

ARMBRUST & BROWN, PLLC

ATTORNEYS AND COUNSELORS

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DENISE L. MOTAL
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MEMORANDUM

TO: Board of Directors -
Block House Municipal Utility District

FROM: Denise L. Motal
Legal Assistant

DATE: August 13, 2020

RE: Block House Municipal Utility District -
August 19, 2020 Special Meeting

Enclosed please find the agenda and support materials for the **telephone conference special meeting** of the Board of Directors of Block House Municipal Utility District scheduled for Wednesday, August 19, 2020, at **6:00 p.m.** **The dial-in information for the meeting is included on the meeting agenda.** Personal attendance at the meeting will not be permitted due to the potential health issues created by the Coronavirus/COVID-19 in order to protect the health of the members of the Board of Directors, the District's consultants, and the public.

Please let me know if you cannot attend the telephone meeting so that I can confirm that a quorum will be present.

Please do not hesitate to contact me if you have any questions.

| | |
|--|---|
| Jacquelyn Smith (Crossroads Utility Services, LLC) | Jay Howard (Texas Disposal Systems, Inc.)* |
| Lisa Torres (Crossroads Utility Services, LLC) | Ja-Mar Prince (Texas Disposal Systems, Inc.)* |
| Andrew Hunt (Crossroads Utility Services, LLC)* | Barbara Graves (Texas Disposal Systems, Inc.)* |
| Taylor Kolmodin (Municipal Accounts & Consulting, L.P.) | Chris Swedlund (McCall Gibson Swedlund Barfoot PLLC)* |
| Autumn Phillips (Municipal Accounts & Consulting, L.P.)* | Brian Toldan (McCall Gibson Swedlund Barfoot PLLC)* |
| David Gray (Gray Engineering, Inc.)* | Jan Gibson (McCall Gibson Swedlund Barfoot PLLC)* |
| Cheryl Allen (Public Finance Group LLC)* | Ashlee Martin (McCall Gibson Swedlund Barfoot PLLC)* |
| Carol Polumbo (McCall, Parkhurst & Horton L.L.P.)* | Tom Davis (Lifeguard 4 Hire, L.L.C.)* |
| Tripp Hamby (Priority Landscapes, LLC)* | Luanne Miller (BHC Owners Association)* |
| Tanya Emmons (Pinnacle Texas Management, LLC)* | David Johnson (Tidal Waves Swim Team)* |
| Charles Kelley (Williamson County Sheriff's Dept.)* | Stu McMullen (resident)* |

*AGENDA ONLY (via email)

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT

August 19, 2020

TO: THE BOARD OF DIRECTORS OF BLOCK HOUSE MUNICIPAL UTILITY DISTRICT AND ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of Block House Municipal Utility District will hold a special meeting at **6:00 p.m. on Wednesday, August 19, 2020.**

THIS MEETING WILL BE HELD VIA TELEPHONE CONFERENCE CALL PURSUANT TO SECTION 551.125, TEXAS GOVERNMENT CODE, AS MODIFIED TEMPORARILY BY GOVERNOR GREG ABBOTT, AND THE RELATED GUIDANCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL, IN CONNECTION WITH THE GOVERNOR’S COVID-19 DISASTER PROCLAMATION.

THE TOLL-FREE DIAL IN NUMBER FOR THE MEETING IS 1-888-510-5505, AND THE PARTICIPANT CODE IS 199914. PLEASE FOLLOW THE INSTRUCTIONS PROVIDED BY THE SYSTEM TO ACCESS THE MEETING.

AN ELECTRONIC AGENDA PACKET FOR THE MEETING IS AVAILABLE AT THE FOLLOWING LINK:

<https://abaustin.sharefile.com/share/view/sd538f44a2d14aa28/fo095c57-73f7-4955-ba1c-c1ea257bde61>

THIS MEETING WILL BE RECORDED AND, FOLLOWING THE MEETING, THE RECORDING WILL BE MADE AVAILABLE AT THE SAME LINK SPECIFIED ABOVE.

The following matters may be considered and acted upon at the meeting:

Note: Matters on which Board action is anticipated are noted as “Decision”. Matters on which Board action is not anticipated are noted as “Informational”. Such notations are intended as a guide to facilitate the conduct of the meeting based on information available at the time that this agenda was finalized and are not binding. The Board reserves the right to take action on any of the following matters.

| <u>AGENDA</u> | <u>ANTICIPATED ACTION</u> |
|---|---------------------------|
| GENERAL | |
| 1. Citizens’ communications; | Informational |
| DISCUSSION / ACTION ITEMS | |
| 2. 2020/2021 budget and 2020 tax rate, including: | Informational |
| (a) Work session on 2020/2021 budget; | Informational |
| (b) Status of receipt of information regarding fire tax rate from City of Cedar Park; | Informational |
| (c) Establish and take record vote on proposed 2020 tax rate; | Decision |
| (d) Schedule public hearing at which adoption of 2020 tax rate will be | Decision |

| | | |
|-----|---|---------------|
| | considered; | |
| (e) | Authorize publication of Water District Notice of Public Hearing on Tax Rate; | Decision |
| 3. | Review of Meeting Notes; | Informational |
| 4. | Future Board meetings/agenda items; | Informational |

The Board of Directors is authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code, to convene in closed or executive session for certain purposes, including receiving legal advice from the District's attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073); discussing personnel matters (Section 551.074); discussing security personnel or devices (Section 551.076); and discussing information technology security practices (Section 551.089). If the Board of Directors determines to go into executive session to discuss any item on this agenda, the presiding officer will announce that an executive session will be held and will identify the item to be discussed and the provision of the Open Meetings Act that authorizes the closed or executive session.



Attorney for the District

(SEAL)



Block House Municipal Utility District is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call Armbrust & Brown, PLLC at (512) 435-2300 for additional information. Hearing impaired or speech disabled persons equipped with telecommunications devices for the deaf may utilize the statewide Relay Texas program at (800) 735-2988.

BLOCK HOUSE MUD**Fire Tax Rate**

| | Base | FY19 | FY20 | FY21 |
|---------------------------|-------------|-------------|-------------|-------------|
| Total City Fire Expense | | 10,593,998 | 12,427,953 | 12,774,894 |
| Fire Station Personnel | | 1,126,438 | 1,153,384 | 1,224,472 |
| Monthly Fee Per Household | 12.85 | 23.69 | 25.59 | 26.95 |
| Variance Cap | | 100.3% | 11.7% | 18.6% |
| Variance from Base | | 84.4% | 99.1% | 109.7% |
| Total Block House Charge | | 615,182 | 664,521 | 699,838 |
| Fire Tax Rate | | 0.1315 | 0.1369 | 0.1457 |

4,679,421.55 4,854,052.09 4,804,475.84

0.1315 0.1369 0.1457

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT

2020 Tax Rate Analysis

**Certified Assessed
Valuation**

| Assessed Valuation & Tax Rate | | | | | | |
|-------------------------------|-------------------------------|--------------|-----------|-----------|----------------|--|
| Year | Assessed Valuation | Debt Service | M&O | Fire Tax | Total Tax Rate | |
| 2020 | \$ 485,300,590 ^(a) | \$ 0.2925 | \$ 0.3703 | \$ 0.1457 | \$ 0.8085 | |
| 2019 | 492,843,293 | 0.2875 | 0.3841 | 0.1369 | 0.8085 | |
| 2018 | 475,898,878 | 0.2950 | 0.3545 | 0.1315 | 0.7810 | |
| 2017 | 446,052,551 | 0.3238 | 0.3411 | 0.1361 | 0.8010 | |
| 2016 | 411,201,609 | 0.3465 | 0.3157 | 0.1388 | 0.8010 | |
| 2015 | 380,862,878 | 0.3820 | 0.3057 | 0.1393 | 0.8270 | |
| 2014 | 347,635,208 | 0.4154 | 0.2819 | 0.1450 | 0.8423 | |
| 2013 | 317,086,804 | 0.4747 | 0.2349 | 0.1564 | 0.8660 | |
| 2012 | 306,695,345 | 0.4905 | 0.2213 | 0.1542 | 0.8660 | |
| 2011 | 313,959,858 | 0.4835 | 0.2439 | 0.1386 | 0.8660 | |
| 2010 | 316,119,310 | 0.5190 | 0.1886 | 0.1384 | 0.8460 | |
| 2009 | 315,828,556 | 0.5193 | 0.1928 | 0.1339 | 0.8460 | |

| | | | | |
|---------------|-----------------------|-------------|-----------------------|--------------------------------------|
| (a) Includes: | \$ 478,393,554 | Certified | \$ 478,393,554 | Certified |
| | 11,511,726 | Uncertified | 6,907,036 | Uncertified Amount (Owner's Opinion) |
| | <u>\$ 489,905,280</u> | | <u>\$ 485,300,590</u> | |

Note: for every \$0.01 reduction in the O&M tax rate, the dollar amount decrease equals \$48,530.

| Classification of Districts included in Senate Bill No. 2 | | | |
|---|---|--|---|
| | Special Taxing Units | Developed Districts | Developing Districts |
| | Special Taxing Units have levied a M&O Tax Rate of \$0.025 or less. | Districts that have financed, completed and <i>issued bonds</i> to reimburse the cost of utility facilities necessary to serve at least 95% of the projected buildout of the District. | Districts which do not fall under Special Taxing Districts or Developed District. |
| Rollback Rate | 1.080% | 1.035% | 1.08% |

Block House Municipal Utility District
Projection of Income and Expenses - Debt Service Fund

No-Growth

prepared by Public Finance Group LLC

| <u>Year</u> | <u>Projected Assessed Valuation</u> | <u>Tax Rate Per \$100 A.V.</u> | <u>Tax Collections @ 99%</u> | <u>Investment Income @ 1.00%</u> | <u>Total Available for Debt</u> | <u>Total Outstanding Debt</u> | <u>Cumulative Debt Fund Balance</u> | <u>Percentage of Subsequent Year's Debt</u> |
|-------------|-------------------------------------|--------------------------------|------------------------------|----------------------------------|---------------------------------|-------------------------------|-------------------------------------|---|
| 2019 | 492,843,293 (a) | 0.2875 | | | | | \$ 541,624 (b) | |
| 2020 | 485,300,590 (a) | 0.2925 | 1,402,755 | 5,416 | 1,949,795 | 1,502,843 | 446,952 | 31.17% |
| 2021 | 485,300,590 | 0.2925 | 1,405,309 | 4,470 | 1,856,730 | 1,433,750 | 422,980 | 29.43% |
| 2022 | 485,300,590 | 0.2925 | 1,405,309 | 4,230 | 1,832,519 | 1,437,450 | 395,069 | 27.32% |
| 2023 | 485,300,590 | 0.2925 | 1,405,309 | 3,951 | 1,804,329 | 1,446,075 | 358,254 | 25.84% |
| 2024 | 485,300,590 | 0.2925 | 1,405,309 | 3,583 | 1,767,146 | 1,386,325 | 380,821 | 27.22% |
| 2025 | 485,300,590 | 0.2925 | 1,405,309 | 3,808 | 1,789,938 | 1,398,850 | 391,088 | 27.56% |
| 2026 | 485,300,590 | 0.2925 | 1,405,309 | 3,911 | 1,800,308 | 1,419,088 | 381,221 | 25.97% |
| 2027 | 485,300,590 | | 1,405,309 | 3,812 | 1,790,342 | 1,467,788 | 322,555 | |
| | | | \$ 11,239,920 | \$ 33,180 | | \$ 11,492,168 | | |

(a) Certified Assessed Values, as provided by Williamson Central Appraisal District ("WCAD").

(b) Unaudited Debt Service Fund Balance as of October 2, 2019.

541,624 (Represents debt service fund balance after all 2019 ds requirements were paid)

WATER DISTRICT NOTICE OF PUBLIC HEARING ON TAX RATE

The Block House Municipal Utility District will hold a public hearing on a proposed tax rate for the tax year 2020 on _____, _____, 2020 at 6:30 P.M. The hearing will be conducted via telephone conference call pursuant to Section 551.125, Texas Government Code, as modified temporarily by Governor Greg Abbott, and the related guidance from the Office of the Texas Attorney General, in connection with the Governor's COVID-19 Disaster Proclamation, if permitted as of the date of the hearing. However, the hearing will be conducted in-person at the offices of Armbrust & Brown, PLLC, 100 Congress Avenue, Suite 1300, Austin, Texas if such temporary modification is no longer in effect as of the date of the hearing. The agenda for the meeting at which the hearing will be conducted will specify if the hearing will be held via telephone conference call or in-person and will be posted at least 72 hours prior to the hearing at the following link: [ARMBRUST & BROWN TO PROVIDE THE LINK](#). If the hearing is conducted via telephone conference call, the toll-free dial-in number and participant code for the hearing will be specified in the meeting agenda.

Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on the change in the taxable value of your property in relation to the change in taxable value of all other property. The change in the taxable value of your property in relation to the change in taxable value of all other property determines the distribution of the tax burden among all property owners.

| | | | |
|--------------------------------|-----------|-------------------------|--|
| FOR the proposal: | Tax Rate: | DS | \$ 0.2925 |
| AGAINST the proposal: | | M&O | \$ 0.3703 |
| PRESENT and not voting: | | Fire Tax | \$ 0.1457 |
| ABSENT: | | Total | \$ 0.8085 |
| | | M&O Revenue: | \$ 1,797,068 (100% Collections) |

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 | Same Rate as Previous Year | This Year |
|---|------------------------------------|-----------------------------------|-------------------------------------|
| Total tax rate (per \$100 of value) | <u>\$ 0.8085</u> /\$100 Adopted | | <u>\$ 0.8085</u> /\$100 Proposed |
| Difference in rates per \$100 of value | | <u>\$0.0000</u> /\$100 | |
| Percentage increase/decrease in rates (+/-) | | <u>0.00%</u> | |
| Average appraised residence homestead value | <u>\$ 236,002</u> | | <u>\$ 233,754</u> |
| General homestead exemptions available (excluding 65 years of age or older or disabled person's exemptions) | <u>\$ -</u> | | <u>\$ -</u> |
| Average residence homestead taxable value | <u>\$ 224,211</u> | | <u>\$ 222,117</u> |
| Tax on average residence homestead | <u>\$ 1,812.75</u> | | <u>\$ 1,795.82</u> |
| Annual increase/decrease in taxes if proposed tax rate is adopted (+/-) | | <u>\$ (16.93)</u> | |
| and percentage of increase (+/-) | | <u>-0.93%</u> | |

NOTICE OF VOTE ON TAX RATE

If the District adopts a combined debt service and operation and maintenance tax rate that would result in the taxes on the average residence homestead increasing by more than 3.5 percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23602, Water Code.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the growth of property taxes in the state.



WATER DISTRICT NOTICE OF PUBLIC HEARING ON TAX RATE

The Block House Municipal Utility District will hold a public hearing on a proposed tax rate for the tax year 2020 on _____, _____, 2020 at 6:30 P.M. The hearing will be conducted via telephone conference call pursuant to Section 551.125, Texas Government Code, as modified temporarily by Governor Greg Abbott, and the related guidance from the Office of the Texas Attorney General, in connection with the Governor's COVID-19 Disaster Proclamation, if permitted as of the date of the hearing. However, the hearing will be conducted in-person at the offices of Armbrust & Brown, PLLC, 100 Congress Avenue, Suite 1300, Austin, Texas if such temporary modification is no longer in effect as of the date of the hearing. The agenda for the meeting at which the hearing will be conducted will specify if the hearing will be held via telephone conference call or in-person and will be posted at least 72 hours prior to the hearing at the following link: [ARMBRUST & BROWN TO PROVIDE THE LINK](#). If the hearing is conducted via telephone conference call, the toll-free dial-in number and participant code for the hearing will be specified in the meeting agenda.

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| | | | |
|--------------------------------|-----------|-------------------------|--|
| FOR the proposal: | Tax Rate: | DS | \$ 0.2925 |
| AGAINST the proposal: | | M&O | \$ 0.3418 |
| PRESENT and not voting: | | Fire Tax | \$ 0.1457 |
| ABSENT: | | Total | \$ 0.7800 |
| | | M&O Revenue: | \$ 1,658,757 (100% Collections) |

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.

| | <u>Last Year</u> | Reduction <u>This Year</u> |
|---|-----------------------------|--------------------------------------|
| Total tax rate (per \$100 of value) | \$ 0.8085 /\$100 Adopted | \$ 0.7800 /\$100 Proposed |
| Difference in rates per \$100 of value | | (\$0.0285) /\$100 |
| Percentage increase/decrease in rates (+/-) | | -3.53% |
| Average appraised residence homestead value | \$ 236,002 | \$ 233,754 |
| General homestead exemptions available (excluding 65 years of age or older or disabled person's exemptions) | \$ - | \$ - |
| Average residence homestead taxable value | \$ 224,211 | \$ 222,117 |
| Tax on average residence homestead | \$ 1,812.75 | \$ 1,732.52 |
| Annual increase/decrease in taxes if proposed tax rate is adopted (+/-) | | \$ (80.23) |
| and percentage of increase (+/-) | | -4.43% |

NOTICE OF VOTE ON TAX RATE

If the District adopts a combined debt service and operation and maintenance tax rate that would result in the taxes on the average residence homestead increasing by more than 3.5 percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23602, Water Code.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the growth of property taxes in the state.

WATER DISTRICT NOTICE OF PUBLIC HEARING ON TAX RATE

The Block House Municipal Utility District will hold a public hearing on a proposed tax rate for the tax year 2020 on _____, _____, 2020 at 6:30 P.M. The hearing will be conducted via telephone conference call pursuant to Section 551.125, Texas Government Code, as modified temporarily by Governor Greg Abbott, and the related guidance from the Office of the Texas Attorney General, in connection with the Governor's COVID-19 Disaster Proclamation, if permitted as of the date of the hearing. However, the hearing will be conducted in-person at the offices of Armbrust & Brown, PLLC, 100 Congress Avenue, Suite 1300, Austin, Texas if such temporary modification is no longer in effect as of the date of the hearing. The agenda for the meeting at which the hearing will be conducted will specify if the hearing will be held via telephone conference call or in-person and will be posted at least 72 hours prior to the hearing at the following link: [ARMBRUST & BROWN TO PROVIDE THE LINK](#). If the hearing is conducted via telephone conference call, the toll-free dial-in number and participant code for the hearing will be specified in the meeting agenda.

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| | | | |
|--------------------------------|-----------|---|-----------|
| FOR the proposal: | Tax Rate: | DS | \$ 0.2925 |
| AGAINST the proposal: | | M&O | \$ 0.3778 |
| PRESENT and not voting: | | Fire Tax | \$ 0.1457 |
| ABSENT: | | Total | \$ 0.8160 |
| | | M&O Revenue: \$ 1,833,466 (100% Collections) | |

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 | Parity This Year |
|---|------------------------------------|-------------------------------------|
| Total tax rate (per \$100 of value) | <u>\$ 0.8085</u> /\$100 Adopted | <u>\$ 0.8160</u> /\$100 Proposed |
| Difference in rates per \$100 of value | | <u>\$0.0075</u> /\$100 |
| Percentage increase/decrease in rates (+/-) | | <u>0.93%</u> |
| Average appraised residence homestead value | <u>\$ 236,002</u> | <u>\$ 233,754</u> |
| General homestead exemptions available (excluding 65 years of age or older or disabled person's exemptions) | <u>\$ -</u> | <u>\$ -</u> |
| Average residence homestead taxable value | <u>\$ 224,211</u> | <u>\$ 222,117</u> |
| Tax on average residence homestead | <u>\$ 1,812.75</u> | <u>\$ 1,812.48</u> |
| Annual increase/decrease in taxes if proposed tax rate is adopted (+/-) | | <u>\$ (0.27)</u> |
| and percentage of increase (+/-) | | <u>-0.01%</u> |

NOTICE OF VOTE ON TAX RATE

If the District adopts a combined debt service and operation and maintenance tax rate that would result in the taxes on the average residence homestead increasing by more than 3.5 percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23602, Water Code.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the growth of property taxes in the state.



WATER DISTRICT NOTICE OF PUBLIC HEARING ON TAX RATE

The Block House Municipal Utility District will hold a public hearing on a proposed tax rate for the tax year 2020 on _____, _____, 2020 at 6:30 P.M. The hearing will be conducted via telephone conference call pursuant to Section 551.125, Texas Government Code, as modified temporarily by Governor Greg Abbott, and the related guidance from the Office of the Texas Attorney General, in connection with the Governor's COVID-19 Disaster Proclamation, if permitted as of the date of the hearing. However, the hearing will be conducted in-person at the offices of Armbrust & Brown, PLLC, 100 Congress Avenue, Suite 1300, Austin, Texas if such temporary modification is no longer in effect as of the date of the hearing. The agenda for the meeting at which the hearing will be conducted will specify if the hearing will be held via telephone conference call or in-person and will be posted at least 72 hours prior to the hearing at the following link: [ARMBRUST & BROWN TO PROVIDE THE LINK](#). If the hearing is conducted via telephone conference call, the toll-free dial-in number and participant code for the hearing will be specified in the meeting agenda.

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| | | | |
|--------------------------------|-----------|-------------------------|--|
| FOR the proposal: | Tax Rate: | DS | \$ 0.2925 |
| AGAINST the proposal: | | M&O | \$ 0.4063 |
| PRESENT and not voting: | | Fire Tax | \$ 0.1457 |
| ABSENT: | | Total | \$ 0.8445 |
| | | M&O Revenue: | \$ 1,971,776 (100% Collections) |

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 | Max This Year |
|---|------------------------------------|-------------------------------------|
| Total tax rate (per \$100 of value) | <u>\$ 0.8085</u> /\$100 Adopted | <u>\$ 0.8445</u> /\$100 Proposed |
| Difference in rates per \$100 of value | | <u>\$0.0360</u> /\$100 |
| Percentage increase/decrease in rates (+/-) | | <u>4.45%</u> |
| Average appraised residence homestead value | <u>\$ 236,002</u> | <u>\$ 233,754</u> |
| General homestead exemptions available (excluding 65 years of age or older or disabled person's exemptions) | <u>\$ -</u> | <u>\$ -</u> |
| Average residence homestead taxable value | <u>\$ 224,211</u> | <u>\$ 222,117</u> |
| Tax on average residence homestead | <u>\$ 1,812.75</u> | <u>\$ 1,875.78</u> |
| Annual increase/decrease in taxes if proposed tax rate is adopted (+/-) | | <u>\$ 63.03</u> |
| and percentage of increase (+/-) | | <u>3.48%</u> |

NOTICE OF VOTE ON TAX RATE

If the District adopts a combined debt service and operation and maintenance tax rate that would result in the taxes on the average residence homestead increasing by more than 3.5 percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23602, Water Code.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the growth of property taxes in the state.

DEVELOPED DISTRICTS
UPDATED MEMORANDUM

To: Board of Directors – Block House Municipal Utility District
From: Armbrust & Brown, PLLC
Re: Schedule for Establishing District Tax Rate for 2020
Date: August 12, 2020

Before the Board adopts a 2020 tax rate, it is required to give notice of “*each meeting at which the adoption of the tax rate will be considered.*” The notice must be published at least once in a newspaper of general circulation in the District *at least seven days* before the date of the hearing or the notice may be mailed to each owner of taxable property within the District, at the address for notice shown on the most recently certified tax roll of the District, *at least ten days* before the date of the hearing.

The District’s 2020-2021 budget must be adopted before the 2020 tax rate is set. A timetable for adopting the District’s tax rate, which will require **three** special meetings and only one publication, follows:

- July 25** Williamson County Chief Appraiser to certify tax rolls (several appraisal districts indicated they may only have certified estimates at this time due to delays in the certification process from COVID-19).
- August 12** **Special Meeting.** Budget work session. ***If second meeting is after deadline to call:*** Call election to approve tax rate if proposed tax rate would trigger an election if adopted (statutory deadline to call election is 71 days before the November uniform election date, *i.e.*, August 17, 2020).
- August 19** **Special Meeting.** Discuss any proposal to set tax rate, take a record vote on proposed tax rate, and announce the date, time, and place of the **September 9, 2020 special meeting** at which the Board will hold a public hearing, vote on, and adopt the 2020 tax rate.
- August 27** Deadline for publication of the Water District Notice of Public Hearing on Tax Rate (**the District will publish its Notice of Hearing on in the Hill Country News on August 27, 2020**).
- September 9** **Special Meeting.** Adopt the District’s 2020-2021 budget. Hold a public hearing on the District’s tax rate, take a record vote on the District’s tax rate, adopt an Order Levying Taxes, and authorize filing of the Order Levying Taxes with Williamson County Tax Assessor-Collector.
- September 15** Deadline to submit tax rates to Williamson County Tax Assessor-Collector.

****NOTE:** *If the District adopts a combined tax rate that would impose more than 1.035 times the amount of tax imposed by the District in the preceding year on a home appraised at the average appraised value of the homes within the District in that year (disregarding disabled and over-65 exemptions) plus the “unused increment rate” (defined below), an election must be held to determine whether to approve the adopted tax rate. If the adopted tax rate is not approved at the election, the District’s tax rate will be reduced to the “voter-approval tax rate,” which is the current year’s debt service and contract tax rate, plus the operation and maintenance tax rate that would impose 1.035 times the amount of operations and maintenance tax imposed by the District in the preceding year on a home appraised at the average appraised value of the homes within the District that year (disregarding disabled and over-65 exemptions) and the “unused increment rate”. The “unused increment rate” means the amount, if any, that the adopted tax rate was below the “voter-approval tax rate” (less the unused increment rate) for the prior three years.*