

MINUTES

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



SAN ANTONIO RIVER AUTHORITY

August 9, 2010, 12:00 noon

GENERAL AND CEREMONIAL ITEMS:

1. **CALL TO ORDER WAS MADE BY THE CHAIR, MS. TERRY E. BAIAMONTE,
AT 12:12 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.
- Hector R. Morales (12:27 p.m. arrival)
- Gaylon J. Oehlke
- Thomas G. Weaver

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

5. **INTRODUCTION OF VISITORS**

Ms. Sanchez announced the visitors who were present in the audience.

6. **CITIZENS TO BE HEARD**

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

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

Staff recommended a motion to approve the minutes of the Fiscal Committee meeting held on May 3, 2010, as presented.

Motion made by Thomas G. Weaver

Seconded by A.D. Kollodziej, Jr.

Vote: 6 - 0 Passed - Unanimously

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

Staff recommended a motion of Fiscal Committee support for the Board of Directors to authorize a resolution refunding the 1998 Martinez-Salatrillo Sewage System Revenue Bonds.

Motion made by A.D. Kollodziej, Jr.

Seconded by Thomas G. Weaver

Vote: 6 - 0 Passed - Unanimously

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

Staff recommended a motion of Fiscal Committee support for the Board of Directors to authorize the issuance of SACIP refunding bonds.

Motion made by Gaylon J. Oehlke

Seconded by Michael W. Lackey, P.E.

Vote: 6 - 0 Passed - Unanimously

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

Staff recommended a motion that the Board of Directors authorize 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.

Motion made by Thomas G. Weaver

Seconded by Gaylon J. Oehlke

Vote: 6 - 0 Passed - Unanimously

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

Staff recommended a motion that the Board of Directors allow 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.

Motion made by Thomas G. Weaver

Seconded by Hector R. Morales

Vote: 6 - 0 Passed - Unanimously

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

Staff recommended a motion to reduce the tax revenue budget by \$307, 972.

Motion made by Thomas G. Weaver

Seconded by Michael W. Lackey, P.E.

Vote: 6 - 0 Passed - Unanimously

13. PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE 2010 TAX RATE

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

Motion made by Gaylon J. Oehlke

Seconded by Michael W. Lackey, P.E.

Vote: 6 - 0 Passed - Unanimously

Attachments:

Tax Rollback Worksheet

Public Hearing Notice

14. BRIEFING ON THE STATUS OF THE RANDOLPH AIR FORCE BASE PAYMENT

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 15.

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**

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 16.

16. ITEMS FOR FUTURE CONSIDERATION

There being no action taken on this item, Ms. Baiamonte called for Agenda Item 17.

17. NEXT MEETING DATE

After Committee discussion, it was decided that 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.

18. ADJOURN

There being nothing further to report, Ms. Baiamonte called the meeting adjourned at 1:27 p.m.

PREPARED AND RECOMMENDED FOR COMMITTEE APPROVAL BY THE GENERAL MANAGER.

SUZANNE B. SCOTT, General Manager

APPROVED BY THE BOARD OF DIRECTORS' FISCAL COMMITTEE AT THE MEETING HELD ON MARCH 7, 2011.

TERRY E. BAIAMONTE, Committee Chair

ATTEST:

A.D. KOLLODZIEJ, JR., Committee Secretary

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.

	Last Year	This Year
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.