

AGENDA
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 537

Notice is hereby given that, pursuant to V.T.C.A. Government Code, Chapter 551, the Board of Directors of **Harris County Municipal Utility District No. 537** will meet in **special session**, open to the public, at **6:00 p.m.**, on **Monday, October 13, 2025**, at **0 Somerset Green, Houston, Texas 77055 (Pool/Amenity Center)**, at which meeting the following items will be considered and acted on:

1. **PUBLIC HEARING ON PROPOSED 2025 TAX RATE;**
2. Consider approving Order Setting 2025 Tax Rate;
3. Hear from Public;
4. Hear from HOA and take any necessary action thereon;
5. Consider approving Minutes of meeting held September 12, 2025;
6. Hear Financial Advisor's Report, and take any action thereon;
7. Hear Customer Service Report from Green For Life Environmental and take any action thereon;
8. Hear Lake Management Services Report and take any action thereon, including:
 - a. update on groundwater use and groundwater credits;
 - b. consider authorizing repairs to District facilities and infrastructure;
9. Hear Website Report from Touchstone, and take any action thereon;
10. Hear Tax Assessor Report, and take any action thereon, including:
 - a. consider approving Tax Report and payment of tax-related checks;
11. Hear Bookkeeper's Report and take any action thereon, including:
 - a. consider approving payment of bills;
 - b. consider approving investment report; and
 - c. consider approving amended FYE 2026 budget;
12. Hear Operator's Report and take any action thereon;
 - a. discuss emergency water service responses to residents;
 - b. discuss issues concerning wastewater discharge; and
 - c. discuss maintenance of storm drains in District, and take any action necessary in connection with such maintenance; and
 - d. consider approving amended Contract;
13. Consider approving Amended Rate Order;
14. Hear Engineer's Report and take any action thereon, including:
 - a. consider authorizing Engineer to proceed with the design of District facilities;
 - b. consider approving plans and specifications of District facilities;
 - c. consider authorizing Engineer to advertise for bids for District projects;
 - d. consider approving pay estimates, and change orders for construction projects in progress in the District; and
 - e. consider authorizing construction contracts and related items;
15. Hear Report from General Manager regarding Water Pressurization Project, and take any necessary action thereon;
16. Hear Attorney's Report and take any action thereon, including:
 - a. consider approving Amendment to Notice to Sellers and Purchasers;

Pursuant to V.T.C.A. Government Code §551, the Board of Directors may convene in closed session in relation to any agenda item included in this Notice with such closed session to be held at the date, hour, and place given in this Notice concerning any and all subjects for any and all purposes permitted by V.T.C.A Government Code Chapter 551, including but not limited to, private consultation with the District's Attorneys on any or all matters or subjects authorized by law, pending or contemplated litigation, personnel matters, real estate transactions, security devices, economic development negotiations and/or gifts and donations.

EXECUTED this 6th day of October, 2025.

(SEAL)



HARRIS COUNTY MUNICIPAL
UTILITY DISTRICT NO. 537

By: _____

Joshua J. Kahn
Sanford Kuhl Hagan Kugle Parker Kahn, LLP

Harris County MUD 537

	BUDGET FYE 5/31/26	Proposed Amended Budget FYE 5/31/26
<u>DISTRICT REVENUES</u>		
Customer Service Fees - Water	\$ 225,000.00	\$ 225,000.00
Water Tap Connection Fees	0.00	0.00
Customer Service Fees - Sewer	346,000.00	346,000.00
Sewer Inspection Fees	2,500.00	2,500.00
Security Revenue (HOA)	0.00	235,000.00
Landscape Revenue (HOA)	0.00	126,125.00
Maintenance Tax	752,500.00	651,400.00
Penalties and Interest	7,500.00	7,500.00
Termination/Reconnection Fees	6,500.00	6,500.00
Transfer/Connection Fees	2,500.00	2,500.00
Builder Inspection Fees	250.00	250.00
Customer Service Inspections	500.00	500.00
Miscellaneous Income	500.00	500.00
Interest Income	23,000.00	23,000.00
TOTAL DISTRICT REVENUE	\$ 1,366,750.00	\$ 1,626,775.00
<u>DISTRICT EXPENSES</u>		
<u>Water Expenses</u>		
Bulk Water Purchases	\$ 152,000.00	\$ 152,000.00
Laboratory Fees	30,000.00	30,000.00
Permit Fees	650.00	650.00
Maintenance and Repair	115,000.00	115,000.00
Tap Connection Expense	0.00	0.00
Backflow Inspections	0.00	0.00
<u>Sewer Expenses</u>		
Purchased Sewer Service	\$ 225,000.00	\$ 225,000.00
Maintenance and Repair	45,000.00	45,000.00
Utilities	3,200.00	3,200.00
Sewer Inspection Expense	1,500.00	1,500.00
<u>Other Expenses</u>		
Directors Fees	\$ 8,000.00	\$ 8,000.00
General Manager Fees	6,000.00	6,000.00
Payroll Taxes	1,200.00	1,200.00
Legal Fees	75,000.00	75,000.00
Audit Fees	18,000.00	18,000.00
Engineering Fees	60,000.00	60,000.00
Financial Advisor Fees	1,800.00	1,800.00
Election Expenses	10,000.00	10,000.00
TCEQ Assessment Fees	2,990.00	2,990.00
Operator Expense	35,000.00	35,000.00
Bookkeeping Fees	15,600.00	15,600.00
Maintenance and Repair - Drainage Facilities	10,000.00	10,000.00
Landscape Maintenance (Somerset Green HOA)	25,500.00	177,125.00
Lake Maintenance	30,000.00	30,000.00
Website Expense	17,500.00	17,500.00
Postage	2,000.00	2,000.00
Insurance	8,900.00	8,900.00
Travel Expenses	3,000.00	3,000.00
Travel Expenses - General Manager	2,500.00	2,500.00
Registration Fees	1,200.00	1,200.00
Other Expenses	8,000.00	8,000.00
CSI/Builder Inspections	2,000.00	2,000.00
Termination/Reconnect/NSF Fee	5,000.00	5,000.00
Security Services	0.00	245,000.00
Garbage Expense	139,000.00	139,000.00
TOTAL DISTRICT EXPENSE	\$ 1,060,540.00	\$ 1,457,165.00
NET GAIN(LOSS)	\$ 306,210.00	\$ 169,610.00

Maintenance tax: Value: \$391,000,000 Rate: \$.17 @ 98% collections

TAXPAYER IMPACT STATEMENT

	Current Budget Fiscal Year Ending May 31, 2026**	Proposed Amended Budget Fiscal Year Ending May 31, 2026**	No-New-Revenue Tax Rate Budget***
Estimated District Operations and Maintenance Tax Bill on Average Homestead*	\$1,754.93	\$1,420.65	\$1,754.93

*Harris County Municipal Utility District No. 537 (the "District") levies taxes in accordance with the Texas Water Code. The District's proposed operations and maintenance tax rate is equal to \$0.3725 per \$100 of assessed value. Average homestead values are determined by the Harris Central Appraisal District. All estimates above were prepared utilizing the average resident homestead value as of the time that the District's most recent Truth in Taxation worksheet was prepared in accordance with the Texas Water Code.

**Average tax bill estimates for the current and proposed budgets reflect those taxes necessary to fund the operations and maintenance tax revenues stated in the applicable budget.

***This column estimates the operations and maintenance taxes to be paid on the average homestead if the proposed budget generates the same amount of operations and maintenance tax revenues as the current budget.