

SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1

November 17, 2022

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 17th day of November, 2022, with the following member's present to-with:

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

and no members absent, thus constituting a quorum. Also present were Debra Conkle, Executive Administrator and Kailash Kayastha and Jim Berbiglia, San Antonio Ranch residents.

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

I. CONSENT AGENDA:

- 1. REVIEW AND APPROVAL OF THE MINUTES OF THE MEETING HELD OCTOBER 12, 2022**
- 2. REPORT CONCERNING SEPTMBER 2022 TAX COLLECTIONS**
- 3. REVIEW AND APPROVAL OF ACCOUNT BALANCES/BILLINGS INCURRED AND AUTHORIZATION OF EXPENDITURES**

Director Ferguson moved that the Board approve the items within the consent agenda as follows. Director Hooti seconded the motion, which passed by unanimous vote of the Directors present.

II. STATUS REPORTS:

II. (A.) DISCUSSION REGARDING 2022/2023 PROJECTS/PLANS

1. Fence Addition to Control Dumping

President Kuhn submitted and aerial photo of the location where someone drove into the brush from Bandera Highway and dumped debris. He also submitted a materials list to add fencing at that location to control dumping. After a brief discussion, Director Ferguson moved to approve the project but to hire someone to do the work. Director Hooti seconded the motion, which passed by unanimous vote of the Directors present. President Kuhn stated that he would contact Ronnie Galik to see if he would be interested.

SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1

October 12, 2022

MINUTES

**STATE OF TEXAS
COUNTY OF BEXAR**

The Board of Directors of the San Antonio Municipal Utility District No. 1 convened in Regular 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 12th day of October 2022, with the following member's present to-with:

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

and no members absent, thus constituting a quorum. Also present were Debra Conkle, Executive Administrator and John Bartholmae, Julie Zapata, Chris Lauderdale, Craig Hall, Dan Gonzales, Diana Killough, San Antonio Ranch residents.

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

I. CONSENT AGENDA:

- 1. REVIEW AND APPROVAL OF THE MINUTES OF THE MEETING HELD SEPTEMBER 14, 2022**
- 2. REPORT CONCERNING AUGUST 2022 TAX COLLECTIONS**
- 3. REVIEW AND APPROVAL OF ACCOUNT BALANCES/BILLINGS INCURRED AND AUTHORIZATION OF EXPENDITURES**

Director Burn moved that the Board approve the items within the consent agenda as follows. Director Fuentes-Real seconded the motion, which passed by unanimous vote of the Directors present.

II. STATUS REPORTS:

II. (A.) DISCUSSION REGARDING 2022/2023 PROJECTS/PLANS

1. TREE TRIMMING

It was noted that an update on the last good bid is being negotiated.

II. (B.) DISCUSSION REGARDING MAINTENANCE AND APPEARANCE OF DISTRICT PROPERTY

1. PROPERTY MAINTENANCE

2. UNLAWFUL DUMPING

It was noted that a bid to seal coat the MUD Building Parking Lot and Tennis Courts is being prepared.

**S.A. MUD#1
10-12-2022**

II. (C.) DISCUSSION REGARDING BUILDING MAINTENANCE

It was noted that the building ceiling will need some attention this year.

President Kuhn stated that air conditioning service should be scheduled prior to the next building rental.

II. (D.) BRIEFING REGARDING DISTRICT INSURANCE STATUS

Director Fuentes-Real stated that there was no new insurance information to report at this time. Debra Conkle stated that the insurance had increased \$100.00 from last year.

(E.) DISCUSSION REGARDING REQUESTS FOR USE OF THE MUD BUILDING

Debra Conkle informed the Board that requests for the building had been made for November 8, 2022.

II. (F.) SECURITY - GENERAL

II. (G.) PUBLIC RELATIONS

There was no new news on these items currently.

III. UNFINISHED BUSINESS

III. (A.) DISCUSSION AND POSSIBLE ACTION REGARDING PREPARATION FOR DISSOLUTION OF THE SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1

III. (B.) DISCUSSION AND ACTION REGARDING TRANSITION TO HOA

President Kuhn stated that the Board is still working forward on these items and stated that the City of San Antonio Resolution Authorizing the Creation of the District had been found and forwarded to the attorney, but there is no mention of dissolution. Director Ferguson stated that he did contact TCEQ and would be following up with them when necessary.

IV. NEW BUSINESS

IV. (A) DISCUSSION AND ACTION REGARDING CITIZEN'S CONCERNS AND CUSTOMER CORRESPONDENCE

Craig Lauderdale stated that Grey Forest Utilities is getting closer to a settlement for the exorbitant energy charges during the freeze of 2021.

S.A. MUD#1
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V. EXECUTIVE SESSION:

- A. EXECUTIVE SESSION.** The Regular Session of the October 12, 2022 Regular Board Meeting is hereby recessed to hold an Executive Session and discuss matters pursuant to Sections 551.071 and 551.072 of the Texas Open Meetings Act to deliberate the purchase, exchange, lease, or value of real property as listed in Section III above for the purpose of avoiding a detrimental effect on the position of the Board of Directors in negotiations with third parties and to discuss such matters with legal counsel and to discuss certain other legal matters with legal counsel pursuant to section 551.071 at 6:42 p.m.

An Executive Session was called to have a conversation regarding questions pertaining to dissolution of the District and transition to the HOA.

- V. B. RECONVENE REGULAR SESSION.** The Regular Session of the Regular Board Meeting of October 12, 2022, is hereby reconvened at 7:11 p.m.

There being no further business, the meeting was adjourned at 7:11 p.m.

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

ATTEST:

Dale Ferguson, Secretary
San Antonio Municipal Utility District No. 1

(seal)

TAX COLLECTIONS DISTRIBUTION

DEPOSITS: 10/31/2022 \$369.28

DATE: 11/17/2022 September 2022 Tax Collections

RECEIVED:	TAX	PII	AUT FEE	OTHER	TOTAL COLLECTIONS	LESS ATTORNEY FEE	BALANCE	REFUNDS/TAX ASSESSOR FEE	BALANCE	REMITTED
Y2000	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2001	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2002	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2003	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2004	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2005	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2006	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2007	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2008	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2009	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2010	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2011	\$0.71	\$0.11	\$0.00		\$0.82		\$0.82		\$0.82	
Y2012	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2013	\$0.70	\$0.11	\$0.16		\$0.97	(\$0.16)	\$0.81		\$0.81	
Y2014	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2015	\$1.89	\$0.51	\$0.48		\$2.88	(\$0.48)	\$2.40		\$2.40	
Y2016	\$11.04	\$7.35	\$3.71		\$22.10	(\$3.71)	\$18.39		\$18.39	
Y2017	\$10.56	\$2.69	\$1.87		\$15.12	(\$1.87)	\$13.25		\$13.25	
Y2018	\$11.15	\$2.67	\$2.05		\$15.87	(\$2.05)	\$13.82		\$13.82	
Y2019	\$10.97	\$2.28	\$1.95		\$15.20	(\$1.95)	\$13.25		\$13.25	
Y2020	(\$281.09)	\$17.62	\$15.10		(\$248.37)	(\$15.10)	(\$263.47)		(\$263.47)	
Y2021	\$464.86	\$105.15	\$68.20		\$638.21	(\$68.20)	\$570.01		\$570.01	
TOTAL	\$230.79	\$138.49	\$93.52	\$0.00	\$462.80	(\$93.52)	\$369.28	\$0.00	\$369.28	\$369.28
YEAR MAINT. TAX		PII	AUT FEE	LESS FEE/REFUND	D S TAX	P&I	AMT FEE	LESS FEE/REFUND	TOTAL	
Y2000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2002	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2003	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2004	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2005	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2006	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2007	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2008	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2009	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2010	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2011	\$0.40	\$0.06	\$0.00	\$0.00	\$0.31	\$0.05	\$0.00	\$0.00	\$0.82	
Y2012	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2013	\$0.40	\$0.06	\$0.09	(\$0.09)	\$0.30	\$0.05	\$0.07	(\$0.07)	\$0.81	
Y2014	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Y2015	\$1.17	\$0.32	\$0.30	(\$0.30)	\$0.72	\$0.19	\$0.18	(\$0.18)	\$2.40	
Y2016	\$6.79	\$4.52	\$2.28	(\$2.28)	\$4.25	\$2.83	\$1.43	(\$1.43)	\$18.39	
Y2017	\$6.62	\$1.69	\$1.17	(\$1.17)	\$3.94	\$1.00	\$0.70	(\$0.70)	\$13.25	
Y2018	\$7.39	\$1.71	\$1.36	(\$1.36)	\$3.76	\$0.90	\$0.69	(\$0.69)	\$13.82	
Y2019	\$7.45	\$1.55	\$1.32	(\$1.32)	\$3.52	\$0.73	\$0.63	(\$0.63)	\$13.25	
Y2020	(\$212.14)	\$13.30	\$11.40	(\$11.40)	(\$68.95)	\$4.32	\$3.70	(\$3.70)	(\$263.47)	
Y2021	\$349.76	\$79.11	\$51.31	(\$51.47)	\$115.10	\$26.04	\$16.89	(\$16.73)	\$570.01	
TOTAL	\$167.85	\$102.38	\$69.24	(\$69.39)	\$62.94	\$16.11	\$24.28	(\$24.13)	\$369.28	
TOTAL AMT DUE GOF		\$339.46			TOTAL AMT DUE DSF	\$123.34			\$462.80	
LESS: ATTORNEY FEE		(\$69.39)			LESS: ATTORNEY FEE	(\$24.13)			(\$93.52)	
LESS: TAX ASSESSOR FEE					LESS: TAX ASSESSOR FEE				\$0.00	
LESS: REFUNDS/REVERSALS					LESS: REFUNDS/REVERSALS				\$0.00	
AMT FOR GOF DEPOSIT:		\$270.07			AMT FOR DSF DEPOSIT:	\$99.21	TOTAL =		\$369.28	\$369.28

**SAN ANTONIO MUNICIPAL UTILITY DISTRICT #1
 REPORT OF OPERATIONS
 11/17/2022**

REVENUES

Collections this period (Maint. Tax)	9/22	\$270.07
Miscellaneous Revenue:		
Reimbursement for Water Usage		\$70.85
TOTAL REVENUE THIS PERIOD		\$340.92

EXPENSES

Auditing		
Waste Management		\$5,805.20
AT & T Mobility		\$71.47
AT & T U-Verse		\$80.65
CITY PUBLIC SERVICE:		
# 2096723016 SA MUD OFFICE		\$74.82
SAN ANTONIO WATER SYSTEMS:		
# 0514993248891 SA MUD OFFICE		\$34.64 ***
DIRECTORS FEES:		
B. BURN		
R. KUHN - Reimb Plague Updates/keyes		\$31.80
Z. FUENTES-REAL		
D. FERGUSON		
M. HOOTI		
PROPERTY MAINTENANCE		
LEGAL FEES		\$1,095.00
INSURANCE		
EXECUTIVE ADMINISTRATOR NOVEMBER 2022		\$2,062.90 **
PETTY CASH		
MISCELLANEOUS:		
City Public Service - Street Light		\$24.95
IRS Payroll Deposit October 2022		\$531.38
Darla Harlos - Office Cleaning - Sept 2022		\$100.00
Fred Kempt - Shredding		\$200.00
Wright Mechanical - A/C Repair		\$115.50
Artistic Trees - Tree Trimming		\$7,803.50 **
Thomson West - Water Code Updates		\$104.00
TOTAL EXPENSES FOR THIS PERIOD:		\$18,135.81
REVENUES MINUS EXPENSES THIS PERIOD		(\$17,794.89)

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 REPORT OF OPERATIONS
 NOTES, TRANSFERS AND DEBT SERVICE EXPENDITURES
 11/17/2022

NOTES:

** Previously Paid

*** Pending Invoice

**** Previously Approved

TAX CLEARING AND FUND TRANSFERS:

FROM	TO		AMOUNT
1. FROST CLEARING	FROST OPERATING	check	\$270.07
2. FROST CLEARING	TEX POOL OPERATING	WIRE	
3. FROST CLEARING	TEX POOL DEBT SERVI	WIRE	
4. TEX POOL OPERATING	FROST OPERATING	WIRE	
5. FROST CLEARING	TEX POOL CLEARING	WIRE	
5. FROST CLEARING	TEX POOL DEBT SERVI	WIRE	\$99.21
6. FROST DEBT SERVICE	TEX POOL DEBT SERVI	WIRE	
7. TEX POOL CLEARING	TEX POOL OPERATING	WIRE	
8. TEX POOL OPERATING	TEX POOL DEBT SERVI	WIRE	
9. FROST OPERATING	TEX POOL OPERATING	WIRE	
10. TEX POOL DEBT SERVICE	FROST DEBT SERVICE	WIRE	

TOTAL TAX CLEARING & FUND TRANSFERS			\$369.28

DEBT SERVICE EXPENDITURES:

BANK OF NEW YORK

Total Debt Service Expenditures	<hr style="width: 100%;"/> \$0.00
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Untitled Map

Write a description for your map.

Legend



Untitled Path



**S.A. MUD#1
11-17-2022**

II. (B.) DISCUSSION REGARDING MAINTENANCE AND APPEARANCE OF DISTRICT PROPERTY

- 1. PROPERTY MAINTENANCE**
- 2. UNLAWFUL DUMPING**

A discussion was held regarding the \$200.00 invoice from Fred Kempf for shredding the front acreage. It was noted that he inadvertently submitted an invoice for \$400.00 when, in fact, he only charged \$200.00. It was also noted that the \$200.00 had been paid. Director Ferguson suggested that the Board pay Mr. Kempf \$400.00 the next time he shreds. It was the consensus of the Board to pay Mr. Kempf \$400.00 for shredding in the future.

It was noted that a bid to seal coat the MUD Building Parking Lot and Tennis Courts is being prepared. It was suggested that this item be added to the agenda under Projects/Plans.

II. (C.) DISCUSSION REGARDING BUILDING MAINTENANCE

It was noted that the building ceiling will need some attention this year. It was suggested that this item be added to the agenda under this heading.

President Kuhn stated that the Air Conditioning had been repaired and Director Hooti stated that he would see about red and green lights for the trees outside again this year.

II. (D.) BRIEFING REGARDING DISTRICT INSURANCE STATUS

Director Fuentes-Real stated that there was no new insurance information to report at this time.

(E.) DISCUSSION REGARDING REQUESTS FOR USE OF THE MUD BUILDING

Debra Conkle informed the Board that Kailash Kayastha has requested to use the building this weekend, November 19, 2022.

II. (F.) SECURITY - GENERAL

At this time Jim Berbiglia stated that there had been an incident at the Tennis Courts late one night. A group of people in one or two cars were hanging out in the vicinity of the tennis courts and a gun had been fired. After a brief discussion, it was the consensus of the Board that a motion light for the tennis courts be added to agenda under Projects/Plans.

S.A. MUD#1
11-17-2022

II. (G.) PUBLIC RELATIONS

There was no new news on this item currently.

III. UNFINISHED BUSINESS

**III. (A.) DISCUSSION AND POSSIBLE ACTION REGARDING PREPARATION
FOR DISSOLUTION OF THE SAN ANTONIO MUNICIPAL UTILITY DISTRICT
NO. 1**

President Kuhn stated that he and Director Ferguson had been meeting with the attorney regarding these items. He stated that it had come down to 3 options for the District once the bonds have been paid in full. He provided the following scenarios for the Boards discussion.

After a lengthy discussion, it was the consensus of the Board to investigate Option Number 1 further.

MUD options after bond retired

1 message

Dale Ferguson <veloblue@gmail.com>

Mon, Oct 31, 2022 at 16:39

To: Bob Kuhn <rlkuhnrealestate1@gmail.com>

The three things we discussed were:

1. MUD continues, providing waste management, recreational facilities and O and M for MUD properties. Taxes would drop by about 1/3rd and be roughly equivalent to Helotes.
2. MUD dissolves placing MUD properties in a trust. HOA takes on waste management.
3. MUD dissolves and SAR is annexed by Helotes. Helotes would provide certain city services (e.g., waste, police, fire). Recreation facilities would be open to the public.

S.A. MUD#1
11-17-2022

III. (B.) DISCUSSION AND ACTION REGARDING TRANSITION TO HOA

A discussion was held regarding the water meter at the entrance sign and the fact that it is in the District name and the HOA is paying the bill. After a brief discussion, Director Ferguson moved that steps be taken to transfer that meter to the HOA. Director Fuentes-Real seconded the motion, which passed unanimously by the Directors present.

IV. NEW BUSINESS

IV. (A) DISCUSSION AND POSSIBLE ACTION REGARDING CERTIFICATION OF THE 2022 TAX ROLL

Debra Conkle submitted the following documents from Bexar County Tax Office and stated with 417 tax accounts, the District taxable value is 68,566,225 with a total tax levy for 2022 of \$318,833.11. Director Fuentes-Real moved that the Board certify the 2022 Tax Roll as presented. Director Ferguson seconded the motion, which passed unanimously by the Directors present.



Albert Uresti, MPA, PCC
Office of the Tax Assessor - Collector

October 26, 2022

Ms. Debra Graves, Office Manager
San Antonio MUD # 1
P.O. Box 696
Helotes, Texas 78023

RE: San Antonio MUD # 1 – 2022 Tax Roll

Dear Ms. Graves:

Enclosed is a summary of values and levies taken from the initial Tax Roll for the San Antonio MUD # 1.

Section 26.09(e) of the State Property Tax Code requires the Tax Roll to be approved by the taxing unit's governing body. Please notify this office, at your earliest convenience, when the tax roll is approved by your governing body.

If you have any question, please contact Mr. Carlos Gutierrez at 210-335-6600.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Uresti".

Albert Uresti, MPA, PCAC
Tax Assessor-Collector
Bexar County

AU:JAA/ea

Handwritten initials "SA" in black ink.

Enclosure

Handwritten initials "RYK" and the date "11-19-22" in black ink.

50

2022 CERTIFIED TAX ROLL AS OF OCTOBER 1, 2022

TAX ASSESSMENT ROLLS OF SAN ANTONIO MUD #1 FOR THE YEAR 2022 SHOW THE FOLLOWING SUMMARIES:

ROLL	NUMBER ACCTS	MARKET VALUE	TAXABLE VALUE	FREEZE LOSS	TOTAL LEVY
REAL PROPERTY	400	117,606,558	68,516,248	.00	318,600.72
PERSONAL PROPERTY	17	412,719	49,977	.00	232.39
MOBILE HOME PROPERTY	0	0	0	.00	.00
MINERAL PROPERTY	0	0	0	.00	.00
OTHER PROPERTY	0	0	0	.00	.00
TOTAL	417	118,019,277	68,566,225	.00	318,833.11

RATE OF TAXATION ASSESSMENT RATIO 100%
 TOTAL TAX RATE 00.465000

ALBERT URESTI, MPA, PCAC
 TAX ASSESSOR-COLLECTOR BEXAR COUNTY
 BY:



Jurisdiction: **85 SAN ANTONIO MUD #1**
 Total Parcels: 417 Tax Rate: 0.4650000
 Market Value: 118,019,277 State Hom: 0 Opt Hom: 0.2000000
 State O65: 0 Opt O65: 0
 Disabled: 0 Opt Disabled: 0

AG Exclusion Count: 0 AG Exclusion Amt: 0
 Timber Exclusion Count: 0 Timber Exclusion Amt: 0
 HS Capped Count: 182 HS Capped Amt: 13,770,147
 Assessed Value: 104,249,130

Leased Vehicles Count/Amt: 7 360,990 Exxv Count/Amt: 17 16,872,720
 Hb366 Count/Amt: 6 1,752 Veteran Exemption Count/Amt: 14 5,329,741

State Homestead Count: 0 State Homestead Amt: 0
 Local Homestead Count: 195 Local Homestead Amt: 12,945,702
 State Over 65 Count: 74 State Over 65 Amt: 0
 Local Over 65 Count: 0 Local Over 65 Amt: 0
 Surviving Spouse Count: 1 Surviving Spouse Amt: 0
 State Disabled Count: 0 State Disabled Amt: 0
 Local Disabled Count: 1 Local Disabled Amt: 0
 Total VET Count: 14 Total VET Amt: 172,000

Partial Exempt Values: 13,117,702
 Taxable Value: 68,566,225
 Total Levy Amt: 318,833.11
 Frozen Account Count: 0
 Frozen Homestead Value: 0
 Frozen Taxable Value: 0
 Unfrozen Levy Amt: 0.00
 Frozen Levy Amt: 0.00
 Frozen Levy Loss Amt: 0.00
 Total Non-Exempt Parcel Count: 417

S.A. MUD#1
11-17-2022

**IV. (B.) CONSIDERATION AND APPROVAL OF AN EMPLOYMENT CONTRACT
BETWEEN THE DISTRICT AND DEBRA CONKLE**

Debra Conkle submitted the following Employment Contract for the Board's review and approval. After a brief discussion Director Fuentes-Real moved that the Board approve the Employment Contract between the District and Debra Conkle as presented. Director Ferguson seconded the motion, which passed unanimously by the Directors present.

That Employment Contract thus approved is as follows:

EMPLOYMENT AGREEMENT

THIS AGREEMENT (the *Agreement*) is effective as of this the 17th day of November, 2022, between SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1, a political subdivision of the State of Texas (the *District*), and DEBRA CONKLE, having her principal place of business located at 267 Hill Trail, Bandera, Texas 78003 (the *Employee*).

W I T N E S S E T H:

WHEREAS, the District desires to retain the Employee as an employee to advise and perform office management, bookkeeping, payroll, secretarial, and other services to the District for the period and upon the terms stated herein; and

WHEREAS, the Employee has represented to the District that she has the experience and expertise to assist the District in accomplishing these tasks;

NOW, THEREFORE, for and in consideration of the compensation to be paid Employee hereunder and the mutual promises, covenants, and undertakings herein contained, Employee and District hereby agree as follows:

SECTION 1. **Term**. Subject to earlier termination in accordance with Section 17 hereof, the term of this Agreement shall be for the period commencing on the effective date of this Agreement and continuing for a period until November 17, 2023. This Agreement may be renewed by the mutual agreement of the District and the Employee upon the termination of this initial period for a term of one (1) year thereafter upon obtaining the written acknowledgment of the District and the Employee.

SECTION 2. **Services**. During the period of this Agreement, Employee will act as an office manager, bookkeeper, payroll clerk, and secretary to the District. In such capacity, Employee will (1) maintain a complete set of journals and ledgers as required by the rules promulgated by the Texas Commission on Environmental Quality and the Water District Accounting Manual relating to the District's solid waste disposal system, (2) coordinate with the District's accountant tax-assessor collector and delinquent tax collection attorney to maintain accurate financial and tax-related documents and records for the District, (3) manage, maintain, and safeguard the District's files and records which must be organized and stored at the District's office, (4) prepare, maintain, and distribute the District's monthly agenda packets (for receipt by Board members not later than the second Friday before the Wednesday Board meeting, including, but not limited to, the District's minutes, tax collection reports, solid waste disposal reports, if any, accountant's reports, status of various agreements with the various owners of property within the District and the District's billing and financial reports and records (these accounts to be reconciled on a monthly basis), (5) post or coordinate the posting of the District's agenda in accordance with Texas law, (6) perform payroll clerk duties in a manner to be accountable for collecting timekeeping information, incorporating a variety of deductions into a periodic payroll, and issuing pay and pay-related information to the District's employees, including the Texas Workforce Commission employment verifications, (7) process and issue annual W-2 forms to District employees, process and issue annual W-2 and W-3 forms to District employees, prepare 941 quarterly reports and file with the Internal Revenue Service; and prepare Texas Workforce Commission quarterly reports with the Texas Workforce Commission, (8) maintain a telephone

system to allow the customers of the District to communicate their concerns, comments, or questions concerning the operation of the District, (9) prepare monthly billings in accordance with the District's rules and regulations, (10) send delinquency notices to certain customers of the District in accordance with the policies established by the District, (11) attend the regular and special meetings of the District, (12) prepare and file any necessary reports with the Texas Commission on Environmental Quality, and other applicable governmental bodies, (13) maintain necessary bank accounts and certificates of deposit and reconcile these accounts on a monthly basis, (14) deposit District's funds accounts and assist the District in the investment of any proceeds or funds of the District, (15) coordinate and communicate with the District's contractors and vendors as necessary to prepare checks for all payable items for execution by the District's Board of Directors and assist the District in the disbursement for all funds payable to the District's contractors, vendors, professionals, and bondholders, (16) prepare and disseminate correspondence as requested by the members of the Board of Directors of the District pertaining to official business of the District, (17) provide assistance to the District in promoting good relations with the District's customers, (18) be diligent in caring for, using, and protecting the District's equipment, files, and other assets entrusted to Employee's care, (19) organize all of the District's files and records and Employee's tasks, (20) comply with the District's rules and regulations, coordinate and communicate with the District's engineer, if any, and solid waste operator, if any, to ensure the efficient operation of the District, and (21) manage the rental of the District's office facility and maintain and update the District's website, and to comply with such other reasonable requests as submitted or requested by the Board of Directors of the District.

SECTION 3. Extent of Services. As Employee is not prohibited from engaging in business activities, Employee and the District agree that during the term of this Agreement the District shall have the first call upon the services of the Employee for a period not to exceed thirty-five (35) hours per month. Employee shall provide a minimum of twenty-five (25) hours of Employee services to the District during each month. At the request of the District, Employee will provide the District with a detailed accounting of the actual Employee services provided to, or on behalf of, the District during any specific month. By way of clarification and not limiting Employee's obligations hereunder, a Task List, dated December 31, 2001, as modified as of November 17, 2022, is attached hereto as Exhibit A and incorporated by reference for all purposes.

SECTION 4. No Benefits.

(1) Employee shall employ her own means, methods, and discretion in accomplishing the projects and tasks assigned to her from time to time by the District. With the exception of the duties created by this Agreement, it is agreed by the Employee and the District that neither party is the agent of the other, and neither has any authority whatsoever to bind or obligate the other party in any way.

(2) Employee will not be eligible for any employee benefits nor will the District make deductions from its compensation paid to Employee for insurance, bonds, or any other subscription of any kind. Employer shall withhold from Employee's compensation all required employment related taxes including wages, Federal Insurance Contribution Act. Medicare. and similar federal and state taxes.

SECTION 5. Compensation. The District shall pay Employee as compensation for her services under this Agreement and Employee shall receive for her services a fee which shall be

\$2,409.92 per monthly period or such amount that is approved by the District in its annual budget. This fee shall be payable monthly for each period and shall be paid for the preceding pay period at the end of each regular monthly meeting. This salary shall be subject to an increase each year commencing November 17, 2022 upon agreement between the District and Employee as evidenced by the minutes of a District meeting increasing this monthly salary. The District shall also pay Employee at the rate of \$50.00 per hour (or portion thereof on a prorated basis) for each hour worked by Employee in excess of the thirty-five (35) hour amount disclosed in Section 4 hereof. Any such services must be authorized by the President of the Board of Directors of the District, or his or her designee, prior to commencement of such work by the Employee.

SECTION 6. Expenses. The District shall reimburse Employee for all out-of-pocket expenses including billing, long distance telephone calls, postage, ledger binders, stationery, paper, and any other reasonable expenses incurred by her in carrying out any project or task assigned to her by the District upon presentation by Employee, from time to time, of an itemized account of such expenditures, including receipts; provided, however, that any requested reimbursement of expenses must be in accordance with District policies and must be properly deductible by the District for federal income tax purposes. The Employee shall not be reimbursed for routine automobile travel in the performance of Employee's duties.

SECTION 7. District Funds: Fidelity Bond. All funds of any type which are received or collected by the Employee on behalf of the District shall be deposited in the District's Operating or Debt Service Fund or Account, as appropriate, or as may otherwise be directed by the District. All such funds are public funds and may be pledged to the payment of debts of the District; therefore, the Employee agrees that all such funds shall be deposited as provided above without setoff, counterclaim, abatement, suspension, or diminution. In connection with the foregoing, the Employee shall furnish to the District a fidelity bond to be approved by the District in the amount equal to the average monthly billing for the District or \$10,000, whichever is the greater, conditioned upon the faithful accounting by the Employee for all funds which shall come into the Employee's custody under the terms of this Agreement. Such bond shall be re-executed and renewed so that it remains in effect at all times.

SECTION 8. Insurance. Employee shall bear the risk of loss, whether resulting from theft, fire, collision, or other casualty or cause, with regard to any and all equipment, cars, and other real or personal property owned by Employee that is used in the performance of services hereunder. Employee shall use her best efforts to obtain and maintain insurance coverage that is adequate to protect the District's equipment, and other real or personal property from any losses and will name the District as an insured party for all District property and equipment. Employee shall provide the District with a copy of the insurance policy so naming the District as an additional insured.

SECTION 9. Compliance with Section 15.50 Texas Business and Commerce Code. The District and the Employee hereby expressly stipulate and agree that the post-contractual restraints agreed upon in this Agreement are reasonably necessary to protect the business and good will of the District upon the termination of this Agreement.

SECTION 10. Confidentiality of Information. The Employee acknowledges that in the course of performing her Employee services for the District, she may receive or be privy to certain business and tax records or audits of the District and other confidential information and knowledge

concerning the business of the District (herein collectively referred to as the *Confidential Information*) which the District desires to protect. The Employee understands that the Confidential Information is confidential and she covenants and agrees not to reveal the Confidential Information to anyone, directly or indirectly, outside the District so long as the confidential or secret nature of the Confidential Information shall continue. The Employee further agrees that she will at no time use the Confidential Information in competing with the District. Upon termination of this Agreement, the Employee shall surrender to the District all papers, documents, writings, and other property produced by her or coming into her possession by or through her relationship with the District and the Employee agrees that all such materials shall at all times remain the property of the District.

SECTION 11. Publicity. Employee shall not originate any publicity, news release or other public announcements, written or oral, whether to the public press or otherwise, relating, directly or indirectly, to this Agreement, to any amendment hereto, to Employee's performance hereunder or to the District, without the prior written approval of the District.

SECTION 12. Applicability of Texas Commission on Environmental Quality Rules and Regulations. Employee hereby expressly acknowledges that she is aware that the District is governed by and subject to various federal and Texas laws, including the rules and regulations promulgated by the Texas Commission on Environmental Quality. Employee agrees to familiarize herself with these laws, rules, and regulations, along with the District's policies, in order to prevent a violation of any law in performing her services under this Agreement.

SECTION 13. Specific Performance, Injunctive Relief, and Venue.

(1) Employee acknowledges that a remedy at law for any breach or attempted breach of Sections 10, 11, and 12 of this Agreement will be inadequate. Employee agrees that the District shall be entitled to specific performance in case of any such breach or attempted breach.

(2) In addition to any remedy at law or in equity which the District will have for the breach of any covenant of this Agreement by Employee; the Employee agrees in the event of any breach or attempted or threatened breaches of this covenant the District shall have the right to obtain an injunction against the Employee prohibiting such breach or attempted or threatened breach merely by proving the existence of such breach or attempted or threatened breach without the necessity of proving either inadequacy of legal remedies or irreparable harm.

(3) In the event of a threatened breach by Employee of any of the provisions of this Agreement, the District shall have the immediate right to secure an order enjoining such threatened breach. The remedy of a temporary restraining order without notice to Employee and the remedy of injunction granted by this Agreement to the District herein shall be enforceable notwithstanding any other rights and remedies (including the right to monetary damages) that the District may have. The parties further agree that in the event it should become necessary for the District to enforce this Agreement through a temporary restraining order, temporary injunction or injunction, that the District shall be required to post a bond in the amount of no more than One Thousand and No/100 Dollars (\$1,000,00), or any lesser amount as authorized by law.

(4) The District and Employee agree that any suit arising from, or relating to, this Agreement shall be brought in a court of competent jurisdiction located in Bexar County, Texas.

SECTION 14. Indemnity. Employee hereby covenants and agrees to indemnify and shall hold harmless the District and any officer, affiliate, employee, or agent thereof (hereinafter collectively referred to as the *Indemnified Party*) from any and all suits, actions or claims of any character, type or description made for or in account of any injuries, damages alleged, or amounts allegedly owed as a result of claims, demands, costs or judgments against it arising out of or relating to, whether directly or indirectly, the performance of services hereunder by Employee. Notwithstanding anything to contrary contained herein, this indemnity shall apply notwithstanding any negligence or alleged negligence on the part of the Indemnified Party. Indemnified Party may, at its option, conduct the defense in any such third party action arising as described herein, and Employee agrees to fully cooperate with such defense.

SECTION 15. Enforcement: Attorneys' Fees. If the District must resort to legal action in order to enforce any of the terms of this Agreement, the District shall be entitled to recover the costs of such action, including, but not limited to, all legal fees and court costs associated with such legal proceedings.

SECTION 16. Termination.

(1) General. Notwithstanding the term of this Agreement or any extension thereof, both of which are set forth in Section 1 hereof, the District may terminate this Agreement at any time, with or without cause, such termination to be effective fifteen (15) days after the District gives written notice of such termination to Employee and upon payment to Employee of all compensation accrued under this Agreement to the effective date of such termination. The Employee may terminate this Agreement upon providing written notice to the District at least sixty (60) days prior to the effective date of such termination.

(2) Death. If the Employee dies during the term of this Agreement, this Agreement shall automatically terminate and the District shall have no further obligation to the Employee or her estate except that District shall pay any accrued, but unpaid, amounts due Employee to the end of the month in which the Employee's death occurred.

SECTION 17. Notices. All notices, requests, consents, and other communication concerning this Agreement shall be in writing and shall be deemed to have been delivered on the date personally delivered or on the date mailed, postage prepaid, by certified mail, return receipt requested, to the respective parties as follows:

If to the Employee: Debra Conkle
 267 Hill Trail
 Bandera, Texas 78003

If to the District: San Antonio Municipal Utility District No. 1
 Post Office Box 696
 Helotes, Texas 78023

provided, however, that any party shall have the right to change such party's address for notice hereunder to any location in the State of Texas by the giving of notice to the other party in the manner set forth above.

SECTION 18. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law and if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition and invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

SECTION 19. Nonassignability. This Agreement is not assignable by the Employee to any other person, partnership, firm, corporation or other recognized legal entity, except with the written consent of the District.

SECTION 20. Governing Law. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Texas and the United States of America.

SECTION 21. Captions. The section and paragraph headings of this Agreement are reference purposes only and shall not effect in any way the meaning and interpretation of this Agreement.

SECTION 22. Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties respecting the services of the Employee and there are no representations, warranties, agreements, or commitments between the parties hereto except as set forth herein. This Agreement may be amended only by an instrument in writing executed by the District and the Employee.

SECTION 23. Execution. This Agreement may be executed in multiple original counterparts, each of which shall be deemed an original, but all of which together shall constitute the same instrument.

SECTION 24. Binding Effect. This Agreement is for the benefit of the District and the Employee and shall be binding upon and enforceable by and against their successors, assigns, respective heirs, donees, pledgees, devisees, transferees, and representatives.

SECTION 25. Waiver. The waiver of any condition or breach of any term or condition of this Agreement shall not be deemed to constitute the waiver of any other condition or breach of the same or any other term or condition of this Agreement.

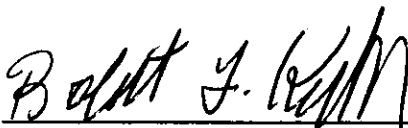
SECTION 26. Effective Date. This Agreement shall be effective as of the date first written and it is expressly agreed to by the District and the Employee that all provisions hereof shall apply as if this Agreement had been entered into on such date.

SECTION 27. Survival of Covenants and Conditions. The provisions of Sections 10, 11, 12, 13, 14, 15, and 16 hereof shall survive the termination of this Agreement.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the District has caused this Agreement to be executed by its duly authorized officer, and the Employee has executed this Agreement, in each case as of the date first above written.

SAN ANTONIO MUNICIPAL UTILITY
DISTRICT NO. 1



Name: Robert Kuhn

Title: President, Board of Directors



Name: Debra Conkle

Title: Employee

Description	Time
5. Prepare and post meeting agenda	2 1/4 hours
6. Maintain telephone	1/2hour
7. Prepare and file annual reports with agencies: A. TCEQ registration form B. Annual audit report File with TCEQ and Bexar County Public Records C. District information form File with TCEQ and Bexar County Public Records D. Tax rate order File with Bexar County Tax Office E. Voting system annual filing form File with State of Texas F. Oaths of office and statement of appointed and/or elected director File with Secretary of State G. Imminent Domain Report H. Census Bureau I. Labor Board	1 hour* 4 hours* 3 hours* 1/4 hour* unknown 1/4 - 1 hour* 1 Hour
8. Deposit District funds and maintain bank accounts; i.e., Report changes in directors and submit new signature cards and regulations when necessary	3/4 hour 1 1/2 hour
9. Coordinate and communicate with District vendors, contractors, Employees, etc.	Varies
10. Prepare and disseminate correspondence as requested by Board members pertaining to district business	Varies
11. Provide assistance to the Board in promoting good relations with District contacts	Varies
12. Diligent in caring for, using and protecting District equipment and other assets entrusted to my care	Minimal
13. Organize my tasks	Minimal
14. Comply with rules and regulations of the District and TNRCC	Minimal
15. Assist the Board in the preparation and holding of District elections (every two years)	Varies
16. Package and provide fiscal District information and assistance as requested by the District auditor for the performance of the District's annual audit	1 - 10 hours
17. Coordinate with the Bank of New York for the District's semi-annual bond coupon payment	1 1/2 hour
18. Provide 41 years' experience and history to assist the Board and to provide the Board with such knowledge to prevent dissemination of	Varies

S.A. MUD#1
11-17-2022

**IV. (C.) DISCUSSION AND POSSIBLE ACTION REGARDING TRANSFERRING
TENNIS COURT PROPERTY AND OTHER SAN ANTONIO MUNICIPAL UTILITY
DISTRICT NO. 1 PROPERTIES TO THE CONSERVATION EASEMENT**

President Kuhn submitted the following email conversation and location map to denote the properties being considered. After a general discussion Director Ferguson moved that the Board designate these properties as part of the Conservation Easement. Director Fuentes-Real seconded the motion, which passed by unanimous vote of the Directors present.

Phillip Covington (Parks)

From: Phillip Covington (Parks)
Sent: Monday, November 7, 2022 12:04 PM
To: RL Kuhn
Subject: FW: [EXTERNAL] land added to conservation easement

Mr. Kuhn,

Thank you for the update regarding your upcoming board meeting. I'm forwarding my original message from last week as requested. Please let me know if you need anything else.

Thanks again,

Phillip A. Covington, III

Special Projects Manager
Edwards Aquifer Protection Program

City of San Antonio
Parks and Recreation Department
5800 Historic Old Highway 90 West
San Antonio, Texas 78227

Office: 210.207.3003

Fax: 210.207.8444



CITY OF SAN ANTONIO
PARKS & RECREATION

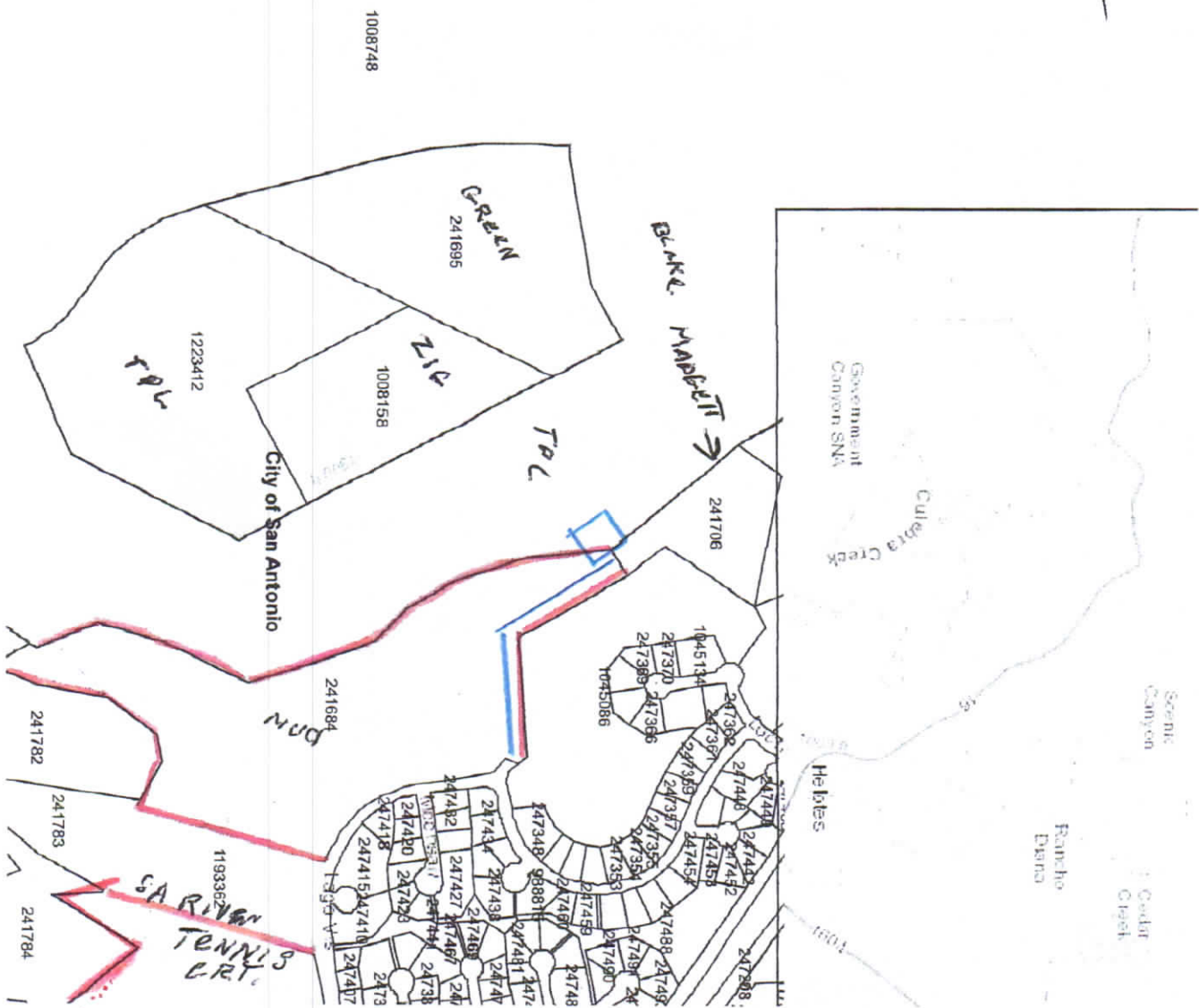
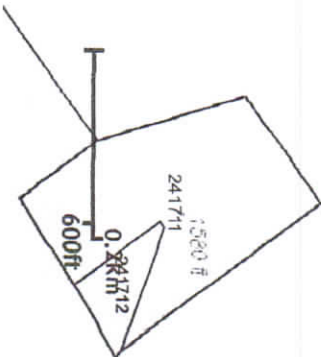
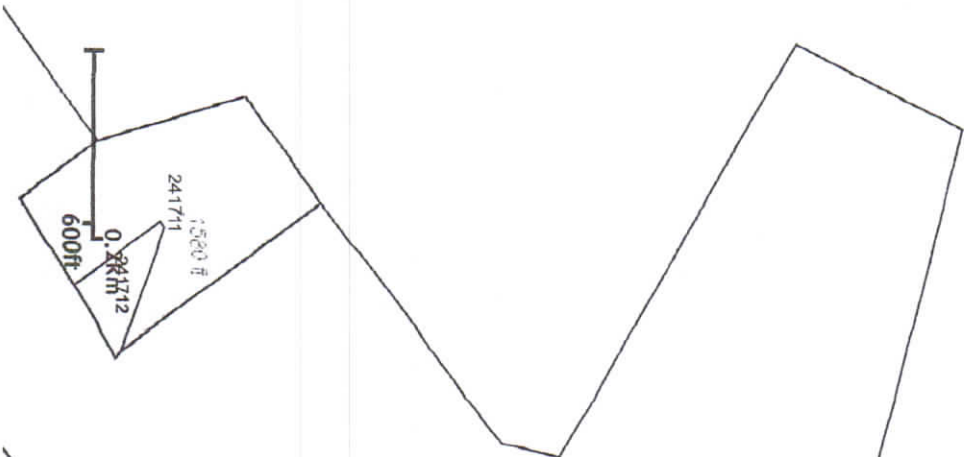
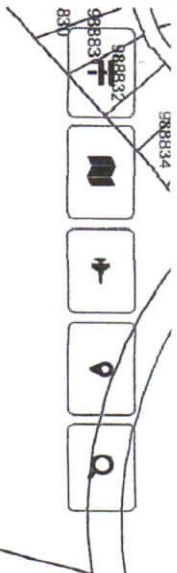
From: Phillip Covington (Parks)
Sent: Wednesday, November 2, 2022 2:02 PM
To: RL Kuhn <rlkuhnrealestate1@gmail.com>
Cc: debra Conkle <dconkle@prodigy.com>
Subject: RE: [EXTERNAL] land added to conservation easement

Good afternoon, Mr. Kuhn,

Many thanks for sharing the BCAD account numbers for the two SA MUD No. 1 parcels.

I am definitely interested in requesting authorization from our Conservation Advisory Board to proceed with a geological assessment and appraisal on these parcels if you receive approval at your meeting to pursue donation of a conservation easement. It appears the two parcels add up to 43.223 acres total. Our next Conservation Advisory Board meeting is scheduled for November 30th so please let me know how your meeting goes and we can discuss next steps.

Thanks again for reaching out and I look forward to visiting with you again soon.



10-11-22
EAS/MP LT

S.A. MUD#1
11-17-2022

IV. (D.) DISCUSSION AND ACTION REGARDING CITIZEN'S CONCERNS AND CUSTOMER CORRESPONDENCE

Kailash Kayastha requested that the Board consider allowing him to hold yoga classes on Saturday mornings. He will not charge; they will be free classes. The first class would be held December 3, 2022. It was the consensus of the Board to try this and see how it goes. Mr. Kayastha would need to provide the insurance binder and would need his participants to sign a waiver.

Debra Conkle submitted the following correspondence from Bexar Appraisal District stated that they will not be refunding any of the surplus this year and will be allocating it to other areas of need.



BEXAR APPRAISAL DISTRICT

Michael A. Amezquita
Chief Appraiser

411 N. Frio, P.O. Box 830248
San Antonio, TX 78283-0248
Phone (210) 224-8511
Fax (210) 242-2451

BOARD OF DIRECTORS

CHERI BYROM-
Chair
TRISH DEBERRY
Vice-Chair
JON FISHER
Secretary

October 19, 2022

Via Certified Mailer

7021 2720 0000 1006 0561

ADRIANA ROCHA GARCIA
-
Councilwoman, District 4
DAVE GANNON
ALBERT URESTI, MPA -
Tax Assessor-Collector

Ms. Debra Conkle, Finance Director
San Antonio M.U.D. #1
PO Box 696
Helotes, TX 78023

RE: Budget Amendment for Category Transfers and Encumbrances

Ms. Conkle:

Bexar Appraisal District is notifying you concerning changes to its 2022 budget. Funds may be transferred between budget categories and accounts before the end of the fiscal year, according to the terms of the budget resolution adopted by the Board. Tax Code Section 6.06 permits the Board of Directors to amend the budget at any time provided that the board notifies the taxing units at least 30 days in advance of approving an amendment. The contemplated amendment does not require additional funds to be collected from the taxing units, but does affect the amount of surplus funds that will be refunded after the end of this fiscal year.

In recent years, the District has refunded year-end excess funds to its taxing units. This year, the Board of Directors believes that it is important to encumber and transfer among budget categories a portion of the anticipated surplus, as permitted, before the end of the fiscal year. The fund transfers will be made to increase the retiree cost of living adjustment reserve fund by \$250,000. Additionally, the board desires to obligate \$150,000 to fund future litigation expenses, \$275,000 to fund an employee cost of living adjustment, and add \$50,000 to the technology reserve for future server replacement. The attachment provides more detailed information concerning this transfer of funds.

The projected surplus for fiscal year 2022 is estimated at approximately \$1,200,000; an amount that is around percent (6%) of the total 2022 operating budget. This surplus occurred primarily due to vacant positions that were unfilled for much of the year. An anticipated refund of unexpended and unencumbered funds to the taxing units participating in the District is anticipated to be \$500,000. A final surplus amount will be established once the audit of the district's year end financials is complete. The final surplus amount will be refunded based on each unit's proportionate share of the budget.

The Board of Directors was made aware of these pending transactions at its scheduled October 19 meeting and anticipates approving them at their scheduled meeting in December. We are notifying you of the amendment and pending action per section 6.06(c) of the Texas Property Tax Code. Please contact Jennifer Rodriguez at (210) 242-2406 if you would like clarification or have any questions.

Sincerely,



Cheri Byrom

Chair

Bexar Appraisal District Board of Directors

Enclosure

Budget Surplus and Desired Encumbrances

The Bexar Appraisal District anticipates a budget surplus of unexpended funds from the 2022 budget of \$1,200,000. The surplus exists due to two primary factors: anticipated costs that never materialized and several staff positions that were unfilled for much of the year. As permitted by Section 6.06 of the Tax Code, staff requests that the board of directors amend the 2022 budget to encumber funds for the following items:

Add \$250,000 for the Retiree Restricted Fund Reserve

We wish to give the district retirees a 1% cost of living adjustment as has been done several times in the past. Since COLAs can increase the unfunded liability within our retirement fund, we choose to pre-fund those and pay for the COLA in advance at the time that it is passed. Pre-payment serves to mitigate the impact of a COLA on our unfunded liability. We budget annually for this expenditure and pay a retiree COLA every other year. We budgeted \$250,000 toward that amount for 2022 and wish to encumber it.

\$150,000 for the Litigation Expenses Restricted Fund Reserve

Litigation and the associated cost to manage it has increased significantly over the past several years. Litigation volume has ballooned and is expected to increase further in the coming years. The balance of the Litigation Expenses Restricted Fund Reserve is currently \$350,000 as of September 30, 2022 and after the addition of \$150,000, the balance will be \$500,000. Adding to this reserve will allow us to mitigate unforeseen costs or awards for plaintiff's attorney's fees that may exceed budgeted amounts.

\$275,000 for an Employee Cost of living Retention Restricted Fund Reserve

We wish to give the district employees a 4% cost of living adjustment that will be paid in January of 2023. We budgeted for a 2% cost of living adjustment in the amount of \$250,000 in the 2023 operating budget and adding \$275,000 to that amount from this year's surplus will allow us to give staff a one-time COLA payment that will not permanently affect the salary line item in the budget. This will help staff adjust to rising costs and inflation as year-over-year inflation eclipsed 8% throughout most of 2022. As an item of comparison, the Social Security Administration announced that their COLA for 2023 will be 8.7%.

\$50,000 for The Technology Restricted Fund Reserve

We plan on upgrading our server infrastructure every seven years. We budget an amount annually to save for the expenditure so that replacement does not require a significant adjustment to the budget in the year that the replacement is made. The balance of the Technology Restricted Fund Reserve is currently \$125,000 as of September 30, 2022 and after the addition of the \$50,000 that was budgeted for 2022, the balance will be \$175,000. Adding to this reserve will allow us to reach our goal of \$750,000 by the time that our server infrastructure will be replaced in late 2027.

S.A. MUD#1
11-17-2022

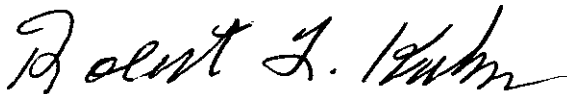
V. EXECUTIVE SESSION:

A. EXECUTIVE SESSION. The Regular Session of the November 17, 2022 Special Board Meeting is hereby recessed to hold an Executive Session and discuss matters pursuant to Sections 551.071 and 551.072 of the Texas Open Meetings Act to deliberate the purchase, exchange, lease, or value of real property as listed in Section III above for the purpose of avoiding a detrimental effect on the position of the Board of Directors in negotiations with third parties and to discuss such matters with legal counsel and to discuss certain other legal matters with legal counsel pursuant to section 551.071 at 7:50 p.m.

An Executive Session was called to have a conversion regarding building usage and finances.


V. B. RECONVENE REGULAR SESSION. The Regular Session of the Regular Board Meeting of November 17, 2022, is hereby reconvened at 8:03 p.m.

There being no further business, the meeting was adjourned at 8:03 p.m.



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

ATTEST:



Dale Ferguson, Secretary
San Antonio Municipal Utility District No. 1

(seal)