19,202 | |
| Adjustments to Beginning Balance | (5,813) | $ 43,293 | (27) | $ 19,175 |
| Original 2024 Tax Levy | $ 2,462,956 | | $ -0- | |
| Adjustment to 2024 Tax Levy | (5,291) | 2,457,665 | | |
| TOTAL TO BE ACCOUNTED FOR | | $ 2,500,958 | | $ 19,175 |
| TAX COLLECTIONS: | | | | |
| Prior Years | $ (2,957) | | $ 1,495 | |
| Current Year | 2,444,718 | 2,441,761 | | 1,495 |
| TAXES RECEIVABLE - SEPTEMBER 30, 2025 | | $ 59,197 | | $ 17,680 |
| TAXES RECEIVABLE BY YEAR: | | | | |
| 2024 | | $ 12,947 | | $ -0- |
| 2023 | | 6,893 | | |
| 2022 | | 6,019 | | 160 |
| 2021 | | 5,414 | | 494 |
| 2020 | | 4,196 | | 705 |
| 2019 and prior | | 23,728 | | 16,321 |
| TOTAL | | $ 59,197 | | $ 17,680 |

See accompanying independent auditor's report.

# WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
## TAXES LEVIED AND RECEIVABLE
## FOR THE YEAR ENDED SEPTEMBER 30, 2025

| | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| TOTAL PROPERTY VALUATIONS (a) | $ 899,218,636 | $ 844,948,303 | $ 824,642,148 | $ 685,249,322 |
| TAX RATES PER $100 VALUATION: | | | | |
| Debt Service | $ 0.0000 | $ 0.0000 | $ 0.0078 | $ 0.0275 |
| Maintenance | 0.2733 | 0.2881 | 0.2940 | 0.3016 |
| TOTAL TAX RATES PER $100 VALUATION | $ 0.2733 | $ 0.2881 | $ 0.3018 | $ 0.3291 |
| ADJUSTED TAX LEVY* | $ 2,457,665 | $ 2,432,140 | $ 2,487,008 | $ 2,254,720 |
| PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED** | 99.47 % | 99.72 % | 99.75 % | 99.74 % |

* Based upon adjusted tax levy at time of audit for the fiscal year in which the tax was levied.

Maintenance Tax – Maximum tax rate of $1.50 per $100 of assessed valuation was approved by voters on June 18, 1985

See accompanying independent auditor's report.

**WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1**
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**
**GENERAL FUND - FIVE YEARS**

| | Amounts | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **REVENUES** | | | |
| Property Taxes, | $ 2,443,256 | $ 2,426,734 | $ 2,414,090 |
| Water and Wastewater Service | 2,091,263 | 1,835,526 | 1,913,395 |
| Fire Protection Fee | 680,845 | 667,336 | 665,984 |
| Investment Revenues | 223,288 | 194,277 | 155,925 |
| Miscellaneous Revenues | 145,474 | 535,725 | 26,940 |
| **TOTAL REVENUES** | $ 5,584,126 | $ 5,659,598 | $ 5,176,334 |
| **EXPENDITURES** | | | |
| Professional Fees | $ 385,334 | $ 282,066 | $ 249,242 |
| Contracted Services | 1,988,958 | 1,920,423 | 1,942,515 |
| Purchased Water and Wastewater Service | 1,379,135 | 1,383,555 | 1,327,186 |
| Utilities | 50,632 | 66,395 | 56,413 |
| Repairs and Maintenance | 505,382 | 432,714 | 760,169 |
| Other | 103,707 | 82,912 | 115,588 |
| Capital Outlay | 379,949 | 454,795 | 257,128 |
| **TOTAL EXPENDITURES** | $ 4,793,097 | $ 4,622,860 | $ 4,708,241 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES** | $ 791,029 | $ 1,036,738 | $ 468,093 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers In (Out) | $ -0- | $ -0- | $ 16,560 |
| **NET CHANGE IN FUND BALANCE** | $ 791,029 | $ 1,036,738 | $ 484,653 |
| **BEGINNING FUND BALANCE** | 4,388,234 | 3,351,496 | 2,866,843 |
| **ENDING FUND BALANCE** | $ 5,179,263 | $ 4,388,234 | $ 3,351,496 |

See accompanying independent auditor’s report.

| 2022 | 2021 | Percentage of Total Revenue 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|---|
| $ 2,100,940 | $ 1,828,934 | 43.7 % | 42.9 % | 46.6 % | 44.0 % | 41.8 % |
| 1,961,079 | 1,880,827 | 37.5 | 32.4 | 37.0 | 41.0 | 42.9 |
| 636,822 | 613,790 | 12.2 | 11.8 | 12.9 | 13.3 | 14.0 |
| 20,580 | 1,469 | 4.0 | 3.4 | 3.0 | 0.4 | |
| 59,819 | 58,171 | 2.6 | 9.5 | 0.5 | 1.3 | 1.3 |
| $ 4,779,240 | $ 4,383,191 | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % |
| $ 341,096 | $ 586,348 | 6.9 % | 5.0 % | 4.8 % | 7.1 % | 13.4 % |
| 1,832,053 | 1,768,945 | 35.6 | 33.9 | 37.5 | 38.3 | 40.4 |
| 1,370,993 | 1,206,982 | 24.7 | 24.4 | 25.6 | 28.7 | 27.5 |
| 14,007 | 13,039 | 0.9 | 1.2 | 1.1 | 0.3 | 0.3 |
| 668,311 | 599,991 | 9.1 | 7.6 | 14.7 | 14.0 | 13.7 |
| 108,579 | 123,854 | 1.9 | 1.5 | 2.2 | 2.3 | 2.8 |
| 128,540 | 47,816 | 6.8 | 8.0 | 5.0 | 2.7 | 1.1 |
| $ 4,463,579 | $ 4,346,975 | 85.9 % | 81.6 % | 90.9 % | 93.4 % | 99.2 % |
| $ 315,661 | $ 36,216 | 14.1 % | 18.4 % | 9.1 % | 6.6 % | 0.8 % |
| $ -0- | $ -0- | | | | | |
| $ 315,661 | $ 36,216 | | | | | |
| 2,551,182 | 2,514,966 | | | | | |
| $ 2,866,843 | $ 2,551,182 | | | | | |

See accompanying independent auditor's report.

**WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1**
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**
**DEBT SERVICE FUND - FIVE YEARS**

| | Amounts | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| **REVENUES** | | | |
| Property Taxes, including Penalty and Interest | $ | $ | $ 64,213 |
| Investment Revenues | | | 11,532 |
| Miscellaneous Revenues | | | 514 |
| **TOTAL REVENUES** | N/A | N/A | $ 76,259 |
| **EXPENDITURES** | | | |
| Tax Collection Expenditures | $ | $ | $ 1,425 |
| Debt Service Principal | | | 185,000 |
| Debt Service Interest and Fees | | | 7,400 |
| **TOTAL EXPENDITURES** | N/A | N/A | $ 193,825 |
| **EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES** | N/A | N/A | $ (117,566) |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers In (Out) | N/A | N/A | $ (16,560) |
| **NET CHANGE IN FUND BALANCE** | N/A | N/A | $ (134,126) |
| **BEGINNING FUND BALANCE** | | | 134,126 |
| **ENDING FUND BALANCE** | N/A | N/A | $ - 0 - |
| **TOTAL ACTIVE RETAIL WATER CONNECTIONS** | 1,924 | 1,931 | 1,932 |
| **TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS** | 1,913 | 1,913 | 1,914 |

See accompanying independent auditor's report.

| | | Percentage of Total Revenue | | | | |
|---|---|---|---|---|---|---|
| 2022 | 2021 | 2025 | 2024 | 2023 | 2022 | 2021 |
| $ 200,935 | $ 305,198 | % | % | 84.2 % | 99.0 % | 99.9 % |
| 1,943 | 293 | | | 15.1 | 1.0 | 0.1 |
| | | | | 0.7 | | |
| $ 202,878 | $ 305,491 | N/A % | N/A % | 100.0 % | 100.0 % | 100.0 % |
| $ 2,502 | $ 2,426 | % | % | 1.9 % | 1.2 % | 0.8 % |
| 175,000 | 345,000 | | | 242.6 | 86.3 | 112.9 |
| 14,400 | 27,270 | | | 9.7 | 7.1 | 8.9 |
| $ 191,902 | $ 374,696 | N/A % | N/A % | 254.2 % | 94.6 % | 122.6 % |
| $ 10,976 | $ (69,205) | N/A % | N/A % | (154.2) % | 5.4 % | (22.6) % |
| $ -0- | $ -0- | | | | | |
| $ 10,976 | $ (69,205) | | | | | |
| 123,150 | 192,355 | | | | | |
| $ 134,126 | $ 123,150 | | | | | |
| 1,932 | 1,929 | | | | | |
| 1,932 | 1,924 | | | | | |

See accompanying independent auditor's report.

**WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1**
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**
**SEPTEMBER 30, 2025**

District Mailing Address - Williamson-Travis Counties Municipal Utility District No. 1
c/o Coats Rose, P.C.
Terrace 2, 2700 Via Fortuna, Suite 350
Austin, TX 78746

District Telephone Number - (512) 541-3593

| **Board Members** | Term of Office (Elected or Appointed) | Fees of Office for the year ended September 30, 2025 | Expense Reimbursements for the year ended September 30, 2025 | Title |
|---|---|---|---|---|
| Beth Jones | 11/22 11/26 (Elected) | $ 8,177 | $ 1,124 | President |
| Hanoi Avila | 11/22 11/26 (Elected) | $ 7,198 | $ -0- | Vice President/ Treasurer |
| Christopher Rocco | 11/24 11/28 (Elected) | $ 7,198 | $ 864 | Secretary |
| David Flores | 11/22 11/26 (Elected) | $ 4,199 | $ -0- | Assistant Secretary |
| Carroll Norrell | 11/24 11/28 (Elected) | $ 6,188 | $ -0- | Assistant Secretary |
| Linda Fabre | 11/20 11/24 (Elected) | $ 663 | $ -0- | Former Treasurer |
| Kelley Masters | 04/23 11/24 (Appointed) | $ 1,105 | $ -0- | Former Secretary |

Note: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developer or with any of the District's consultants.

Submission Date of most recent District Registration Form: January 6, 2025

The limit on Fees of Office that a Director may receive during a fiscal year is $7,200 as set by Board Resolution. Fees of Office are the amounts actually paid to a Director during the District's current fiscal year. As noted above, one Director exceeded the maximum allowed amount of $7,200 during the current fiscal year due to the transition of bookkeepers and the overage is to be withheld from future per diems.

See accompanying independent auditor's report.

## WILLIAMSON-TRAVIS COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1
### BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
### SEPTEMBER 30, 2025

| **Consultants:** | Date Hired | Fees for the year ended September 30, 2025 | Title |
|---|---|---|---|
| Coats Rose, P.C. | 03/29/23 | $ 148,172 | General Counsel |
| McCall Gibson Swedlund Barfoot Ellis PLLC | 10/18/23 | $ 17,750 | Auditor |
| Artesian Financial Services, LLC | 06/27/23 | $ 56,812 | Bookkeeper |
| Westwood Professional Services, Inc. | 10/18/23 | $ 214,079 | Engineer |
| Inframark, LLC | 1991 | $ 789,776 | District Manager |
| Williamson County Tax Assessor/Collector | | $ 691 | Tax Assessor/ Collector |
| Travis County Tax Assessor/Collector | | $ 1,097 | Tax Assessor/ Collector |

See accompanying independent auditor's report.

**APPENDIX B**

**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

(To be included in the Final Official Statement, if applicable)