

## AGENDA

### MEETING OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE AND/OR OF THE BOARD OF DIRECTORS

#### SAN ANTONIO RIVER AUTHORITY



**August 9, 2010, 12:00 noon**

*\*Estimated Presentation Time: 2 Hours*

#### **GENERAL AND CEREMONIAL ITEMS:**

*Estimated Presentation Time: 5 minutes*

1. **CALL TO ORDER BY THE CHAIR, MS. TERRY E. BAIAMONTE**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL BY THE SECRETARY, MR. A. D. KOLLODZIEJ, JR.**

- Terry E. Baiamonte
- A.D. Kollodziej, Jr.
- Michael W. Lackey, P.E.
- Hector R. Morales
- Gaylon J. Oehlke
- Thomas G. Weaver

4. **CERTIFICATION OF A QUORUM BY THE SECRETARY**
5. **INTRODUCTION OF VISITORS**
6. **CITIZENS TO BE HEARD**

*\*Represents the time staff anticipate that it will take to make presentations or give briefings; does not include an estimate of the time required for discussions generated by Board members.*

7. **APPROVAL OF THE MINUTES OF THE FISCAL COMMITTEE MEETING HELD ON MAY 3, 2010**
8. **DISCUSSION AND APPROPRIATE ACTION REGARDING A RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF SAN ANTONIO RIVER AUTHORITY SALATRILLO CREEK SEWAGE SYSTEM REVENUE REFUNDING BONDS, SERIES 2010; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND PROCEDURES RELATED THERETO INCLUDING A DEPOSIT AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, AND A PURCHASE CONTRACT AND INVESTMENT LETTER; AND CALLING CERTAIN OF THE AUTHORITY'S OUTSTANDING MARTINEZ-SALATRILLO CREEKS SEWAGE SYSTEM REVENUE BONDS FOR REDEMPTION**
9. **DISCUSSION AND APPROPRIATE ACTION REGARDING A RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF SAN ANTONIO RIVER AUTHORITY CHANNEL IMPROVEMENT REVENUE REFUNDING BONDS, SERIES 2010; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND PROCEDURES RELATED THERETO INCLUDING A DEPOSIT AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, AND A PURCHASE CONTRACT AND INVESTMENT LETTER; AND CALLING CERTAIN OF THE AUTHORITY'S OUTSTANDING CHANNEL IMPROVEMENT REVENUE BONDS FOR REDEMPTION**
10. **DISCUSSION AND APPROPRIATE ACTION REGARDING A RESOLUTION AUTHORIZING THE RIVER AUTHORITY'S STAFF, FINANCIAL ADVISOR AND BOND COUNSEL TO TAKE ALL ACTIONS DEEMED NECESSARY IN CONNECTION WITH PREPARING FOR THE POSSIBLE SALE OF APPROXIMATELY \$10,000,000 IN PRINCIPAL AMOUNT OF SAN ANTONIO RIVER AUTHORITY SEWAGE SYSTEM REVENUE BONDS, NEW SERIES 2010, TO FINANCE CERTAIN IMPROVEMENTS TO THE MARTINEZ CREEK SEWAGE SYSTEM, INCLUDING THE SELECTION OF UNDERWRITERS AND THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND OTHER DOCUMENTS RELATED TO THE ISSUANCE OF SUCH BONDS**
11. **DISCUSSION AND APPROPRIATE ACTION REGARDING A RESOLUTION AUTHORIZING THE RIVER AUTHORITY'S STAFF, FINANCIAL ADVISOR AND BOND COUNSEL TO TAKE ALL ACTIONS DEEMED NECESSARY IN CONNECTION WITH PREPARING FOR THE POSSIBLE SALE OF APPROXIMATELY \$5,715,000 IN PRINCIPAL AMOUNT OF THE AUTHORITY'S CONTRACT REVENUE BONDS, SERIES 2010, TO FINANCE CERTAIN IMPROVEMENTS DESCRIBED IN CERTAIN EFFLUENT AGREEMENTS WITH THE CITY OF UNIVERSAL CITY AND THE ALAMO COMMUNITY COLLEGE DISTRICT AND IN AN INTERLOCAL AGREEMENT WITH THE ALAMO COMMUNITY COLLEGE DISTRICT, INCLUDING THE SELECTION OF UNDERWRITERS AND THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND OTHER DOCUMENTS RELATED TO THE ISSUANCE OF SUCH BONDS**

12. **DISCUSSION AND APPROPRIATE ACTION REGARDING THE FISCAL YEAR 2010/11 BUDGET**
13. **PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE 2010 TAX RATE**
14. **BRIEFING ON THE STATUS OF THE RANDOLPH AIR FORCE BASE (RAFB) PAYMENT**
15. **GENERAL MANAGER'S REPORT CONCERNING THE FOLLOWING:**
  - **UPCOMING EVENTS CALENDAR,**
  - **FUTURE BOARD AND/OR COMMITTEE MEETINGS, AND**
  - **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**
16. **ITEMS FOR FUTURE CONSIDERATION**
17. **NEXT MEETING DATE**
18. **ADJOURN**

***Estimated Presentation Time: 2 Hours***

SAN ANTONIO RIVER AUTHORITY  
General Statements

This meeting is wheelchair accessible. Accessible parking is located at 100 E. Guenther Street. Requests for an interpreter for the hearing impaired must be received at least 48 hours prior to the meeting, or, to arrange for special assistance to attend this meeting, please call the Operator at 210-227-1373.

The Board of Directors' Fiscal Committee and/or the Board of Directors of the San Antonio River Authority may discuss and/or take action on any item listed in this agenda while convened in open session. The Board of Directors' Fiscal Committee and/or of the Board of Directors of the San Antonio River Authority may also meet in Executive Session, pursuant to Section 551.071 of the Texas Government Code, to receive advice from legal counsel on any item listed in this agenda.

**Date: 08/09/2010**

**Approval of the Minutes**

**Submitted By:** Linda Whitaker, Technical Services

**Division:** Executive Offices

**Submitted For:** Suzanne B. Scott

**Department:**

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**Information**

**CAPTION**

**APPROVAL OF THE MINUTES OF THE FISCAL COMMITTEE MEETING HELD ON MAY 3, 2010**

**Presenter**

Ms. Baiamonte, Committee Chair

*Estimated Presentation Time: 5 minutes*

**Recommendation**

Motion to approve the minutes of the Fiscal Committee meeting held on May 3, 2010, as presented.

**Discussion**

**Vote**

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**Attachments**

Link: May 3, 2010, Fiscal Committee Meeting Minutes

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**MINUTES**

**MEETING OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE**

**SAN ANTONIO RIVER AUTHORITY**

**May 3, 2010, 1:00 p.m.**



***GENERAL AND CEREMONIAL ITEMS:***

- 1. CALL TO ORDER WAS MADE BY THE CHAIR, MS. TERRY E. BAIAMONTE, AT 1:05 P.M.**
- 2. PLEDGE OF ALLEGIANCE WAS RECITED**
- 3. THE COMMITTEE SECRETARY, MR. A.D. KOLLODZIEJ, JR., CALLED THE ROLL AND REPORTED THE FOLLOWING BOARD MEMBERS PRESENT:**

- Terry E. Baiamonte**
- A.D. Kollodziej, Jr.**
- Michael W. Lackey, P.E. (1:21 p.m. arrival)**
- Hector R. Morales**
- Gaylon J. Oehlke**
- Thomas G. Weaver**

- 4. CERTIFICATION OF A QUORUM WAS ANNOUNCED BY THE SECRETARY, MR. KOLLODZIEJ**

- 5. INTRODUCTION OF VISITORS**

Ms. Bishop reported that there were none.

- 6. CITIZENS TO BE HEARD**

Ms. Bishop announced that there were no citizens signed up to speak.

- 7. APPROVAL OF THE MINUTES OF THE FISCAL COMMITTEE MEETING HELD ON APRIL 12, 2010**

Staff recommended a motion to approve the minutes of the Fiscal Committee meeting held on April 12, 2010, as presented.

Motion made by Gaylon J. Oehlke  
Seconded by Thomas G. Weaver  
Motion passed unanimously

**8. PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING THE OPERATING BUDGET FOR FISCAL YEAR 2010/11**

After staff presented three scenarios based on estimated revenues and expenditures and different proposed tax rates, Mr. Oehlke moved that the Board adopt Scenario B with the understanding that there be no increase in the value listed for that scenario.

Motion made by Gaylon J. Oehlke  
Seconded by Thomas G. Weaver  
Motion passed unanimously

Mr. Weaver made a motion to direct the staff to make recommendations on potential cuts to Board travel, without changing the policy that was just adopted.

Motion made by Thomas G. Weaver  
Seconded by A.D. Kollodziej, Jr.  
Motion passed unanimously

**9. EXECUTIVE SESSION PURSUANT TO SECTION 551.074 OF THE TEXAS GOVERNMENT CODE FOR DELIBERATION CONCERNING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF PUBLIC OFFICERS OR EMPLOYEES**

After appropriate disclosure in accordance with Chapter 551 of the Texas Government Code, the Open Meetings Act, Section 551.074, Ms. Baiamonte then recessed to meet in Executive Session at 2:17 p.m. for deliberation concerning the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of public officers or employees. The Executive Session having concluded, the Fiscal Committee Meeting resumed into Open Session at 2:48 p.m.

**10. PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE SELECTION OF A FINANCIAL ADVISORY FIRM**

Mr. Oehlke moved that Southwest Securities be selected as SARA's financial advisory firm.

Motion made by Gaylon J. Oehlke  
Seconded by Thomas G. Weaver  
Motion passed unanimously

**11. GENERAL MANAGER'S REPORT**

- **UPCOMING EVENTS CALENDAR,**
- **FUTURE BOARD AND/OR COMMITTEE MEETINGS, AND**
- **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 12.

**12. ITEMS FOR FUTURE CONSIDERATION**

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 13.

**13. NEXT MEETING DATE**

After brief discussion, it was determined that the Fiscal Committee will meet with the full Board at the Special Budget Workshop on Wednesday, June 2, 2010.

**14. ADJOURN**

There being nothing further to report, Ms. Baiamonte called the meeting adjourned at 3:08 p.m.

**PREPARED AND RECOMMENDED FOR APPROVAL BY THE MANAGER.**

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**SUZANNE B. SCOTT, General Manager**

**APPROVED BY THE BOARD OF DIRECTORS' FISCAL COMMITTEE AT THE MEETING HELD ON AUGUST 9, 2010.**

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**TERRY E. BAIAMONTE, Committee Chair**

**ATTEST:**

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**A.D. KOLLODZIEJ, JR., Committee Secretary**

Date: 08/09/2010

Resolution Refunding Salatrillo Bonds

**Submitted By:** Sharon McCoy-Huber,  
Support Services

**Division:** Support Services

**Department:** Finance

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**Information**

**CAPTION**

**DISCUSSION AND APPROPRIATE ACTION REGARDING A RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF SAN ANTONIO RIVER AUTHORITY SALATRILLO CREEK SEWAGE SYSTEM REVENUE REFUNDING BONDS, SERIES 2010; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND PROCEDURES RELATED THERETO INCLUDING A DEPOSIT AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, AND A PURCHASE CONTRACT AND INVESTMENT LETTER; AND CALLING CERTAIN OF THE AUTHORITY'S OUTSTANDING MARTINEZ-SALATRILLO CREEKS SEWAGE SYSTEM REVENUE BONDS FOR REDEMPTION**

**Presenter**

Sharon L. McCoy-Huber; Tom Spurgeon of McCall, Parkhurst & Horton; and Mark McLiney, Southwest Securities

*Estimated Presentation Time: 5 minutes*

Currently the Salatrillo Wastewater System Bonds and the SARA Wastewater System Bonds are jointly secured by the Net Revenues derived from the operation of the two systems. The contract with the wholesale cities expires in 2017 and the River Authority wishes to issue debt for the expansion of the Martinez II wastewater plant (\$10 million). The wholesale contracts require approval from the parties prior to the issuance of new bonds. If the Salatrillo Bonds are refunded, the Refunding Bonds will be solely secured by Net Revenues generated by the Salatrillo Creek System (no longer jointly with the Martinez Creek System) and the approvals from our wholesale cities will not be required for the Martinez II expansion project.

There are currently \$625,000 of bonds outstanding, originally issued in 1998, for the Salatrillo Creek Wastewater Treatment Plant; with the issuance of Refunding Bonds, the River Authority can save approximately \$16,650 after all costs of issuance. Staff recognizes that although the savings are relatively modest, the Refunding would result in the long-term goal of separating the Martinez Creek and Salatrillo Creek systems so that each system is self-sufficient and is not cross supporting the other.

Staff recommends the Refunding as a strategic move that will help achieve a long-term goal.

**Recommendation**

Motion of Fiscal Committee support recommending that the Board of Directors authorize a resolution refunding the 1998 Martinez-Salatrillo Sewage System Revenue Bonds.

**Discussion**

**Vote**

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Date: 08/09/2010

Resolution Refunding SACIP Bonds

**Submitted By:** Sharon McCoy-Huber,  
Support Services

**Division:** Support Services

**Department:** Finance

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**Information**

**CAPTION**

**DISCUSSION AND APPROPRIATE ACTION REGARDING A RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF SAN ANTONIO RIVER AUTHORITY CHANNEL IMPROVEMENT REVENUE REFUNDING BONDS, SERIES 2010; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND PROCEDURES RELATED THERETO INCLUDING A DEPOSIT AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, AND A PURCHASE CONTRACT AND INVESTMENT LETTER; AND CALLING CERTAIN OF THE AUTHORITY'S OUTSTANDING CHANNEL IMPROVEMENT REVENUE BONDS FOR REDEMPTION**

**Presenter**

Sharon L. McCoy-Huber; Tom Spurgeon, McCall, Parkhurst, & Horton; and Mark McLiney, Southwest Securities

*Estimated Presentation Time: 5 minutes*

While reviewing the River Authority's outstanding bonds, the financial advisor recognized two SACIP Channel Improvement Bonds that could be refunded for savings. The Series 1998, with an outstanding balance of \$2,005,000 and the Series 2000, with an outstanding balance of \$460,000, can be refinanced to generate savings of approximately \$79,275 after all costs.

Staff is recommending that the financial advisor and bond counsel proceed with the refunding of the SACIP bonds.

**Recommendation**

Motion of Fiscal Committee support recommending that the Board of Directors authorize the issuance of SACIP refunding bonds.

**Discussion**

**Vote**

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Date: 08/09/2010

Sale of SARA Wastewater System Bonds

**Submitted By:** Sharon McCoy-Huber,  
Support Services

**Division:** Support Services

**Department:** Finance

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**Information**

**CAPTION**

**DISCUSSION AND APPROPRIATE ACTION REGARDING A RESOLUTION AUTHORIZING THE RIVER AUTHORITY'S STAFF, FINANCIAL ADVISOR AND BOND COUNSEL TO TAKE ALL ACTIONS DEEMED NECESSARY IN CONNECTION WITH PREPARING FOR THE POSSIBLE SALE OF APPROXIMATELY \$10,000,000 IN PRINCIPAL AMOUNT OF SAN ANTONIO RIVER AUTHORITY SEWAGE SYSTEM REVENUE BONDS, NEW SERIES 2010, TO FINANCE CERTAIN IMPROVEMENTS TO THE MARTINEZ CREEK SEWAGE SYSTEM, INCLUDING THE SELECTION OF UNDERWRITERS AND THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND OTHER DOCUMENTS RELATED TO THE ISSUANCE OF SUCH BONDS**

**Presenter**

Sharon L. McCoy-Huber; Tom Sprugeon, McCall, Parkhurst & Horton; and Mark McLiney, Southwest Securities

*Estimated Presentation Time: 5 minutes*

The SARA Wastewater System is proposing a major improvement this fiscal year with the expansion of the Martinez II Wastewater Treatment Plant. It is estimated to cost \$10 million.

Staff is recommending that the financial advisor, bond counsel and staff prepare and distribute the Preliminary Official Statement and name RBC Capital Markets and Estrada Hinojosa as underwriter.

**Recommendation**

Motion recommending to the Board of Directors authorizing the financial advisor, bond counsel and staff to prepare and distribute the Preliminary Official Statement for the SARA Wastewater System bonds and name RBC Capital Markets and Estrada Hinojosa as underwriters.

**Discussion**

**Vote**

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Date: 08/09/2010

Resolution Authorizing the Sale of Revenue Bonds

**Submitted By:** Sharon McCoy-Huber,  
Support Services

**Division:** Support Services

**Department:** Finance

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**Information**

**CAPTION**

**DISCUSSION AND APPROPRIATE ACTION REGARDING A RESOLUTION AUTHORIZING THE RIVER AUTHORITY'S STAFF, FINANCIAL ADVISOR AND BOND COUNSEL TO TAKE ALL ACTIONS DEEMED NECESSARY IN CONNECTION WITH PREPARING FOR THE POSSIBLE SALE OF APPROXIMATELY \$5,715,000 IN PRINCIPAL AMOUNT OF THE AUTHORITY'S CONTRACT REVENUE BONDS, SERIES 2010, TO FINANCE CERTAIN IMPROVEMENTS DESCRIBED IN CERTAIN EFFLUENT AGREEMENTS WITH THE CITY OF UNIVERSAL CITY AND THE ALAMO COMMUNITY COLLEGE DISTRICT AND IN AN INTERLOCAL AGREEMENT WITH THE ALAMO COMMUNITY COLLEGE DISTRICT, INCLUDING THE SELECTION OF UNDERWRITERS AND THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND OTHER DOCUMENTS RELATED TO THE ISSUANCE OF SUCH BONDS**

**Presenter**

Sharon L. McCoy-Huber; Tom Spurgeon, McCall, Parkhurst & Horton; and Mark McLiney, Southwest Securities

*Estimated Presentation Time: 5 minutes*

Over the past six months, staff has been working with the Alamo Community College District (ACCD) and Universal City (UC) on two projects: the First Responders Wastewater Treatment Plant and the Salatrillo Reuse Project. These two projects are going to require that the River Authority issue debt that will be funded annually per the terms of Interlocal Agreements (ILA) held between the River Authority and ACCD and UC.

While working with Mark McLiney and Tom Spurgeon, staff concluded that the River Authority could issue one bond to fund both projects resulting in reduced issuance costs. The total debt issue would be \$5,715,000 and would mature over a 20 year period: the First Responders project in the amount of \$995,000 and the Salatrillo Reuse Project in the amount of \$4,720,000, of which \$2,500,000 would be UC's portion and \$2,220,000 would be ACCD's portion. The proposed annual payments would not exceed what is quoted in each of the ILAs.

Staff recommends that the financial advisor, bond counsel and staff proceed in preparing and distributing a Preliminary Official Statement and name RBC Capital Markets and Estrada Hinojosa as underwriters.

**Recommendation**

Motion recommending to the Board of Directors allowing the financial advisor, bond counsel and staff to prepare and distribute a Preliminary Official Statement and name RBC Capital Markets and Estrada Hinojosa as underwriters.

**Discussion**

**Vote**

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Date: 08/09/2010

Status of the 2010/11 Budget

**Submitted By:** Sharon McCoy-Huber,  
Support Services

**Division:** Support Services

**Department:** Finance

**Information**

**CAPTION**

**DISCUSSION AND APPROPRIATE ACTION REGARDING THE FISCAL YEAR 2010/11 BUDGET**

**Presenter**

Larry Anderson and Sharon McCoy-Huber

*Estimated Presentation Time: 20 minutes*

The budget for fiscal year 2010/11 was adopted by the Board of Directors on June 16, 2010.

During this item, staff will update the Fiscal Committee on the projected beginning balance.

		<b>Budget Adopted Estimated Beginning Balance</b>	<b>Current Estimated Beginning Balance</b>		<b>Difference</b>
Reserve Fund	1	\$ 10,902,360	\$ 10,862,004		\$ (40,356)
Operating Reserve Fund	2	<u>\$ 1,570,044</u>	<u>\$ 6,791,166</u>	4	<u>\$ 5,221,122</u>
Beginning Balance (7/1/10)		\$ 12,472,404	\$ 17,653,170		\$ 5,180,766
Revenues		\$ 21,123,767	\$ 21,123,767		\$ -0-
Expenditures		\$ (22,612,626)	\$ (22,612,626)		\$ -0-
Encumbrances	3	<u>\$ -0-</u>	<u>\$ (4,491,782)</u>		<u>\$ (4,491,782)</u>
Ending Balance (6/30/11)		<u>\$ 10,983,545</u>	<u>\$ 11,672,529</u>		<u>\$ 688,984</u>
Reserve Fund	1	\$ 10,177,360	\$ 10,137,004		\$ (40,356)
Operating Reserve Fund	2	\$ 806,185	\$ 1,535,525		\$ 729,340

<sup>1</sup> Reserve Fund - Balance in the General Fund remaining from non-operations & maintenance tax and can be used for various purposes.

<sup>2</sup> Operating Reserve Fund - Balance in the General Fund remaining from the operations & maintenance tax that can only be used for purposes as defined by the River Authority Statute.

<sup>3</sup> Encumbrances - Obligations of the River Authority that have not been completed.

<sup>4</sup> Current Operating Reserve Fund including encumbrances.

Staff will refer to the updated estimated beginning balance during discussion of the next agenda item, the proposed 2010 tax rate.

		<b>Budget Adopted Estimated Beginning Balance</b>	<b>Current Estimated Beginning Balance</b>	<b>Difference</b>
Operating Reserve Fund	2	\$ 806,185	\$1,535,525	\$ 729,340
Property tax funding shortage at \$0.016652			<u>\$ (307,972)</u>	<u>\$ (307,972)</u>
Revised Operating Reserve Fund Balance	2		\$ 1,227,553	\$ 421,368

Staff recommends that the estimated additional funds carried forward remain in the Operating Reserve Fund for future unexpected needs.

**Recommendation**

Motion to be crafted after Board discussion, if necessary.

**Discussion**

**Vote**

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Date: 08/09/2010

2010 Tax Rate

**Submitted By:** Sharon McCoy-Huber, Support Services      **Division:** Support Services  
**Department:** Finance

**Information**

**CAPTION**

**PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE 2010 TAX RATE**

**Presenter**

Sharon McCoy-Huber  
*Estimated Presentation Time: 45 minutes*

Under current state law the San Antonio River Authority (River Authority) is required to comply with the requirements of the Water Code regarding calculation of the effective tax rate and a public hearing associated with setting the River Authority’s tax rate.

The fiscal year 2010/11 budget tax revenue projections assumed a minimal increase in property values subject to taxation. The calculated budget tax revenue is \$17,192,556. The certified property tax rolls have been received from Bexar County, Goliad County, Karnes County and Wilson County Appraisal Districts.

We must hold a vote to publish the proposed tax rate and then publish notice for 10 days prior to holding a public hearing to adopt the tax rate. Following the public hearing, the Board will vote to adopt the tax rate.

The current tax rate of \$0.015951 will produce approximately \$16,173,793 in tax collection revenues based on the certified rolls. This represents a \$1,018,763 decrease in 2010 tax revenues over the tax revenues originally projected in the fiscal year 2010/11 Budget. The tax rate of \$0.016652 that was proposed at the June 16, 2010 Board of Directors meeting will produce approximately \$16,884,584 in tax collection revenues based on the certified rolls. This represents a \$307,972 decrease in 2010 tax revenues over the tax revenues originally projected in the fiscal year 2010/11 Budget. This decrease is due primarily to the current state of the economy. The following tables provide pertinent information regarding property valuations and tax revenues:

**Comparison of Originally Projected and Tax Revenues:**

Tax Revenues Calculated at Current Tax Rate (\$0.015951)	\$ 16,173,793
Tax Revenues Originally Projected in Fiscal Year 2010/11 Budget	\$ 17,192,556
Difference	\$ (1,018,763)
Tax Revenues Calculated at Rate Proposed 6/16/10 (\$0.016652)	\$ 16,884,584
Tax Revenues Originally Projected in Fiscal Year 2010/11 Budget	\$ 17,192,556
Difference	\$ (307,972)

Comparison of 2008, 2009 and 2010 Tax Years

Summary showing the taxable value changes since tax year 2008:

	<b>Bexar Co</b>	<b>Goliad Co.</b>	<b>Karnes Co.</b>	<b>Wilson Co.</b>	<b>Total</b>	<b>Average % of Change</b>
2008 Taxable Value*	100,670,868,535	1,270,834,800	510,352,855	1,834,560,555	104,286,616,745	
	13.89%	11.83%	21.70%	2.25%		13.68%
2009 Taxable Value*	101,866,833,699	1,054,439,233	536,727,090	1,990,680,359	105,448,680,381	
	1.19%	(17.03)%	5.17%	8.51%		1.11%
2010 Taxable Value*	100,723,023,576	1,067,157,440	587,032,481	2,155,499,988	104,532,713,485	
	(1.12)%	1.21%	9.37%	8.28%		(0.87)%

\*Taxable Value = Certified Value less Exemptions

Summary showing the homestead value changes since tax year 2008:

	<b>Bexar Co.</b>	<b>Goliad Co.</b>	<b>Karnes Co.</b>	<b>Wilson Co.</b>	<b>Total</b>	<b>Average Homestead</b>
2008 Homestead Value	46,821,119,235	134,838,330	226,017,111	1,077,248,776	48,259,223,452	145,158
# homesteads	315,177	2,086	6,294	8,902	332,459	
2009 Homestead Value	46,109,025,408	137,866,470	257,091,719	1,351,561,530	47,855,545,127	144,029
# homesteads	314,304	2,070	6,319	9,570	332,263	
2010 Homestead Value	46,344,006,984	151,508,370	247,757,780	1,381,879,806	48,125,152,940	142,948
# homesteads	318,498	2,075	6,363	9,726	336,662	

(Another table to follow found on next page.)

Summary showing the tax rate calculations for the 2010 tax year:

	<b>Tax Rate</b>	<b>Estimated Revenue</b>	<b>Revenue @ 97%</b>	<b>Revenue Over / (Under) Current Budget</b>
current tax rate	\$ 0.015951	\$ 16,674,013	\$ 16,173,793	\$ (1,018,763)
tax rate presented				
at 6/16/10 Board mtg	\$0.016652	\$ 17,406,787	\$ 19,884,584	\$ (307,972)
tax rate to support				
adopted budget	\$ 0.016956	\$ 17,724,567	\$ 17,192,556	\$ 0.00
rollback tax rate*	\$ 0.017362	\$ 18,149,066	\$ 17,604,594	\$ 412,038
* based on average homestead value				

Staff has also attached the tax rate rollback worksheet.

The publication notice required (attached) includes information for the preceding and current year: the tax rate, the difference in the tax rate, percentage increase or decrease in the tax rate, the average appraised value of a residence homestead, the taxes on that average homestead value, the difference in the taxes in that average homestead and the percentage increase or decrease in the taxes on that average homestead.

Staff will recommend that the 2010 tax rate be at the rate of \$0.016652. This would represent a decrease in current budget tax revenues of approximately \$307,972.

**Recommendation**

Motion indicating Fiscal Committee support to present to the San Antonio River Authority Board of Directors a recommendation that the 2010 tax rate be at the rate of \$0.016652 which would represent a decrease in current budget tax revenues of approximately \$307,972.

**Discussion**

**Vote**

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**Attachments**

Link: [Tax Rollback Worksheet](#)

Link: [Public Hearing Notice](#)

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**San Antonio River Authority  
Tax Rate Rollback Worksheet**

Maintenance and Operations (M & O) Rate:

1.	2009 average appraised value of residence homestead		<u>\$ 144,029.11</u>	
2.	2009 general exemptions available for the average homestead (excluding senior citizen's or disabled person's exemptions)	-	<u>\$ 5,000.00</u>	
3.	2009 average taxable value of residence homestead		<u>\$ 139,029.11</u>	
4.	2009 adopted M&O tax rate (per \$100 of value	x	<u>\$0.015951</u>	/\$100
5.	2009 tax on average residence homestead		<u>\$ 22.18</u>	
6.	Percentage increase to the M&O taxes	x	1.08	
7.	Highest M&O tax on average residence homestead with increase			<u>\$ 23.95</u>
8.	2010 average appraised value of residence homestead		<u>\$ 142,947.98</u>	
9.	2010 general exemptions available for the average homestead (excluding senior citizen's or disabled person's exemptions)	-	<u>\$ 5,000.00</u>	
10.	2010 average taxable value of residence homestead		<u>\$ 137,947.98</u>	
11.	Highest 2010 M&O Tax Rate (line 7 divided by line 10, multiply by 100)			<u>\$ 0.017362</u> /\$100
12.	2010 Debt Tax Rate	+		<u>\$0.000000</u> /\$100
13.	2010 Contract Tax Rate	+		<u>\$0.000000</u> /\$100
14.	2010 Rollback Tax Rate*			<u>\$ 0.017362</u> /\$100

\* This is the highest rate that the San Antonio River Authority may adopt without triggering the rollback provisions in Water Code Section 49.236.

# San Antonio River Authority

## Notice of Public Hearing on Tax Rate

The San Antonio River Authority will hold a public hearing on a proposed tax rate for the tax year 2010 on Tuesday, September 7, 2010, 10:30 a.m. at 100 East Guenther, San Antonio, Texas. Your individual taxes may increase or decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the tax rate that is adopted.

**FOR** the proposal:

**AGAINST** the proposal:

**PRESENT** and not voting:

**ABSENT:**

The following table compares taxes on an average residence homestead in this taxing unit last year to taxes proposed on the average residence homestead this year.

	<b>Last Year</b>	<b>This Year</b>
Total tax rate (per \$100 of value)	\$ <u>0.015951</u> /\$100 Adopted	\$ <u>0.016652</u> /\$100 Proposed
Difference in rates per \$100 of value	\$ <u>0.000701</u> /\$100	
Percentage increase/decrease in rates (+/-)	4.39%	
Average appraised value	\$ <u>144,029.11</u>	\$ <u>142,947.98</u>
General exemptions available (excluding senior citizen's or disabled person's exemptions)	\$ <u>5,000.00</u>	\$ <u>5,000.00</u>
Average taxable value	\$ <u>139,029.11</u>	\$ <u>137,947.98</u>
Tax on average residence homestead	\$ <u>22.18</u>	\$ <u>22.97</u>
Annual increase/decrease in taxes if proposed tax rate is adopted (+/-) and percentage of increase (+/-)	\$ <u>0.79</u> 3.56%	

### NOTICE OF TAXPAYERS' RIGHT TO ROLLBACK ELECTION

If taxes on the average residence homestead increase by more than eight percent (8%), the qualified voters of the San Antonio River Authority by petition may require that an election be held to determine whether to reduce the maintenance and operation tax rate to the rollback tax rate under Section 49.236(d), Water Code.

Fiscal Committee

14. - 16.

Date: 08/09/2010

**Randolph AFB Payment Status / GM's Report / Items for Future Consideration**

**Submitted By:** Lupe Sanchez, Executive  
Offices

**Division:** Executive Offices

**Submitted For:** Suzanne B. Scott

**Department:**

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14.

**Information**

**CAPTION**

**BRIEFING ON THE STATUS OF THE RANDOLPH AIR FORCE BASE (RAFB)  
PAYMENT**

**Presenter**

Sharon McCoy-Huber

*Estimated Presentation Time: 5 minutes*

**Discussion**

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15.

**Information**

**CAPTION**

**GENERAL MANAGER'S REPORT CONCERNING THE FOLLOWING:**

- **UPCOMING EVENTS CALENDAR,**
- **FUTURE BOARD AND/OR COMMITTEE MEETINGS, AND**
- **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**

**Presenter**

Suzanne B. Scott

*Estimated Presentation Time: 10 minutes*

**Discussion**

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16.

**Information**

**CAPTION**

**ITEMS FOR FUTURE CONSIDERATION**

**Presenter**

Suzanne B. Scott

*Estimated Presentation Time: 5 minutes*

**Discussion**

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**Fiscal Committee**  
**Date: 08/09/2010**  
**Next Meeting Date / Adjourn**

17. - 18.

**Submitted By:** Lupe Sanchez, Executive  
Offices

**Division:** Executive Offices

**Submitted For:** Suzanne B. Scott

**Department:**

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17.

**Information**

**CAPTION**  
**NEXT MEETING DATE**

**Presenter**

Ms. Baiamonte, Committee Chair  
*Estimated Presentation Time: 5 minutes*

On September 7, at 10:30 a.m., the full Board will meet for a Special Board meeting to adopt the tax rate. The next Fiscal Committee meeting is set for October 11, at 12 noon.

**Discussion**

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18.

**Information**

**CAPTION**  
**ADJOURN**

**Presenter**

Ms. Baiamonte, Committee Chair

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