

RESOLUTION ADOPTING DEBT SERVICE BUDGET

THE STATE OF TEXAS §
 §
COUNTY OF HAYS §

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HAYS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 THAT:

WHEREAS, the Board of Directors of Hays County Water Control and Improvement District No. 2 (the "District") has projected the proposed debt service expenses and revenues for the District for the period of October 1, 2025 through September 30, 2026, in conjunction with the proposed setting of its 2025 tax rate and desires to adopt a budget consistent therewith;

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS;

Section 1. That the Debt Service Budget attached hereto as Exhibit "A" is hereby adopted.

Section 2. That the Secretary of the Board of Directors is hereby directed to file a copy of this Resolution Adopting a Debt Service Budget in the official records of the District.


ADOPTED this 16th day of September, 2025.

Hays County Water Control and Improvement
District No. 2



Samantha Bethke
President, Board of Directors

ATTEST:



Sean McGillicuddy
Secretary, Board of Directors

[DISTRICT SEAL]



EXHIBIT "A"
Debt Service Budget

Hays County Water Control and Improvement District No. 2

TSI-5 Long-Term Debt Service Requirements by Years September 30, 2024

| Due During Fiscal Years Ending 9/30 | Unlimited Tax Bonds Series 2013 | | | Unlimited Tax Bonds Series 2014 | | | Unlimited Tax Bonds Series 2016R | | | Unlimited Tax Bonds Series 2016 | | |
|-------------------------------------------|------------------------------------|-----------------------------|------------------|------------------------------------|-----------------------------|------------------|-------------------------------------|-----------------------------|------------------|------------------------------------|-----------------------------|------------------|
| | Principal Due 9/1 | Interest Due 3/1, 9/1 | Total | Principal Due 9/1 | Interest Due 3/1, 9/1 | Total | Principal Due 9/1 | Interest Due 3/1, 9/1 | Total | Principal Due 9/1 | Interest Due 3/1, 9/1 | Total |
| 2025 | \$ 180,000 | 86,873 | 266,873 | 285,000 | 116,010 | 401,010 | 275,000 | 75,511 | 350,511 | 315,000 | 98,481 | 413,481 |
| 2026 | 190,000 | 80,033 | 270,033 | 300,000 | 107,460 | 407,460 | 285,000 | 68,400 | 353,400 | 330,000 | 92,181 | 422,181 |
| 2027 | 200,000 | 72,813 | 272,813 | 315,000 | 98,460 | 413,460 | 300,000 | 61,030 | 361,030 | 350,000 | 85,169 | 435,169 |
| 2028 | 210,000 | 64,563 | 274,563 | 330,000 | 89,010 | 419,010 | 305,000 | 66,600 | 371,600 | 365,000 | 77,294 | 442,294 |
| 2029 | 220,000 | 55,900 | 275,900 | 350,000 | 79,110 | 429,110 | 315,000 | 56,739 | 371,739 | 385,000 | 68,625 | 453,625 |
| 2030 | 235,000 | 46,220 | 281,220 | 365,000 | 68,260 | 433,260 | 330,000 | 46,555 | 376,555 | 400,000 | 59,000 | 459,000 |
| 2031 | 245,000 | 35,880 | 280,880 | 385,000 | 56,580 | 441,580 | 350,000 | 35,886 | 385,886 | 420,000 | 49,000 | 469,000 |
| 2032 | 260,000 | 24,610 | 284,610 | 400,000 | 43,876 | 443,876 | 370,000 | 24,571 | 394,571 | 445,000 | 38,501 | 483,501 |
| 2033 | 275,000 | 12,650 | 287,650 | 420,000 | 30,277 | 450,277 | 390,000 | 12,609 | 402,609 | 465,000 | 26,264 | 491,264 |
| 2034 | - | - | - | 445,000 | 15,575 | 460,575 | - | - | - | 490,000 | 13,474 | 503,474 |
| 2035 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2036 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2037 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2038 | - | - | - | - | - | - | - | - | - | - | - | - |
| | <u>\$ 2,015,000</u> | <u>479,542</u> | <u>2,494,542</u> | <u>3,595,000</u> | <u>704,618</u> | <u>4,299,618</u> | <u>2,920,000</u> | <u>447,901</u> | <u>3,367,901</u> | <u>3,965,000</u> | <u>607,989</u> | <u>4,572,989</u> |

(continued)

Hays County Water Control and Improvement District No. 2

TSI-5 Long-Term Debt Service Requirements by Years (Continued) September 30, 2024

| Due During Fiscal Years Ending 9/30 | Unlimited Tax Bonds Series 2017 | | | Unlimited Tax Road Bonds Series 2018 | | | Unlimited Tax Utility Bonds Series 2018 | | |
|-------------------------------------------|------------------------------------|-----------------------------|------------------|-----------------------------------------|-----------------------------|------------------|--------------------------------------------|-----------------------------|------------------|
| | Principal Due 9/1 | Interest Due 3/1, 9/1 | Total | Principal Due 9/1 | Interest Due 3/1, 9/1 | Total | Principal Due 9/1 | Interest Due 3/1, 9/1 | Total |
| | 2025 | \$ 405,000 | 207,694 | 612,694 | 150,000 | 87,619 | 237,619 | 215,000 | 160,812 |
| 2026 | 425,000 | 199,088 | 624,088 | 160,000 | 83,119 | 243,119 | 225,000 | 152,212 | 377,212 |
| 2027 | 445,000 | 189,525 | 634,525 | 165,000 | 78,318 | 243,318 | 240,000 | 143,212 | 383,212 |
| 2028 | 470,000 | 177,844 | 647,844 | 170,000 | 73,368 | 243,368 | 250,000 | 133,612 | 383,612 |
| 2029 | 490,000 | 165,506 | 655,506 | 175,000 | 68,268 | 243,268 | 265,000 | 123,612 | 388,612 |
| 2030 | 515,000 | 152,031 | 667,031 | 180,000 | 62,800 | 242,800 | 275,000 | 113,012 | 388,012 |
| 2031 | 540,000 | 136,581 | 676,581 | 185,000 | 57,175 | 242,175 | 290,000 | 103,388 | 393,388 |
| 2032 | 570,000 | 120,381 | 690,381 | 195,000 | 51,162 | 246,162 | 305,000 | 93,238 | 398,238 |
| 2033 | 600,000 | 103,281 | 703,281 | 200,000 | 44,825 | 244,825 | 320,000 | 82,562 | 402,562 |
| 2034 | 625,000 | 85,281 | 710,281 | 205,000 | 38,325 | 243,325 | 335,000 | 71,362 | 406,362 |
| 2035 | 660,000 | 65,750 | 725,750 | 215,000 | 31,406 | 246,406 | 350,000 | 58,800 | 408,800 |
| 2036 | 690,000 | 45,125 | 735,125 | 220,000 | 24,150 | 244,150 | 370,000 | 45,676 | 415,676 |
| 2037 | 725,000 | 23,563 | 748,563 | 230,000 | 16,450 | 246,450 | 390,000 | 31,800 | 421,800 |
| 2038 | - | - | - | 240,000 | 8,400 | 248,400 | 405,000 | 16,200 | 421,200 |
| | <u>\$ 7,160,000</u> | <u>1,671,650</u> | <u>8,831,650</u> | <u>2,690,000</u> | <u>725,385</u> | <u>3,415,385</u> | <u>4,235,000</u> | <u>1,329,498</u> | <u>5,564,498</u> |

(continued)

Hays County Water Control and Improvement District No. 2

TSI-5 Long-Term Debt Service Requirements by Years (Continued) September 30, 2024

| Due During Fiscal Years Ending 9/30 | Unlimited Tax Road Bonds Series 2019 | | | Unlimited Tax Utility Bonds Series 2020 | | | Annual Requirements For All Series | | |
|-------------------------------------------|-----------------------------------------|-----------------------------|------------------|--------------------------------------------|-----------------------------|------------------|---------------------------------------|------------------|-------------------|
| | Principal Due 9/1 | Interest Due 3/1, 9/1 | Total | Principal Due 9/1 | Interest Due 3/1, 9/1 | Total | Principal Due | Interest Due | Total |
| 2025 | \$ 190,000 | 25,413 | 215,413 | 620,000 | 54,071 | 674,071 | 2,635,000 | 912,484 | 3,547,484 |
| 2026 | 195,000 | 20,511 | 215,511 | 630,000 | 45,453 | 675,453 | 2,740,000 | 848,457 | 3,588,457 |
| 2027 | 195,000 | 15,480 | 210,480 | 645,000 | 36,696 | 681,696 | 2,855,000 | 780,703 | 3,635,703 |
| 2028 | 200,000 | 10,449 | 210,449 | 655,000 | 27,730 | 682,730 | 2,955,000 | 720,470 | 3,675,470 |
| 2029 | 205,000 | 5,289 | 210,289 | 665,000 | 18,626 | 683,626 | 3,070,000 | 641,675 | 3,711,675 |
| 2030 | - | - | - | 675,000 | 9,382 | 684,382 | 2,975,000 | 557,260 | 3,532,260 |
| 2031 | - | - | - | - | - | - | 2,415,000 | 474,490 | 2,889,490 |
| 2032 | - | - | - | - | - | - | 2,545,000 | 396,339 | 2,941,339 |
| 2033 | - | - | - | - | - | - | 2,670,000 | 312,468 | 2,982,468 |
| 2034 | - | - | - | - | - | - | 2,100,000 | 224,017 | 2,324,017 |
| 2035 | - | - | - | - | - | - | 1,225,000 | 155,956 | 1,380,956 |
| 2036 | - | - | - | - | - | - | 1,280,000 | 114,951 | 1,394,951 |
| 2037 | - | - | - | - | - | - | 1,345,000 | 71,813 | 1,416,813 |
| 2038 | - | - | - | - | - | - | 645,000 | 24,600 | 669,600 |
| | <u>\$ 985,000</u> | <u>77,142</u> | <u>1,062,142</u> | <u>3,890,000</u> | <u>191,958</u> | <u>4,081,958</u> | <u>31,455,000</u> | <u>6,235,683</u> | <u>37,690,683</u> |

Hays County Water Control and Improvement District No. 2

TSI-6 Analysis of Changes in Long-Term Bonded Debt September 30, 2024

| | Series 2013 | Series 2014 | Series 2016R | Series 2016 | Series 2017 | Series 2018 | Series 2018 | Series 2019 | Series 2020 | Total |
|--------------------------------------|----------------------------------------------------------------------|--------------------------------|----------------------------------------------------------------------------|--------------------------------------|---------------------------|---------------------------|---------------------------|------------------------|------------------------|----------------------|
| Interest rate | 2.60% to 3.40% | 2.00% to 3.40% | 2.59% to 3.23% | 2.00% to 2.75% | 2.00% to 3.35% | 2.00% to 3.50% | 3.50% to 4.00% | 2.58% | 1.39% | |
| Dates interest payable | 3/1 ; 9/1 | 3/1 ; 9/1 | 3/1 ; 9/1 | 3/1 ; 9/1 | 3/1 ; 9/1 | 3/1 ; 9/1 | 3/1 ; 9/1 | 3/1 ; 9/1 | 3/1 ; 9/1 | |
| Maturity date | 2033 | 2034 | 2033 | 2034 | 2037 | 2038 | 2038 | 2029 | 2030 | |
| Bonds outstanding, beginning of year | \$ 2,185,000 | \$ 3,865,000 | \$ 3,185,000 | \$ 4,265,000 | \$ 7,545,000 | \$ 2,835,000 | \$ 4,440,000 | \$ 1,170,000 | \$ 4,500,000 | \$ 33,990,000 |
| Bonds issued during current year | - | - | - | - | - | - | - | - | - | - |
| Bonds retired during current year | (170,000) | (270,000) | (265,000) | (300,000) | (385,000) | (145,000) | (205,000) | (185,000) | (610,000) | (2,535,000) |
| Bonds outstanding, end of year | <u>\$ 2,015,000</u> | <u>\$ 3,595,000</u> | <u>\$ 2,920,000</u> | <u>\$ 3,965,000</u> | <u>\$ 7,160,000</u> | <u>\$ 2,690,000</u> | <u>\$ 4,235,000</u> | <u>\$ 985,000</u> | <u>\$ 3,890,000</u> | <u>\$ 31,455,000</u> |
| Interest paid during current year | <u>\$ 92,653</u> | <u>\$ 124,110</u> | <u>\$ 82,364</u> | <u>\$ 104,481</u> | <u>\$ 215,875</u> | <u>\$ 91,969</u> | <u>\$ 169,012</u> | <u>\$ 30,186</u> | <u>\$ 62,550</u> | <u>\$ 973,200</u> |
| Paying agent's name & address: | Amegy Bank Houston, TX | Amegy Bank Houston, TX | Regions Bank Houston, TX | Amegy Bank Houston, TX | Amegy Bank Houston, TX | Amegy Bank Houston, TX | Amegy Bank Houston, TX | BOKF, NA Dallas, TX | BOKF, NA Dallas, TX | |
| | | (1) | | (1) | | | | | | |
| | Waterworks, Sanitary Sewer and Drainage System Tax Bonds | Roadway System Tax Bonds | Waterworks, Sanitary Sewer and Drainage System Refunding Bonds | Roadway System Refunding Bonds | | | | | | |
| Bond authority: | | | | | | | | | | |
| Bond authorized by voters | \$ 46,185,000 | 32,070,000 | 46,185,000 | 45,070,000 | | | | | | |
| Amount issued | <u>40,620,000</u> | <u>5,360,000</u> | <u>3,885,000</u> | <u>-</u> | | | | | | |
| Remaining to be issued | <u>\$ 5,565,000</u> | <u>26,710,000</u> | <u>42,300,000</u> | <u>45,070,000</u> | | | | | | |

(1) In 2007, the voters of the District authorized issuance of \$32,070,000 in roadway system bonds for the purpose of constructing, maintaining and operating roads, and issuance of \$45,070,000 in refunding bonds for refunding of roadway system bonds. Due to changes in law since such authorizations, the District does not anticipate issuance of roadway system bonds in the full amount authorized. The District anticipates that issuance of roadway system bonds will be limited to reimbursement for design and construction of roads meeting the criteria of Hays County for a "thoroughfare, arterial or collector road." As of September 30, 2024, the District does not anticipate any additional issuances of roadway system bonds.

Debt Service Fund cash and temporary investments
balances as of September 30, 2024:

\$ 1,356,011

Average annual debt service payments
(principal & interest) for remaining term of debt:

\$ 2,692,192