

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

SEPTEMBER 12, 2025

THE STATE OF TEXAS §

COUNTY OF HARRIS §

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 537 §

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 537 (the "District"), noticed a regular session open to the public, to be held at 8:30 a.m., on Friday, September 12, 2025, at 1330 Post Oak Boulevard, Suite 2650, Houston, Texas 77056, a designated meeting place located outside the boundaries of the District. Whereupon, at 8:31 a.m., the meeting was called to order and the roll was called of the members of the Board, to wit:

Jim Balock	-	President
Nancy Turner	-	Vice President
Francine Stefan	-	Secretary
David Kahn	-	Assistant Secretary
William Sherwood	-	Assistant Secretary

Directors Balock, Stefan, D. Kahn, and Sherwood attended the meeting, thus constituting a quorum. Director Turner monitored the meeting via Zoom. Copies of the notices of the meeting are attached hereto.

Also attending the meeting were Loren Clark of L & S District Services ("L & S"), Bookkeeper for the District (via Zoom); Brenda McLaughlin of Bob Leared Interests, Tax Assessor/Collector for the District; Ben Allen, P.E. of BGE, Engineers for the District; T. J. Florete of McGrath & Co. ("McGrath"), Auditors for the District; Trevor Konopka of The GMS Group ("GMS"), Financial Advisors for the District; Jaison Sanwald of SiEnvironmental, LLC ("SiEnviro"), Operator for the District; Jenna Craig of Touchstone, Website Consultant for the District; Zachary Smith of Lake Management Services ("LMS"); Allen Watson, General Manager for the District; Joshua J. Kahn and Deidra Daniels (Paralegal) of Sanford Kuhl Hagan Kugle Parker Kahn LLP

("SK Law"), Attorneys for the District; and Kimberly Spaw and Neville Henry, members of the public

Some Agenda Items were taken out of order.

HEAR FROM PUBLIC

The Board recognized Mr. Henry, who advised that this would be the last District meeting that he attends in his capacity as HOA president, as he had decided to not run for re-election.

HOA REPORT

The Board recognized Ms. Spaw, who discussed the upcoming HOA Board election, foreclosures in Somerset Green, and reimbursement for tree replacement.

The Board recognized Mr. Kahn, who advised that the District currently had \$17,894.84 in its Park Capital Fund account and that such funds could be spent only on park matters, including reimbursing the HOA for previous tree replacement.

Upon motion by Director Stefan, seconded by Director D. Kahn, and after full discussion, the Board voted unanimously approve reimbursement to the HOA for tree replacement in the amount of \$17,892.84.

APPROVE MINUTES OF MEETING JULY 11, 2025

The Board reviewed the proposed minutes of the meeting of the Board held July 11, 2025, copies of which were previously distributed to the Board.

Upon motion by Director Stefan, seconded by Director D. Kahn, and after full discussion, the Board voted unanimously to approve such Minutes, as presented.

FINANCIAL ADVISOR'S REPORT

No Report was offered.

AUDITOR'S REPORT

FYE Audit

The Board recognized Mr. Florete, who reviewed with the Board the Annual Financial Report for the fiscal year ending May 31, 2025.

Upon motion by Director Stefan, seconded by Director Sherwood, and after full discussion, the Board voted unanimously to approve the Annual Financial Report for the fiscal year ending May 31, 2025, subject to final review by the District's Directors and Consultants.

FINANCIAL ADVISOR'S REPORT

Review Tax Rate Calculations and Authorize Publication of Notice

The Board next discussed calling a public hearing on the District's proposed 2025 tax rate. Mr. Konopka reviewed with the Board the District's 2025 certified values and cash flow analysis based on the 2025 recommended debt service tax rate, noting that the District is not a Developed District, as defined in Texas Water Code, Section 49.23602. Mr. Kahn reviewed with the Board the process for setting the tax rate, noting that the District must publish notice and hold a public hearing for discussion of the proposed 2025 tax rate.

The Board then discussed setting a meeting date for conducting the public hearing and setting the tax rate. It was the consensus of the Board to schedule such meeting for 6:00 p.m., Monday, October 13, 2025, at 0 Somerset Green (Amenity Center), Houston, Texas 77055.

Upon motion by Director Balock, seconded by Director D. Kahn, and after full discussion, the Board voted unanimously to (1) confirm that the District is not a Developed District, as defined in Texas Water Code, Section 49.23602; (2) call the public hearing on the proposed 2025 Tax Rate, to be held at 6:00 p.m., Monday, October 13, 2025, at 0 Somerset Green (Amenity Center), Houston, Texas 77055; and (3) authorize the publication of the Notice of Public Hearing on Tax Rate at a proposed total tax rate for 2025 of \$0.49 per \$100 of assessed, along with a tax rate and levy analysis as required by Chapter 49 of the Texas Water Code.

GREEN FOR LIFE REPORT

Mr. Kahn noted that the GLF report was contained in the meeting packet previously distributed to the Board.

The Board noted that no action was necessary in connection with the Report.

LAKE MANAGEMENT REPORT

The Board recognized Mr. Smith, who presented a proposal for replacement of the fountains.

Upon motion by Director Balock, seconded by Director Stefan, and after full discussion, the Board authorized the purchase and installation of two fountains at a cost not to exceed \$10,000.

WEBSITE REPORT

The Board recognized Ms. Craig, who presented to and reviewed with the Board the Website Report.

The Board noted that no action was necessary in connection with the Report.

TAX ASSESSOR-COLLECTOR'S REPORT

The Board recognized Ms. McLaughlin, who reviewed with the Board the Tax Assessor/Collector's Report and checks presented for payment, noting that the District's 2025 taxes are 99.3% collected.

Upon motion by Director Stefan, seconded by Director Balock, and after full discussion, the Board voted unanimously to (1) approve the Tax Assessor/Collector's Report; and (2) authorize payment of the tax checks listed therein.

BOOKKEEPER'S REPORT

The Board recognized Ms. Clark, who submitted to and reviewed with the Board the Bookkeeper's Report, payment of invoices, and Investment Report, copies of which are attached hereto.

Upon motion by Director D. Kahn, seconded by Director Balock, and after full discussion, the Board voted unanimously to approve (1) the Bookkeeper's Report, as amended, (2) payment of invoices, and (3) Investment Report.

OPERATOR'S REPORT

The Board recognized Mr. Sanwald, who submitted to and reviewed with the Board the Operator's Report, a copy of which is attached hereto. Mr. Sanwald also advised that he had accepted a new position within SiEnviro and that Garrett Robertson would be taking over District matters.

Upon motion by Director D. Kahn, seconded by Director Balock, and after full discussion, the Board voted unanimously to approve the Operator's Report, as presented.

ENGINEER'S REPORT

The Board recognized Mr. Allen, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto. Mr. Allen noted that for the month of August, the District had an average psi of 44.4 with 49.4 being the highest and 40.1 being the lowest reading.

The Board noted that no action was necessary in connection with the Engineer's Report.

GENERAL MANAGER WATER PRESSURE IN DISTRICT.

No Report was offered.

ATTORNEY'S REPORT

No Report was offered.

CLOSED SESSION

The Board convened in closed session at 10:18 a.m. to discuss real estate matters.

OPEN SESSION

The Board reconvened in open session at 10:40 a.m.

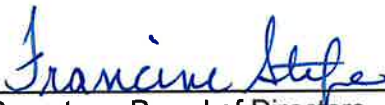
Upon motion by Director Stefan, seconded by Director D. Kahn, and after full discussion, the Board voted unanimously to submit an offer to purchase property, as discussed in closed session.

ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made and seconded, the Board by unanimous vote adjourned the meeting.

PASSED, APPROVED, AND ADOPTED this 13th day of October, 2025.




Secretary, Board of Directors