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Krista Bartsch
Bastrop County Clerk

THE COLONY MUNICIPAL UTILITY DISTRICT NO. 1D

AGENDA

September 22, 2025

TO: THE BOARD OF DIRECTORS OF THE COLONY MUNICIPAL UTILITY DISTRICT NO. 1D AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of The Colony Municipal Utility District No. 1D will hold a meeting at **9:00 a.m. on Monday, September 22, 2025 at The Colony Amenity Center, 368 Stephen F. Austin, Bastrop, Texas.** The following matters may be considered and acted upon at the meeting:

PUBLIC COMMENT

1. Citizens' communications and Board member announcements;

CONSENT ITEMS

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

2. Minutes of August 25, 2025 Board meeting;

BOND ITEMS

3. \$3,410,000 Unlimited Tax Bonds, Series 2025, including:
 - (a) Texas Commission on Environmental Quality Order Approving an Engineering Project and the Issuance of \$3,410,000 in Unlimited Tax Bonds for The Colony Municipal Utility District No. 1D;
 - (b) Timetable for Issuance;
 - (c) Preliminary Official Statement;
 - (d) Resolution Approving Preliminary Official Statement; Authorizing Distribution of Preliminary Official Statement and Authorizing Publication of a Notice of Sale of Bonds; and Approving Other Related Matters;
 - (e) Engagement letter with McCall Gibson Swedlund Barfoot Ellis PLLC for report on reimbursable costs;
 - (f) Statement on Auditing Standards No. 133 Official Statement Management Representation Letter;
 - (g) Designation of bond subcommittee, including delegation to such subcommittee of authority to act on any and all bond-related matters that may be lawfully taken by a subcommittee;
 - (h) Any other matters in connection with the \$3,410,000 Unlimited Tax Bonds, Series 2025;

SERVICE AGREEMENT RENEWALS

4. Renewal of Operations Services Agreement with Crossroads Utility Services LLC (internal facilities);
5. Renewal of Bookkeeping Services Agreement with Bott & Douthitt, PLLC;

BUDGET AND TAX ITEMS

6. 2025-2026 budget and 2025 tax rate, including:
 - (a) Tax rate analysis, including recommendation from District's financial advisor regarding 2025 tax rate;
 - (b) Public hearing on District's 2025 tax rate, including public feedback received through appraisal District/County tax office website;
 - (c) Budget for fiscal year 2025-2026, including Resolution Adopting Budget;
 - (d) Record vote on District's 2025 tax rate and Order Levying Taxes;
 - (e) Amended and Restated Information Form (*if necessary for tax rate change*);

REPORTS AND RELATED DISCUSSION / ACTION ITEMS

7. Accounting report, including:
 - (a) Bills, invoices, transfers, and investments;
8. General manager's and utility operator's report, including:
 - (a) Utility operations, including repairs and maintenance and any related proposals;
 - (b) Connections and billing reports, delinquent accounts, and write-offs;
9. Engineer's report, including:
 - (a) Action items, including:
 - (i) Any pay estimates and/or change orders for The Colony MUD 1D, Section 2B Streets Excavation, Drainage, Water, Wastewater and Erosion Control Improvements construction contract;
 - (b) Project updates;
10. Developer's report, including construction, development, and homebuilding update;
11. Attorney's report;
12. Consideration of vacancy on Board of Directors;
13. Future meeting schedule and agenda items.

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



A handwritten signature in black ink, appearing to read 'J. H. Brown', is written over a horizontal line.

Attorney for the District

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

COLONY MUNICIPAL UTILITY DISTRICT NO. 1D

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

Property tax bill for the median-valued homestead* for current fiscal year (fiscal year 2024-2025):	\$4,872.25
Estimated property tax bill for the median-valued homestead* for the upcoming fiscal year (fiscal year 2025-2026) if the proposed budget (attached) is adopted:	\$4,882.58
Estimated property tax bill for the median-valued homestead* for the upcoming fiscal year (fiscal year 2025-2026) if a balanced budget funded at the no-new-revenue tax rate as calculated under Chapter 26 of the Texas Tax Code*** is adopted:	\$5,817.74**

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

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

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

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

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

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

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

New Property Value = means the following:

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

PROPOSED BUDGET FOR FISCAL YEAR 2025-2026

The Colony Municipal Utility District No. 1D Proposed Budget - General Fund Fiscal Year 2025-2026

	Original Proposed FY-2026 Budget	Approved FY-2025 Budget	Projected FY-2025 Actual
Revenues:			
Property Taxes	\$ 108,459	\$ 244,032	\$ 235,839
Service Fees - Water	121,000	104,000	144,520
Capacity Charges - Water	-	17,500	7,000
Meter Charges	-	1,500	598
Tap Fees - Water	-	2,000	800
Service Fees - Sewer	38,400	38,400	38,364
Capacity Charges - Sewer	-	13,050	5,220
Tap Fees - Sewer	-	2,000	800
Inspection Fees	-	2,250	900
Drainage & Use Fees	-	2,000	800
Penalties & Interest	3,600	3,600	2,058
Investment Interest	1,800	3,000	7,444
Developer Advance	211,958	175,000	175,000
Total Revenues	485,217	608,332	619,343
Expenses:			
Operating Expenses			
Operations Expenses	48,434	47,377	46,426
System Maintenance-Water	12,000	13,500	8,342
System Maintenance-Sewer	3,000	3,000	1,000
System Maintenance-Drainage	10,000	10,000	10,000
Inspection Fee	-	2,250	6,177
Utilities	-	-	-
Permit Fees	300	300	300
Total Wastewater Expenses	73,734	76,427	72,245
Administrative Expenses			
Director Fees	8,330	8,330	6,001
Insurance	5,200	5,200	5,200
Payroll Taxes	480	480	426
Bank Fees	240	240	4,676
Water Capacity Charges	-	17,500	7,000
Wastewater Capacity Charges	-	13,050	5,220
Public Notices	-	-	-
Other / Miscellaneous	3,600	3,600	1,597
Total Administrative Exp	17,850	48,400	30,120
Professional Fees			
Legal Fees	33,000	33,000	30,434
Bookkeeping Fees	28,050	23,850	22,600
Audit Fees	12,500	11,000	11,500
Financial Advisor	1,750	1,750	1,588
Engineering Fees	18,000	10,800	10,856
Total Professional Fees	93,300	80,400	76,978
Contracted Services			
Appraisal District Fees	3,200	2,400	2,934
Tax Collector Fees	200	200	-
Total Contracted Services	3,400	2,600	2,934
Managing District Charges			
Monthly Charges	176,794	173,634	173,634
Intergovernmental Contribution	-	-	-
User Charges	120,139	106,547	121,699
Managing Dist Op & Maint	296,933	280,181	295,333
Total Expenses	485,217	488,009	477,610
Excess/(Deficiency)	\$ 0	\$ 120,323	\$ 141,735

Appraised Value: \$47,227,946
Total Tax Rate: \$3.85
O&M Tax Rate: \$3.30
DSF Tax Rate: \$6.65
0 new connections for the year