

SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1

SEPTEMBER 9, 2020

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 9th day of September 2020, with the following member's present to-wit:

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

and no members absent, thus constituting a quorum. Also present were Debra Conkle, Office Manager, Jim Berbiglia, Joe Longoria, David Echevarria and Julie Zapata, San Antonio Ranch residents.

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

I. CONSENT AGENDA:

- 1. REVIEW AND APPROVAL OF THE MINUTES OF THE MEETINGS HELD AUGUST 12 AND AUGUST 20, 2020**
- 2. REPORT CONCERNING JULY 2020 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 Hooti seconded the motion, which passed by unanimous vote of the Directors present.

II. STATUS REPORTS:

II. (A.) DISCUSSION REGARDING 2020/2021 PROJECTS/PLANS

1. TENNIS COURT RESURFACE

The Board was informed that the tennis court resurface is complete.

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

1. PROPERTY MAINTENANCE

2. UNLAWFUL DUMPING

The Board was informed that the front acreage had been shredded for \$157.50 and there was no unlawful dumping.

SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1

August 12, 2020

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 August 2020, with the following member's present to-with:

Robert Kuhn, President
Zulema Fuentes-Real, Vice President
Dale Ferguson, Secretary (via Skype)
Max Hooti, Assistant Secretary

and Bill Burn absent, thus constituting a quorum. Also present were Debra Conkle, Office Manager, Jim Berbiglia, San Antonio Ranch resident.

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

- 1. REVIEW AND APPROVAL OF THE MINUTES OF THE MEETING HELD
JULY 16, 2020**
- 2. REPORT CONCERNING JUNE 2019 TAX COLLECTIONS**
- 3. REVIEW AND APPROVAL OF ACCOUNT BALANCES/BILLINGS
INCURRED AND AUTHORIZATION OF EXPENDITURES**

Director Hooti moved that the consent agenda be approved. Director Fuentes-Real seconded the motion, which passed by unanimous vote of the Directors present.

II. STATUS REPORTS:

II. (A.) DISCUSSION REGARDING 2019/2020 PROJECTS/PLANS

1. TENNIS COURT RESURFACE

It was reported that the tennis court resurfacing project would be complete tomorrow and the pickleball equipment storage building would be delivered tomorrow too, it was noted that the building was donated to the HOA. It was also noted that the concrete at the back of the tennis courts still needs to be finished for erosion control.

S.A. MUD#1
8-12-2020

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

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

It was reported that Ronnie Galik preformed the property maintenance at a cost of \$1575.00 and Froggy Landscape trimmed the trees and hauled off the dumping.

II. (C.) DISCUSSION REGARDING BUILDING MAINTENANCE

It was noted that the building should be pressure washed once the weather gets cooler.

II. (D.) BRIEFING REGARDING DISTRICT INSURANCE STATUS

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

II. (F.) SECURITY - GENERAL

Director Fuentes-Real was requested to contact TML and add the tennis court and the small building to the MUD insurance policy.

Debra Conkle informed the Board that the Bexar County Elections department will be using the building on November 3, 2020 for the presidential election.

III. UNFINISHED BUSINESS

(A.) REMINDER THAT TRANSFER/LEASE DOCUMENTS FOR TENNIS COURTS, LOT 91, BLOCK 2, UNIT 1, SAN ANTONIO RANCH SUBDIVISION AND MUD BUILDING AND SURROUNDING PROPERTY FROM SA MUD#1 TO SAR HOA ARE AVAILABLE UPON HELOTES ANNEXATION.

President Kuhn stated that this item is on hold at this time.

III. (B.) DISCUSSION AND POSSIBLE ACTION REGARDING THE HACA PETITIONING THE CITY OF HELOTES FOR FUTURE ANNEXATION

There was no discussion on this item at this time.

IV. (A.) DISCUSSION AND POSSIBLE ACTION REGARDING TRANSFERRING FUNDS TO SUBSIDIZE THE DEBT SERVICE FUND

A discussion was held regarding the amount to transfer and Director Hooti moved that the Board transfer \$37,000.00 to the Debt Service Fund to subsidize this year's debt service obligation. Director Fuentes-Real seconded the motion, which passed by unanimous vote of the Directors present.

S.A. MUD#1
8-12-2020

**IV. (B.) DISCUSSION AND APPROVAL OF BOND COUPON PAYMENT DUE
SEPTEMBER 1, 2020**

Debra Conkle submitted the following correspondence from the Bank of New York. Director Fuentes-Real moved that the Board authorize President Kuhn wire transfer \$32,175.00 from the Debt Service Fund to the Bank of New York in order to satisfy the bond coupon payment due September 1, 2020. Director Hooti seconded the motion, which passed by unanimous vote of the Directors present.

S.A. MUD#1
8-12-2020

**IV. (C.) DISCUSSION AND ACTION REGARDING APPROVAL OF PROPOSED
BEXAR COUNTY TAX ASSESSOR/COLLECTOR FEE FOR THE 2020 TAX YEAR**

IV. (D.) DISCUSSION AND ACTION REGARDING 2019 DELINQUENT TAX ROLL

Debra Conkle informed the Board that she had not yet received these documents from the Bexar County Tax Office. It was the consensus of the Board that these items be postponed until the next regular meeting of the Board.

**IV. (E.) DISCUSSION AND NECESSARY ACTION REGARDING SETTING THE
2020/2021 OPERATIONS AND MAINTENANCE BUDGET**

Debra Conkle submitted the following draft budget for the Board's review.

S.A. MUD#1
8-12-2020

**IV. (F.) DISCUSSION AND NECESSARY ACTION REGARDING SETTING THE
2020 DEBT SERVICE AND OPERATIONS AND MAINTENANCE TAX RATES**

Debra Conkle submitted the following Preliminary Tax Rate Calculations, as provided by Tim Kelley, District Financial Advisor, for the Board's review. She informed the Board that a special meeting would need to be set in order to vote on a proposed tax rate to be published at least (7) days prior to the regular meeting on September 9, 2020. It was the consensus of the Board to hold the special meeting on 8/20/19 at 6:30p.m.

S.A. MUD#1
8-12-2020

IV. (G.) CITIZEN'S CONCERNS AND CUSTOMER CORRESPONDENCE

The Board was informed that an inspection of the Conservation Easement had been completed.

Director Hooti reminded the Board of the Waste Management trucks leaking oil on the streets within the subdivision. He reminded the Board that it is a long process to clean up and is trying to get them to re-seal the roads. Director Hooti also informed the Board that he had sent them a \$13,000.00 invoice (which he hopes to add to the PUD funds to repair the roads in the PUD area). He further informed the Board that Waste Management's insurance carrier had contacted him, and they will be sending out an adjuster to survey the damages.

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)

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-wit:

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

S.A. MUD#1
8-20-2020

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)

TAX COLLECTIONS
DISTRIBUTION

DEPOSITS: 8/12/2020 \$7,876.06

DATE: 9/9/2020 July 2020 Tax Collections

RECEIVED:	TAX	P&I	ATT FEE	OTHER	TOTAL COLLECTIONS	LESS ATTORNEY FEE	BALANCE	REFUNDS/TAX ASSESSOR FEE	BALANCE	REMITTED
Y1998	\$0.00	\$0.00	\$0.00		\$0.00					
Y1999	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
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	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2012	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2013	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2014	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2015	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2016	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2017	\$0.00	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Y2018	\$0.60	\$0.00	\$0.00		\$0.60		\$0.00		\$0.00	
Y2019	\$7,862.53	\$5.69	\$0.00		\$7,868.22		\$0.60		\$0.60	
TOTAL	\$7,863.13	\$5.69	\$0.00	\$0.00	\$7,868.82	\$0.00	\$7,868.82	\$0.00	\$7,875.46	\$7,876.06

YEAR	MAINT. TAX	P&I	ATT FEE	LESS FEE/REFUND	D S TAX	P&I	ATT FEE	LESS FEE/REFUND	TOTAL
Y1998	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Y1999	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
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	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Y2012	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Y2013	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Y2014	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Y2015	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Y2016	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Y2017	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Y2018	\$0.40	\$0.00	\$0.00	\$0.00	\$0.20	\$0.00	\$0.00	\$0.00	\$0.60
Y2019	\$5,340.23	\$3.86	\$0.00	\$4.92	\$2,522.30	\$1.83	\$0.00	\$2.32	\$7,875.46
TOTAL	\$5,340.63	\$3.86	\$0.00	\$4.92	\$2,522.50	\$1.83	\$0.00	\$2.32	\$7,876.06

TOTAL AMT DUE GOF	\$5,344.49	TOTAL AMT DUE DSF	\$2,524.33		\$7,868.82
LESS: ATTORNEY FEE		LESS: ATTORNEY FEE			\$0.00
LESS: TAX ASSESSOR FEE	\$4.92	LESS: TAX ASSESSOR F	\$2.32		\$7.24
LESS: REFUNDS/REVERSALS		LESS: REFUNDS/REVERS			\$0.00
AMT FOR GOF DEPOSIT:	\$5,349.41	AMT FOR DSF DEPOSIT:	\$2,526.65	TOTAL =	\$7,876.06
					\$7,876.06

**SAN ANTONIO MUNICIPAL UTILITY DISTRICT #1
REPORT OF OPERATIONS
9/9/2020**

REVENUES

Collections this period (Maint. Tax) 7/20 \$5,349.41

Miscellaneous Revenue:

TOTAL REVENUE THIS PERIOD \$5,349.41

EXPENSES

Auditing \$0.00

Waste Management \$4,399.90

AT & T Mobility \$62.62

AT & T U-Verse \$176.34

CITY PUBLIC SERVICE:

2096723016 SA MUD OFFICE \$49.88

SAN ANTONIO WATER SYSTEMS:

0514993248891 SA MUD OFFICE \$34.64

DIRECTORS FEES:

B. BURN 9/9/2020 \$1.00

R. KUHN \$1.00

Z. FUENTES-REAL \$1.00

D. FERGUSON \$1.00

M. HOOTI \$1.00

ENGINEERING \$0.00

LEGAL FEES \$0.00

INSURANCE \$0.00

OFFICE MANAGER \$1,546.80

PETTY CASH \$0.00

MISCELLANEOUS: \$0.00

City Public Service - Street Light \$22.58

IRS Payroll Deposit July 2020 \$384.81

Darla Harlos - Office Cleaning - September \$100.00

Robert Kuhn - Reimb for Combo Lock/Tennis Court \$16.76

The Echo - Tax Rate Publication \$375.00

Debra Conkle - Reimbursement for Ink Cartridge \$25.99

Sage Accounting 2021 \$911.00

TOTAL EXPENSES FOR THIS PERIOD: \$8,111.32

REVENUES MINUS EXPENSES THIS PERIOD (\$2,761.91)

PAGE 2
 REPORT OF OPERATIONS
 NOTES, TRANSFERS AND DEBT SERVICE EXPENDITURES
 9/9/2020

NOTES:

** Previously Paid

*** Pending Invoice

**** Previously Approved

TAX CLEARING AND FUND TRANSFERS:

FROM	TO		AMOUNT
1. FROST CLEARING	FROST OPERATING	check	\$5,349.41
2. FROST CLEARING	TEX POOL OPERATING	WIRE	
3. FROST CLEARING	TEX POOL DEBT SERVI	WIRE	\$2,526.65
4. TEX POOL OPERATING	FROST OPERATING	WIRE	
5. FROST CLEARING	TEX POOL CLEARING	WIRE	
5. FROST CLEARING	TEX POOL DEBT SERVI	WIRE	
6. FROST DEBT SERVICE	TEX POOL DEBT SERVI	WIRE	
7. TEX POOL CLEARING	TEX POOL OPERATING	WIRE	
8. TEX POOL CLEARING	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			----- \$7,876.06

DEBT SERVICE EXPENDITURES:

Total Debt Service Expenditures \$0.00

S.A. MUD#1
9-09-2020

II. (C.) DISCUSSION REGARDING BUILDING MAINTENANCE

It was noted that the building would be pressure washed in the near future.

II. (D.) BRIEFING REGARDING DISTRICT INSURANCE STATUS

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

II. (F.) SECURITY - GENERAL

II. (G.) PUBLIC RELATIONS

There was no new information to report on these items, except that the Bexar County Elections department will be using the building on November 3, 2020 for a General Election.

III. UNFINISHED BUSINESS

(A.) REMINDER THAT TRANSFER/LEASE DOCUMENTS FOR TENNIS COURTS, LOT 91, BLOCK 2, UNIT 1, SAN ANTONIO RANCH SUBDIVISION AND MUD BUILDING AND SURROUNDING PROPERTY FROM SA MUD #1 TO SAR HOA ARE AVAILABLE UPON HELOTES ANNEXATION.

President Kuhn stated that this item is on hold at this time.

III. (B.) DISCUSSION AND POSSIBLE ACTION REGARDING THE HACA PETITIONING THE CITY OF HELOTES FOR FUTURE ANNEXATION

There was no new information to report on this item currently.

IV. (A.) DISCUSSION AND ACTION REGARDING APPROVAL OF PROPOSED BEXAR COUNTY TAX ASSESSOR/COLLECTOR FEE FOR THE 2020 TAX YEAR

Debra Conkle provided the following correspondence from the Bexar County Tax office and noted that the proposed 2020 Tax Assessor/Collector fee would be \$1.84 per account up from \$1.81 per account last year.

Director Fuentes-Real moved that the Board approve Proposed 2020 Tax Assessor/Collector Fee as presented. Director Hooti seconded the motion, which passed by unanimous vote of the Directors present.



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

August 14, 2020

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

Dear Ms. Graves:

The proposed cost per account for the 2020 tax roll year has been calculated and reviewed by the Bexar County Auditor. The proposed cost per account for the 2020 tax roll year is **\$1.84**.

The cost per account proposed figure will go to Commissioners Court for approval on August 18, 2020.

Please sign and return this letter in the enclosed envelope.

If you have any questions, please contact me personally, or Mr. Stephen W. Palacios, Chief Deputy, at 210-335-6553.

Sincerely,

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

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

AU/ea

Enclosures

A handwritten signature in black ink, appearing to read "Robert L. Kuhn".

Signature

Robert L. Kuhn

Printed Name

President

Title

Handwritten initials in the bottom right corner, possibly "JL".

S.A. MUD#1
9-09-2020

IV. (B.) DISCUSSION AND ACTION REGARDING THE 2019 DELINQUENT TAX ROLL

Debra Conkle provided the following correspondence from the Bexar County Tax office for the Board's information. It was the consensus of the Board to accept the 2019 Delinquent Tax Roll as presented.



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

August 13, 2020

Ms. Debra Graves, Office Manager
San Antonio MUD #1
P.O. Box 696
Helotes, Texas 78109

Dear Ms. Graves:

Enclosed is your Delinquent Tax Roll for 2020, which has been prepared for your unit according to the Property Tax Code.

If our office can be of any assistance, please contact Mr. Stephen W. Palacios at 210-335-6553.

Sincerely,

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

AU/ea

Enclosure

BFD
9-9-20

TAX COLLECTION SYSTEM
DELINQUENT TAX ROLL
AS OF 07/08/2020
SAN ANTONIO MUD #1

JR YEAR	LEVY	LEVY PAID	LEVY BALANCE
0085 1998 AND PRIOR YEARS	18.05	0.00	18.05
0085 1999	6.93	0.00	6.93
0085 2000	11.25	0.00	11.25
0085 2001	72.63	0.00	72.63
0085 2002	72.63	0.00	72.63
0085 2003	73.56	0.00	73.56
0085 2004	71.61	0.00	71.61
0085 2005	373.29	59.29	314.00
0085 2006	226.47	0.00	226.47
0085 2007	206.10	0.00	206.10
0085 2008	247.29	0.00	247.29
0085 2009	237.53	0.00	237.53
0085 2010	106.92	0.00	106.92
0085 2011	89.81	0.00	89.81
0085 2012	753.19	171.10	582.09
0085 2013	6,448.41	328.45	6,119.96
0085 2014	807.10	0.00	807.10
0085 2015	899.05	0.00	899.05
0085 2016	2,312.15	1,500.45	811.70
0085 2017	1,022.60	81.18	941.42
0085 2018	2,857.48	0.00	2,857.48
0085 2019	10,514.82	2,313.00	8,201.82
0085 TOTALS FOR THIS JURISDICTION	27,428.87	4,453.47	22,975.40
0000 GRAND TOTALS FOR ALL JURISDICTIONS	27,428.87	4,453.47	22,975.40
TOTAL COUNT OF DELINQUENT ACCOUNTS=	50		

BEAAR COUNTY
10/20 YEARS ACCOUNTS
LEVY WRITE-OFF BY TAXUNIT SUMMARY
POST - PROCESS

Run-Date: 07/08/2020
Run-Time: 23:50:16

writeoff_accounts_post.rep v1.18
For Effective Change Date: 07/08/2020

Juris 85 SAN ANTONIO MUD #1

1999	045561060020	SARLCO INC	\$1.68	\$0.00	\$1.68
1999	045561101060	SARLCO INC	\$1.68	\$0.00	\$1.68
1999	045561101150	HOUSING & URBAN DEVELOPMENT	\$1.68	\$0.00	\$1.68
1999	045770000190	COLLECTING BANK NA	\$64.35	\$0.00	\$64.35

San Antonio Mud #1 Yearly Totals:

1999	4	\$69.39	\$0.00	\$69.39
Totals for Jurisdiction	4	\$69.39	\$0.00	\$69.39

S.A. MUD#1
9-09-2020


**IV. (C.) DISCUSSION AND NECESSARY ACTION REGARDING APPROVAL OF
2020 AUDIT ENGAGEMENT LETTER**


Debra Conkle submitted the following correspondence from Haynie & Company for the Board's review and acceptance. Director Ferguson moved that the Board accept the 2020 Audit Engagement Letter as presented with a fee of \$15,500.00. Director Fuentes-Real seconded the motion, which passed by unanimous vote of the Directors present.


That 2020 Audit Engagement Letter thus accepted is as follows:



2702 N. Loop 1604 E., Ste 202
San Antonio, TX 78232

 210-979-0055

 210-979-0058

 www.HaynieCPAs.com

September 9, 2020

The Board of Directors
San Antonio Municipal Utility District #1
P.O. Box 696
Helotes, Texas 78203

We are pleased to confirm our understanding of the services we are to provide San Antonio Municipal Utility District #1 (the District) for the year ended September 30, 2020. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the year ended September 30, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Budgetary Comparison Schedule

We have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole:

1. Supplementary schedules and information required by the Texas Commission on Environmental Quality

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to The Board of Directors of the District of San Antonio Municipal Utility District #1. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance

with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Haynie & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to government agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Haynie & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the government agencies or regulators. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately October 2020 and to issue our reports no later than January 31, 2021. John Boekweg is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$15,500. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

The Board of Directors
San Antonio Municipal Utility District #1
September 9, 2020
Page 8 of 8

Very truly yours,

Haynie & Company

Haynie & Company
San Antonio, TX

RESPONSE:

This letter correctly sets forth the understanding of San Antonio Municipal Utility District #1.

Signature: *Robert J. V...*
Title: *...*
Date: *9-9-20*

S.A. MUD#1
9-09-2020

IV. (D.) DISCUSSION AND ACTION REGARDING APPROVAL OF 2020/2021 OPERATIONS AND MAINTENANCE BUDGET

Debra Conkle submitted the following draft 2020/2021 Operations and Maintenance budget for the Board's review and stated that it is .17652 increase from last year. Director Burn moved that the Board accept the 2020/2021 Budget as presented. Director Hooti seconded the motion, which passed by unanimous vote of the Directors present.

That 2020/2021 Operations and Maintenance Budget thus approved is as follows:

DS WORKSHEET FOR TAX YEAR 2020/2021 - Preliminary (Version #1)

TAX YEAR	ITEM	AMOUNT	ITEM	
			2019/2020 Tax Rate	
			DS Rate	0.1889
			O&M Rate	0.4000
2020/2021 BAD PROVIDED DATA			<hr/>	
	Certified Taxable	56,136,037		
	Collection Rate:	0.9829346		
			Total Rate:	0.5889

<hr/>	
2020/21 Proposed Tax Rate	
	DS Rate 0.13
	O&M Rate 0.4000
	<hr/>
	Total Rate: 0.53

2020/21 Debt Service Obligations

DS P & I 107,325
 Paying Agent 860

Total DS Obligation \$108,185

Net Taxable Value 56,136,037 0.9829346 collection rate
 X Debt SVS Rate of: 0.1300000
 Debt Service Obligation \$108,185
 DS Taxes to be Collected 108,149
Required DS Subsidy 36 (supplied from TexPool funds)

2020/2021 Operations and Maintenance Worksheet

Net Taxable Value 56,136,037 0.9829346 collection rate
 X O&M Rate of: 0.4000000
 O&M Collections Project 220,712
O&M Subsidy Available 263,147
O&M Budget for new year 483,859

ITEM	Tax Year 20/21 Budget	
Contract Services		
Auditing/Bookkeeping	16,500	
Bexar Appraisal	1,800	
Bexar Cnty Tax Asses	600	
Legal Fees	5,000	
Office Manager	24,762	
Professional Fees	2,000	
Trash Service (WM)	58,874	WM new contract: 230 x \$19.69 x 13 months
Contract Services Totals	109,536	
Utilities		
Building Utilities	2,000	
Phone /Internet	2,000	
Utilities Totals	4,000	
Maintenance and Repair		
Office Maintenance	1,500	Bldg Cleaning/pest control
Property Maintenance	10,000	
Area Maint/reclamation	500	Fence Repairs
Maintenance and Repair Total:	12,000	
Insurance	2,500	
Miscellaneous		
Asset Purchases	1,000	
Directors Fees	70	
Election	-	
Misc -	1,500	
Postage/Office Supplies	1,300	
Publications/Notices/	2,000	
Payroll Tax Exp	5,000	
Public Relations	150	Web design
Security	500	
Miscellaneous Totals	11,520	
BUDGETED EXPENSES	139,556	
SUPPLEMENTAL EXPENSES		
Capital Improvements	294,303	
Debt Service Subsidy	50,000	
TOTAL EXPENSES:	483,859	
INCREASE FROM LAST YEAR	0.17652	

S.A. MUD#1
9-09-2020

IV. (E.) CONDUCT PUBLIC HEARING REGARDING 2018 TAX RATE

President Kuhn opened the public hearing at 6:39pm. Debra Conkle stated that in accordance with the publication on September 25, 2020, the Board would be setting the Debt Service tax rate at .1300 and the Operations and Maintenance tax rate at .40. For a total tax rate of \$.5300 per \$100.00 of valuation. She asked if any of the persons in attendance had any questions or comments regarding the proposed tax rate.

There were no questions or comments at the time. President Kuhn closed the public hearing at 6:40 pm.

IV. (F.) CONSIDERATION AND APPROVAL OF AN ORDER BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1 OF BEXAR COUNTY, TEXAS LEVYING AN AD VALOREM TAX FOR THE CURRENT TAX YEAR ON ALL TAXABLE PROPERTY LOCATED WITHIN THE DISTRICT IN ACCORDANCE WITH THE PROVISIONS OF THE TEXAS PROPERTY TAX CODE, AS AMENDED, AND OTHER MATTERS IN CONNECTIONS THEREWITH

Debra Conkle presented the following 2020 Tax Rate Order Setting the Debt service Tax Rate at .1300 and the Operations and Maintenance Tax Rate at .40 for a total tax rate of .5300 for the Board's approval. Director Burn Fuentes-Real moved that the Board approve the 2020 Tax Rate Order as presented. Director Fuentes-Real seconded the motion, which passed by unanimous vote of the Directors present.

It is important to note that the Boards position is to not levy Debt Service taxes during the last three years of the bond payments.

That Order Setting the 2020 Tax Rates thus approved is as follows:

CERTIFICATE OF SECRETARY

THE STATE OF TEXAS §
 §
 COUNTY OF BEXAR §
 §
 SAN ANTONIO MUNICIPAL UTILITY §
 DISTRICT NO. 1 §

THE UNDERSIGNED HEREBY CERTIFIES that:

1. On the 9th day of September, 2020, the Board of Directors (the *Board*) of the San Antonio Municipal Utility District No. 1 (the *District*) convened in regular session at the regular meeting place of the District (the *Meeting*), the duly constituted members of the Board being as follows:

Robert L. Kuhn	President
Zulema Fuentes-Real	Vice President
Dale Ferguson	Secretary
William (Bill) R. Burn	Treasurer
Max Hooti	Assistant Secretary

and all of such persons were present at the Meeting, except the following: None, thus constituting a quorum. Among other business considered at the Meeting, the attached order (the *Order*) entitled:

ORDER BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1 OF BEXAR COUNTY, TEXAS LEVYING AN AD VALOREM TAX FOR THE CURRENT TAX YEAR ON ALL TAXABLE PROPERTY LOCATED WITHIN THE DISTRICT IN ACCORDANCE WITH THE PROVISIONS OF THE TEXAS PROPERTY TAX CODE, AS AMENDED; AND OTHER MATTERS IN CONNECTION THEREWITH

was introduced and submitted to the Board for passage and adoption. After presentation and due consideration of the Order, a motion was made by Director BURN that the Order be finally passed and adopted. The motion was seconded by Director Fuentes-Real and carried by the following vote:

5 voted "For" 0 voted "Against" 0 abstained

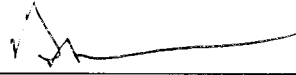
all as shown in the official Minutes of the Board for the Meeting.

2. The attached Order is a true and correct copy of the original on file in the official records of the District; the duly qualified and acting members of the Board of the District on the date of the Meeting are those persons shown above, and, according to the records of my office.

each member of the Board was given actual notice of the time, place, and purpose of the Meeting and had actual notice that the Order would be considered; and the Meeting and deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject of the Order, was posted and given in advance thereof in compliance with the provisions of Chapter 551, as amended, Texas Government Code and the Texas Water Code.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, I have signed my name officially and affixed the seal of the District, this 9th day of September, 2020.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Secretary, Board of Directors

(DISTRICT SEAL)

ORDER BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1 OF BEXAR COUNTY, TEXAS LEVYING AN AD VALOREM TAX FOR THE CURRENT TAX YEAR ON ALL TAXABLE PROPERTY LOCATED WITHIN THE DISTRICT IN ACCORDANCE WITH THE PROVISIONS OF THE TEXAS PROPERTY TAX CODE, AS AMENDED; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Board of Directors (the *Board*) of the San Antonio Municipal Utility District No. 1 of Bexar County, Texas (the *District*) hereby finds and determines that the Board shall adopt a tax rate for the current tax year, being the District's 2020-2021 fiscal year (the *Current Tax Year*), in accordance with the provisions of all applicable Texas law, including, but not limited to, Sections 49.107(g) and 49.236 of the Texas Water Code, as amended (the *Water Code*) and the Texas Tax Code (the *Code*); and

WHEREAS, the Appraisal Review Board of the Bexar Appraisal District has approved the majority of the appraisal records of the District and its chief appraiser has prepared and certified to the District's tax assessor, being the Bexar County Tax Assessor-Collector, the District's tax roll for 2020-2021; and

WHEREAS, the Board hereby finds and determines that all public hearings required to be held in accordance with the Water Code and Section 26.06 of the Code have been conducted in accordance with all applicable law; and

WHEREAS, the District hereby finds and determines that the annual tax rate for the Current Tax Year shall be set by this order (the *Order*), being the method prescribed by law for the adoption of a law by the Board; and

WHEREAS, the Board hereby finds and determines that this tax rate for the Current Tax Year is sufficient to pay the interest on bonds issued by the District payable from taxes, to create a sinking fund for the payment of the principal of the bonds when due or the redemption price at any earlier required redemption date, and to pay the expenses of assessing and collecting the taxes, full allowance being made for expected delinquencies and that such tax is anticipated to provide sufficient funds to pay the District's maintenance and operating expenses for the Current Tax Year; and

WHEREAS, the annual tax rate shall consist of two components, each of which shall be approved separately; and

WHEREAS, the Board hereby finds and determines in accordance with applicable law and the Code that a tax for the Current Tax Year at a rate of \$0.1300 on each \$100 assessed valuation on all taxable property in the District should be levied for debt service purposes, which tax receipts, together with any other lawfully available funds of the District, are hereby found and determined to be sufficient to pay the principal of and interest on the District's outstanding indebtedness maturing during the Current Tax Year; and

WHEREAS, the Board hereby finds and determines in accordance with applicable law and the Code that a tax for the Current Tax Year at a rate of \$0.4000 on each \$100 assessed valuation

on all taxable property in the District should be levied for maintenance purposes, which tax receipts, together with any other lawful available funds of the District, are anticipated to impose the amount of taxes needed to fund the maintenance and operation expenses of the District for the Current Tax Year; and

WHEREAS, the Board hereby finds and determines that separately levying a combined debt service and maintenance and operating tax for the Current Tax Year of \$0.5300 (consisting of a debt service tax of \$0.1300 and a maintenance and operating tax of \$0.4000) upon all taxable property in the District is in the best interests of the citizens of the District, now, therefore,

BE IT ORDERED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO MUNICIPAL UTILITY DISTRICT NO. 1 OF BEXAR COUNTY, TEXAS THAT:

SECTION 1. The District hereby separately levies an ad valorem tax on all taxable property in the District at a rate of \$0.1300 per \$100 assessed valuation in order to pay the debt service requirements maturing during the Current Tax Year on the District's outstanding indebtedness.

SECTION 2. The District hereby separately levies an ad valorem tax on all taxable property in the District at a rate of \$0.4000 per \$100 assessed valuation in order to pay the District's anticipated maintenance and operating expenses for the Current Tax Year.

SECTION 3. Such combined levies result in a combined ad valorem tax rate of \$0.5300 for the Current Tax Year on all taxable property in the District and such taxes shall be due and payable upon receipt of the tax bill and shall be paid on or before January 31, 2021 or as otherwise provided by Section 31.02 of the Code.

SECTION 4. The Board, to the best of its knowledge and belief and acting in good faith, has fully complied with the requirements of applicable law and the Code in levying an ad valorem tax for the Current Tax Year in order to pay its debt service requirements and maintenance and operating expenses.

SECTION 5. The Board hereby authorizes and directs the President of the Board to deliver a copy of this Order to the District's tax assessor/collector.

SECTION 6. Pursuant to Chapter 49 of the Texas Water Code, as amended, the District will file a 2020 District Information Form dated September 9, 2020, indicating that the most recent rate of District taxes on property located in the District is \$0.5300 per \$100 assessed valuation. Within seven days after the effective date of this Order, the District shall file an amendment to the District's 2019 Information Form which indicated that the most recent rate of District taxes on property located in the District was \$0.5889 per \$100 assessed valuation.

SECTION 7. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Order for all purposes and are adopted as a part of the judgment and findings of the Board.

SECTION 8. All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Order are hereby repealed to the extent of such conflict, and the provisions of this Order shall be and remain controlling as to the matters ordered herein.

SECTION 9. This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 10. If any provision of this Order or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Order and the application of such provision to other persons and circumstances shall nevertheless be valid, and this Board of Directors hereby declares that this Order would have been enacted without such invalid provision.

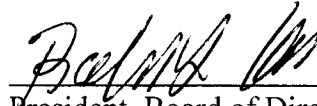
SECTION 11. It is officially found, determined, and declared that the meeting at which this Order is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Order, was given, all as required by Chapter 551, as amended, Texas Government Code, and Chapters 49 and 54, as amended, Texas Water Code.

SECTION 12. This Order shall be in force and effect from and after its final passage, and it is so ordered.

[The remainder of this page intentionally left blank]

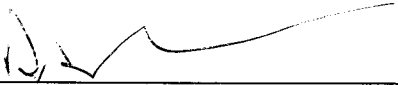
PASSED AND APPROVED, this the 9th day of September, 2020.

SAN ANTONIO MUNICIPAL UTILITY
DISTRICT NO. 1



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(DISTRICT SEAL)

S.A. MUD#1
9-09-2020

IV. (G.) DISCUSSION AND ACTION REGARDING AMENDMENT TO DISTRICT INFORMATION FORM

Debra Conkle presented the following Amendment to District Information Form for the Board's approval. Director Ferguson moved that the Board approve the Amendment to District Information Form as presented. Director Hooti seconded the motion, which passed by unanimous vote of the Directors present.

That Amendment to District Information Form thus approved is as follows:

**AMENDMENT TO AMENDED AND RESTATED
DISTRICT INFORMATION FORM**

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §
 §
SAN ANTONIO MUNICIPAL UTILITY §
DISTRICT NO. 1 §

The District Information Form for San Antonio Municipal Utility District No. 1 (the "District") is hereby amended by substituting the following:

- (1) Paragraph (3) of the District Information Form is amended to read as follows:

"The District's most recent ad valorem tax rate is \$0.5300 on each \$100 of assessed valuation."

- (2) Paragraph (7)(a) of the District Information Form is amended to read as follows:

"The District has settled certain alleged claims against the District as disclosed in the District's audited financial statements for the year ending September 30, 1996."

- (3) Paragraph (8) of the District Information Form, which sets forth the form of Notice to Purchasers required by Section 49.452, as amended, of the Texas Water Code to be furnished by a seller to a purchaser of real property in the District, is amended to read as follows:

Notice to Purchaser

The real property, described below, which you are about to purchase is located in San Antonio Municipal Utility District No. 1. The District has taxing authority separate from any other taxing authority, and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the District on real property located in the District is \$0.5300 on each \$100 of assessed valuation. The total amount of bonds, excluding refunding bonds and any bonds or any portion of bonds issued that are payable solely from revenues received or expected to be received under a contract with a government entity, approved by the voters and which have been or may, at this date, be issued is \$26,896,000 plus refunding authorization, and the aggregate initial principal amounts of all bonds issued for one or more of the specified facilities of the District and payable in whole or in part from property taxes was \$1,575,000.

The District has the authority to adopt and impose a standby fee on property in the District that has water, sanitary sewer, or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The District may exercise the authority without holding an election on the matter. As of this date, the amount of the standby fee

approved by the Texas Natural Resource Conservation Commission pursuant to an Order adopted on December 19, 1994 is disclosed in Exhibit A to this Notice to Purchaser and such Exhibit A is incorporated by referenced for all purposes to this Notice to Purchaser. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the District stating the amount, if any, of unpaid standby fees on a tract of property in the District. The District will not collect this standby fee after December 31, 1997.

The District is located in whole in the extraterritorial jurisdiction of the City of Helotes, Texas. By law, a district located in the extraterritorial jurisdiction of a municipality may be annexed without the consent of the district or the voters of the district. When a district is annexed, the district is dissolved.

The original purpose of this District was to provide water, sewer, drainage, or flood control facilities and services within the District through the issuance of bonds payable in whole or in part from property taxes. The cost of these utility facilities is not included in the purchase price of your property, and these utility facilities are owned or to be owned by the District and by the City of San Antonio, Texas, acting through the San Antonio Water System. The legal description of the property which you are acquiring is as following:

Signature of Seller

Date

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or prior to execution of a binding contract for the purchase of the real property described in such notice or at closing of purchase of the real property.

Signature of Purchaser

EXHIBIT A

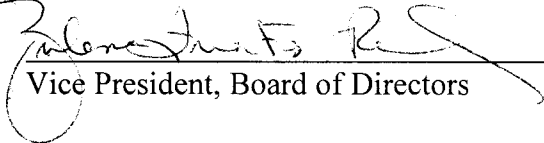
CATEGORY OF PROPERTY	DEBT SERVICE STANDBY FEE (ESFC/YR)	OPERATIONS & MAINTENANCE STANDBY FEE (ESFC/YR)	ESTIMATED SINGLE FAMILY CONNECTIONS ("ESFC")
RAW LAND	\$ 13.00	\$ 3.44	5,397
SINGLE FAMILY VACANT LOT IN UNIT 1	270.62	194.81	147
SINGLE FAMILY VACANT LOT IN UNIT 2	13.00	8.22	46
SINGLE FAMILY VACANT LOT IN PUD	13.00	8.22	24
SINGLE FAMILY VACANT LOTS IN UNITS 3, 4, 5, 6 & 7	13.00	3.48	291
COMMERCIAL/MULTIFAMILY ACREAGE IN UNIT 1	260.62	196.30	126
COMMERCIAL/MULTIFAMILY ACREAGE IN UNIT 7	13.00	3.63	10
TOTAL			6,041

This Amendment dated this September 9, 2020.

San Antonio Municipal Utility District No. 1



President, Board of Directors



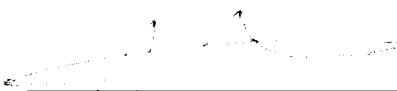
Vice President, Board of Directors



Secretary, Board of Directors



Treasurer, Board of Directors



Assistant Secretary, Board of Directors

THE STATE OF TEXAS

§
§
§

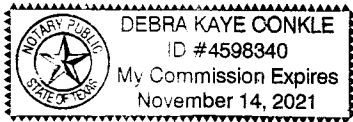
COUNTY OF BEXAR

BEFORE ME, the undersigned authority on this day personally appeared Robert L. Kuhn, Zulema Fuentes-Real, Bill Burn, Max Hooti, and Dale Ferguson, persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 9th day of September, 2020.

Debra Kaye Conkle

Notary Public in and for
the State of Texas



My Commission Expires:

11-14-21

Please return to:


Ms. Debbie Graves
San Antonio Municipal Utility District No. 1
Post Office Box 696
Helotes, Texas 78023

S.A. MUD#1
9-09-2020

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

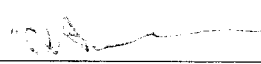
A question was asked about AT&T and what are they doing in the front of the subdivision. It was noted that fiber optics may be being installed.

There being no further business, the meeting was adjourned at 7:06 pm.



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

ATTEST:



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

(seal)