RESOLUTION ADOPTING BUDGET

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

WHEREAS, the Board of Directors (the "*Board*") of Travis County Municipal Utility District No. 2 (the "*District*") has projected the operating expenses and revenues for the District for the period October 1, 2026 through September 30, 2027, and desires to adopt a budget consistent therewith;

IT IS HEREBY RESOLVED BY THE BOARD THAT:

Section 1. The Budget attached as **Exhibit "A"** is hereby adopted.

Section 2. The attorney for the District is directed to file a copy of this Resolution in the official records of the District.

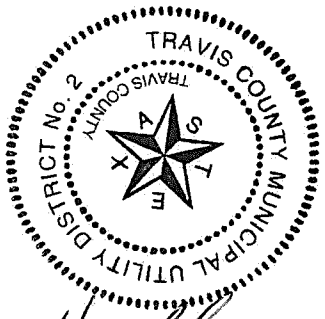
Section 3. This Resolution may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument. A digital signature, a facsimile or other electronic copy of an original signature, and/or a counterpart transmitted electronically (*e.g.*, by fax, email, text, or similar means), will be deemed to be, and will have the same force and effect as, an original signature for all purposes.

* * *

(*Signature page follows*.)

ADOPTED this 2nd day of September, 2026.

(SEAL)



ATTEST:

Gwen Huntley, Secretary
Board of Directors

TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

Wilmer Roberts, President
Board of Directors

EXHIBIT A

BUDGET

[The District's Bookkeeper will present the final budget at the Board meeting]

Travis County MUD No. 2
Approved Budget: FY 2026 - 2027

	Audited			FY 25-26		FY 26-27
	FY 22 - 23	FY 23-24	FY 24-25	Budgeted	Projected	Proposed
Revenues:						
Property Taxes, including penalties	$ 846,631	$ 890,382	$ 921,442	$ 986,188	$ 992,607	$ 778,805
Service Accounts -						
Basic Service Fees	634,954	637,373	652,395	683,062	683,635	692,992
Water Service Fees	764,120	694,809	869,981	743,095	742,700	755,455
Sewer Service Fees	423,021	397,778	437,543	414,864	442,116	421,250
Service Account Penalties	25,005	29,772	33,403	32,218	34,484	32,720
Total Service Accounts	1,847,100	1,759,732	1,993,322	1,873,239	1,902,936	1,902,416
Tap Connection Fees	4,800	2,400	-	-	-	43,200
Inspection Fees	175	1,490	-	-	-	17,100
Interest Income	219,534	286,141	245,621	108,000	181,024	120,000
Other Income	-	-	-	-	-	-
Total Revenues	2,918,240	2,940,145	3,160,385	2,967,427	3,076,567	2,861,522
Expenditures:						
District Facilities -						
Master District Charges -						
Operations & Maintenance	1,517,441	1,384,790	1,356,004	1,573,525	1,491,364	1,516,559
Subtotal - Master District Charges	1,517,441	1,384,790	1,356,004	1,573,525	1,491,364	1,516,559
District Facilities -						
Management & Consulting	153,765	162,370	169,619	183,215	175,543	183,013
Repairs & Maintenance - Water	79,173	136,506	311,761	132,000	94,718	132,000
Repairs & Maintenance - Sewer	8,709	61,275	30,910	79,800	83,213	79,800
Repairs & Maintenance - Drainage	10,200	10,200	15,400	15,000	36,800	15,000
Garbage Service	248,944	249,272	279,832	294,993	295,786	299,438
Meter sets/inspections	250	385,534	201,463	10,000	12,038	17,095
Lab Fees	1,834	1,950	1,507	1,800	1,754	1,800
Joint Facility Charges	410	-	-	56,210	56,210	59,910
Capital Outlay	-	-	-	-	-	600,000
Subtotal - District Facilities	503,286	1,007,107	1,010,492	773,018	756,063	1,388,056
Administrative Services -						
Director Fees, including payroll taxes	11,081	15,324	15,184	15,225	17,020	15,225
Director Reimbursement/Travel	5,489	5,532	4,767	7,800	8,231	7,800
Printing/Legal Notices	2,435	4,840	5,144	4,000	4,000	4,000
Election Expenditures	158	1,415	145	1,000	995	1,000
Public Notices	-	-	-	8,000	8,000	8,000
Insurance & Surety Bond	7,460	9,633	10,978	12,600	12,448	12,600
Bank Fees	46,247	27,262	19,576	21,000	20,961	21,000
Website Expenditures	519	519	1,247	5,000	5,000	5,000
Miscellaneous	1,975	1,624	4,979	3,600	1,758	3,600
Subtotal - Administrative Services	75,365	66,149	62,020	78,225	78,414	78,225
Professional Fees -						
Legal Fees	49,491	41,288	50,189	58,800	54,890	58,800
Records Retention Policy Compliance	-	200	-	5,000	5,000	5,000
Accounting Fees	35,750	40,563	42,025	43,350	44,975	42,250
Engineering Fees	15,429	13,660	29,608	36,000	54,501	36,000
Lead & Copper	-	8,265	-	2,500	2,500	2,500
Financial Advisor Fees	569	613	927	1,000	1,025	1,000
Other Consulting Fees	4,550	-	-	7,500	7,500	7,500
Tax Appraisal/Collection Fees	4,299	5,250	5,467	7,000	6,780	7,000
Audit Fees	15,750	16,000	16,750	17,500	17,500	21,000
Subtotal - Professional Services	125,838	125,839	144,966	178,650	194,671	181,050
Total Expenditures	2,221,930	2,583,885	2,573,482	2,603,418	2,520,512	3,163,890
Excess / (Deficiency) of Revenues over Expenditures	$ 696,310	$ 356,260	$ 586,903	$ 364,009	$ 556,055	$ (302,369)

Assumptions:	
-2026 AV: $434,625,486	-2025 AV: $455,903,159
-M&O Rate: $0.1810	
-DS Rate: $0.3370	
-Contract Rate: $0.3500	-Total Tax rate: $0.8680 (Parity Rate)