

SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1

AUGUST 20, 2020

MINUTES

**STATE OF TEXAS
COUNTY OF BEXAR**

The Board of Directors of the San Antonio Municipal Utility District No. 1 convened in Special Session, open to the public and pursuant to Notice duly given at 6:30 p.m., at 16450 Wildlake Blvd, Helotes, Texas 78023, on the 20th day of August 2020, with the following member's present to-with:

Robert Kuhn, President
Zulema Fuentes-Real, Vice President
Bill Burn, Treasurer
Max Hooti, Assistant Secretary

and Dale Ferguson absent, thus constituting a quorum. Also present were Debra Conkle, Office Manager, Jeff Kuhn, Legal Counsel and Tim Kelley, Financial Advisor, Jim Berbiglia and Chris Lauderdale, San Antonio Ranch residents.

President Kuhn called the meeting to order and announced that the first item of business would be:

I. DISCUSSION AND ACTION REGARDING SETTING THE 2020 DEBT SERVICE AND MAINTENANCE AND OPERATIONS TAX RATES

Tim Kelley, Financial Advisor briefed the Board on the purpose of the meeting. Stating that, at the next regular meeting of the Board, the 2020 Debt Service and Maintenance and Operations Tax Rates will be set and, according to the law, a notice of the anticipated tax rate has to be published in a newspaper of general circulation at least seven (7) days prior to the setting of the tax rates.

Tim Kelley submitted the following tax rate synopses' and bond payment schedule, and briefed the Board on the figures.

Tim Kelley also submitted scenarios for debt service pay out over the next seven years annual with and without subsidies from the General Operating Fund for the Boards use and information.

Jeff Kuhn reminded the Board that 2019 Legislation suggested minimal tax increases will be allowed in the future and recommended that the Board levy the 2020 O & M rate at the maximum of \$0.4000. He also suggested limited subsidies and build the General Operating Fund for use after the bonds are paid.

After review of the synopsis' and debt service pay out scenario's, a general discussion was held, Director Hooti moved that the Board propose adoption of a tax rate for 2020 of \$0.4000 for maintenance and operation purposes and \$0.1300 (as

San Antonio Municipal Utility District # 1

Assessed Value Comparision

Assessed Value Comparision

2020 Certified Taxable Value	56,136,037
2019 Certified Taxable Value	<u>57,609,615</u>
Difference	(\$1,473,578)
% Growth	-2.56%

Average Home Value Comparision

<u>Tax Year 2020</u>	
Average Home Value	\$311,621
Exemptions	<u>\$61,995</u>
Taxable Value	\$249,626
<u>Tax Year 2019</u>	
Average Home Value	\$301,097
Exemptions	<u>\$60,027</u>
Taxable Value	\$241,070
Increase in Average Home Taxable Value	\$8,556
% Increase in Home taxable value	3.55%

San Antonio Municipal Utility District # 1

Debt Tax Calculation

Last Years Tax Rates

<u>Tax Year 2019</u>	
O & M Tax Rate	0.40000
Debt Service Tax Rate	0.18890
Total Tax Rate	0.58890

Current Years Debt Service Tax Rate

<u>Tax Year 2020</u>	
Certified Assessed Value	\$56,136,037
Collection Factor	98.29346%
Debt Service Payments (Including Expenses)	\$108,185
Proposed Debt Tax Rate	0.19600
Debt Tax Revenue Collection	\$108,149
Annual Surplus/ Deficit (+ or -)	\$36.02

Summary of Debt Service Payments (Including Expenses)

Principal	\$45,000
Interest	62,325
Paying Agent	860
Appraisal District	0
Tax assessor collector	0
Total Debt Payment	\$108,185

San Antonio Municipal Utility District No. 1

Preliminary Rollback Tax Rate Calculation

Tax Year 2019

Average appraised value of residential homestead		\$301,097
General exemptions available		\$60,027
Average Taxable value		\$241,070
Adopted M & O tax rate (per \$100 of value)		\$0.4000
M&O tax on average residence homestead		\$964.28
Maximum Percentage Increase to the M&O taxes	8.00%	\$77.14
Maximum M&O tax on average residence with increase		\$1,041.42

Tax Year 2020

Average appraised value of residential homestead		\$311,621
General exemptions available		\$61,995
Average Taxable value		\$249,626

Rollback Tax Rate

Maximum M&O tax rate (1)		0.417100
Debt Tax Rate		0.196000
Rollback Tax Rate		<u>0.613100</u>

San Antonio Municipal Utility District No. 1

Preliminary Tax Rate Publication Calculation

	<u>Tax Rate</u>	<u>Collections</u>
		98.29%
Proposed Debt Tax Rate	\$0.19600	\$108,149
Proposed O & M Tax Rate	\$0.40000	\$220,712
Total Proposed Tax Rate	\$0.5960	\$328,861
	<u>Last Year</u>	<u>This Year</u>
Total Tax Rate (per \$100 of Value)	\$0.5889	\$0.5960
Difference in Rates (per \$100 of value)		\$0.00710
Percentage increase/decrease in rates		1.206%
Average Home Appraised Value	\$301,097	\$311,621
General Exemptions Available	\$60,027	\$61,995
Average Taxable Value	\$241,070	\$249,626
Tax on average residential homestead	\$1,419.66	\$1,487.77
Annual increase/decrease in taxes if proposed tax is adopted		\$68.11
Percentage increase/decrease in taxes if proposed tax is adopted		4.80%
Certified 2020 Taxable Value	\$56,136,037	

Scenario 1

San Antonio Municipal Utility District # 1
 Projected Debt Service Tax Rate

Scenario One - No Future Subsidy from O&M

Tax Rate Projection

F/Y Ending (9/30)	Net Taxable Valuation	Value Growth %	Projected Debt Tax Rate	DS Tax Collections 98.293%	Outstanding Debt Payments	Paying Agent Fees	Total Debt Payments	Tax Collections Surplus/ Shortfall	Contribution of O&M Funds	Remaining (1) DS Fund Balance
2020	57,609,615	0.00%	0.1889	106,967	106,150	860	107,010	(43)	37,000	427,600
2021	56,136,037	0.00%	0.1960	108,149	107,325	860	108,185	(36)	0	427,564
2022	56,136,037	0.00%	0.1960	108,149	117,600	860	118,460	(10,311)	0	417,253
2023	56,136,037	0.00%	0.1960	108,149	150,400	860	151,260	(43,111)	0	374,142
2024	56,136,037	0.00%	0.1960	108,149	150,950	860	151,810	(43,661)	0	330,481
2025	56,136,037	0.00%	0.1960	108,149	150,600	860	151,460	(43,311)	0	287,170
2026	56,136,037	0.00%	0.1960	108,149	154,125	860	154,985	(46,836)	0	240,334
2027	56,136,037	0.00%	0.1960	108,149	151,525	860	152,385	(44,236)	0	196,098
				\$864,010	\$1,088,675	\$6,880	\$1,095,555	(\$231,545)	\$37,000	

(1) FY 2020 ending balance is estimated after \$37,000 transfer from the General fund balance and after the 9/1/2020 debt service payment of \$32,175.

Scenario 2

San Antonio Municipal Utility District # 1
 Projected Debt Service Tax Rate

Scenario Two - Including Future O&M Subsidy

Tax Rate Projection

F/Y Ending (9/30)	Net Taxable Valuation	Value Growth %	Projected Debt Tax Rate	DS Tax Collections 98.293%	Outstanding Debt Payments	Paying Agent Fees	Total Debt Payments	Collections Surplus/ Shortfall	Contribution of O&M Funds	Remaining Fund Balance
2020	57,609,615	0.00%	0.1889	106,967	106,150	860	107,010	(43)	37,000	427,600
2021	56,136,037	0.00%	0.1960	108,149	107,325	860	108,185	(36)	50,000	477,564
2022	56,136,037	0.00%	0.1960	108,149	117,600	860	118,460	(10,311)	50,000	517,253
2023	56,136,037	0.00%	0.1960	108,149	150,400	860	151,260	(43,111)	50,000	524,142
2024	56,136,037	0.00%	0.1960	108,149	150,950	860	151,810	(43,661)	50,000	530,481
2025	56,136,037	0.00%	0.1960	108,149	150,600	860	151,460	(43,311)	50,000	537,170
2026	56,136,037	0.00%	0.1960	108,149	154,125	860	154,985	(46,836)	50,000	540,334
2027	56,136,037	0.00%	0.1960	108,149	151,525	860	152,385	(44,236)	50,000	546,098
				\$864,010	\$1,088,675	\$6,880	\$1,095,555	(\$231,545)	\$387,000	

(1) FY 2020 ending balance is estimated after \$37,000 transfer from the General fund balance and after the 9/1/2020 debt service payment of \$32,175.

Scenario 3

San Antonio Municipal Utility District # 1
 Projected Debt Service Tax Rate

Scenario Three - No Future Subsidy from O&M

Tax Rate Projection

F/Y Ending (9/30)	Net Taxable Valuation	Value Growth %	Projected Debt Tax Rate	DS Tax Collections 98.293%	Outstanding Debt Payments	Paying Agent Fees	Total Debt Payments	Tax Collections Surplus/ Shortfall	Contribution of O&M Funds	Remaining (1) DS Fund Balance
2020	57,609,615	0.00%	0.1889	106,967	106,150	860	107,010	(43)	37,000	427,600
2021	56,136,037	0.00%	0.1500	82,767	107,325	860	108,185	(25,418)	0	402,182
2022	56,136,037	0.00%	0.1500	82,767	117,600	860	118,460	(35,693)	0	366,489
2023	56,136,037	0.00%	0.1500	82,767	150,400	860	151,260	(68,493)	0	297,996
2024	56,136,037	0.00%	0.1500	82,767	150,950	860	151,810	(69,043)	0	228,953
2025	56,136,037	0.00%	0.1500	82,767	150,600	860	151,460	(68,693)	0	160,260
2026	56,136,037	0.00%	0.1500	82,767	154,125	860	154,985	(72,218)	0	88,042
2027	56,136,037	0.00%	0.1500	82,767	151,525	860	152,385	(69,618)	0	18,425
				\$686,337	\$1,088,675	\$6,880	\$1,095,555	(\$409,218)	\$37,000	

(1) FY 2020 ending balance is estimated after \$37,000 transfer from the General fund balance and after the 9/1/2020 debt service payment of \$32,175.

Scenario 4

San Antonio Municipal Utility District # 1
 Projected Debt Service Tax Rate

Scenario Four - Including Future Subsidy from O&M

Tax Rate Projection

F/Y Ending (9/30)	Net Taxable Valuation	Value Growth %	Projected Debt Tax Rate	DS Tax Collections 98.293%	Outstanding Debt Payments	Paying Agent Fees	Total Debt Payments	Tax Collections Surplus/ Shortfall	Contribution of O&M Funds	Remaining (1) DS Fund Balance
2020	57,609,615	0.00%	0.1889	106,967	106,150	860	107,010	(43)	37,000	427,600
2021	56,136,037	0.00%	0.1300	71,731	107,325	860	108,185	(36,454)	50,000	441,146
2022	56,136,037	0.00%	0.1300	71,731	117,600	860	118,460	(46,729)	50,000	444,418
2023	56,136,037	0.00%	0.1300	71,731	150,400	860	151,260	(79,529)		364,889
2024	56,136,037	0.00%	0.1300	71,731	150,950	860	151,810	(80,079)		284,811
2025	56,136,037	0.00%	0.1300	71,731	150,600	860	151,460	(79,729)		205,082
2026	56,136,037	0.00%	0.1300	71,731	154,125	860	154,985	(83,254)		121,829
2027	56,136,037	0.00%	0.1300	71,731	151,525	860	152,385	(80,654)		41,175
				\$609,088	\$1,088,675	\$6,880	\$1,095,555	(\$486,467)	\$137,000	

(1) FY 2020 ending balance is estimated after \$37,000 transfer from the General fund balance and after the 9/1/2020 debt service payment of \$32,175.

Scenario 5

San Antonio Municipal Utility District # 1
Projected Debt Service Tax Rate

Scenario Five - Including Future Subsidy from O&M

Tax Rate Projection

F/Y Ending (9/30)	Net Taxable Valuation	Value Growth %	Projected Debt Tax Rate	DS Tax Collections 98.293%	Outstanding Debt Payments	Paying Agent Fees	Total Debt Payments	Tax Collections Surplus/ Shortfall	Contribution of O&M Funds	Remaining (1) DS Fund Balance
2020	57,609,615	0.00%	0.1889	106,967	106,150	860	107,010	(43)	37,000	427,600
2021	56,136,037	0.00%	0.0600	33,107	107,325	860	108,185	(75,078)	50,000	402,522
2022	56,136,037	0.00%	0.0600	33,107	117,600	860	118,460	(85,353)	50,000	367,169
2023	56,136,037	0.00%	0.0600	33,107	150,400	860	151,260	(118,153)	50,000	299,015
2024	56,136,037	0.00%	0.0600	33,107	150,950	860	151,810	(118,703)	50,000	230,312
2025	56,136,037	0.00%	0.0600	33,107	150,600	860	151,460	(118,353)	50,000	161,959
2026	56,136,037	0.00%	0.0600	33,107	154,125	860	154,985	(121,878)	50,000	90,081
2027	56,136,037	0.00%	0.0600	33,107	151,525	860	152,385	(119,278)	50,000	20,803
				\$338,715	\$1,088,675	\$6,880	\$1,095,555	(\$756,840)	\$387,000	

(1) FY 2020 ending balance is estimated after \$37,000 transfer from the General fund balance and after the 9/1/2020 debt service payment of \$32,175.

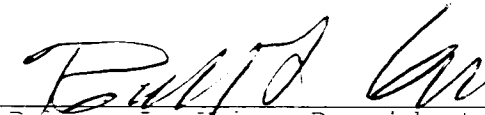
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provided for in Scenario #4) for debt service purposes (total \$0.5300) and directed that the District's Office Manager arrange to have published the necessary documentation in order to allow the District to hold a public hearing and actually levy its 2020 ad valorem tax rate at its scheduled September 9, 2020 meeting. Director Burn seconded the motion, which passed by unanimous vote of the Directors present.

Jeff Kuhn took this time to inform the Board that he would be retiring at the end of this year and had 3 local law firms that he will be referring to the District in the next couple of months.

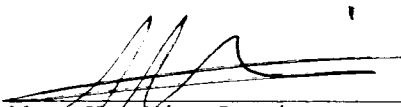
Chris Lauderdale asked the Board about the condition of the greenbelt on Condor Pass, which also serves as ingress to those homes, and asked what could be done to repair them. A discussion was held, however to action was taken.

There being no further business, the meeting was adjourned.



Robert L. Kuhn, President
San Antonio Municipal Utility District No. 1

ATTEST:



Max Hooti, Assistant Secretary
San Antonio Municipal Utility District No. 1

(seal)