

ARMBRUST & BROWN, PLLC

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MEMORANDUM

TO: Board of Directors -
Block House Municipal Utility District

FROM: Denise L. Motal
Legal Assistant

DATE: September 22, 2020

RE: Block House Municipal Utility District -
September 28, 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 Monday, September 28, 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)
Lisa Torres (Crossroads Utility Services, LLC)
Andrew Hunt (Crossroads Utility Services, LLC)*
Taylor Kolmodin (Municipal Accounts & Consulting, L.P.)
Autumn Phillips (Municipal Accounts & Consulting, L.P.)*
David Gray (Gray Engineering, Inc.)*
Cheryl Allen (Public Finance Group LLC)*
Carol Polumbo (McCall, Parkhurst & Horton L.L.P.)*
Tripp Hamby (Priority Landscapes, LLC)*
Tanya Emmons (Pinnacle Texas Management, LLC)*
Charles Kelley (Williamson County Sheriff's Dept.)*

Jay Howard (Texas Disposal Systems, Inc.)*
Ja-Mar Prince (Texas Disposal Systems, Inc.)*
Barbara Graves (Texas Disposal Systems, Inc.)*
Chris Swedlund (McCall Gibson Swedlund Barfoot PLLC)*
Brian Toldan (McCall Gibson Swedlund Barfoot PLLC)*
Jan Gibson (McCall Gibson Swedlund Barfoot PLLC)*
Ashlee Martin (McCall Gibson Swedlund Barfoot PLLC)*
Tom Davis (Lifeguard 4 Hire, L.L.C.)*
Luanne Miller (BHC Owners Association)*
David Johnson (Tidal Waves Swim Team)*
Stu McMullen (resident)*

*AGENDA ONLY (via email)

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT

September 28, 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 **Monday, September 28, 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
BUDGET AND TAX ITEMS	
2. Public Hearing on 2020 tax rate;	Informational
3. Budget for fiscal year 2020/2021, including Resolution Adopting Budget;	Decision
4. Record vote on 2020 tax rate and Order Levying Taxes;	Decision
5. Amended and Restated Information Form (if necessary for tax rate changes);	Decision

DISCUSSION / ACTION ITEMS		
6.	General Management Services Agreement (expires September 30, 2020);	Decision
7.	Restrictive Covenant Enforcement Services Agreement (expires September 30, 2020);	Decision
8.	Review of Meeting Notes;	Informational
9.	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.

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 Monday, September 28, 2020 at **6:00** 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 2600 Block House Drive South, Leander, 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:

<https://abaustin.sharefile.com/share/view/sd538f44a2d14aa28/fof19611-85ca-44bd-a442-0e3888e246e0>

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.

(Names of all board members and, if a vote was taken, an indication of how each voted on the proposed tax rate and an indication of any absences.)

FOR the proposal:	Directors Roberts, Bennett, Horak, Koenig, and Logan
AGAINST the proposal:	None
PRESENT and not voting:	None
ABSENT :	None

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>\$ 0.8085/\$100</u> Adopted	<u>\$ 0.7600/\$100</u> Proposed
Difference in rates per \$100 of value	(<u>\$0.0485</u>)/\$100	
Percentage increase/decrease in rates (+/-)	<u>-6.00%</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>\$ 5,000 min.</u> <u>2% max.</u>	<u>\$ 5,000 min.</u> <u>2% max.</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>\$ 1,688.09</u>
Annual increase/decrease in taxes if proposed tax rate is adopted (+/-) and percentage of increase (+/-)	<u>\$ (124.66)</u> <u>-6.88%</u>	

NOTICE OF VOTE ON TAX RATE

If the District adopts a combined debt service, operation and maintenance, and contract 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.

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	\$ 0.3218	\$ 0.1457	\$ 0.7600	
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 <i>Districts</i> or <i>Developed District</i> .
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)

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FOR the proposal: Directors Roberts, Bennett, Horak, Koenig, and Logan

AGAINST the proposal: None

PRESENT and not voting: None

ABSENT: None

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**Block House MUD - GOF
FY 2021 Proposed Budget**

	<u>9 Month Actuals</u>	<u>12 Month Estimates</u>	<u>FY 2020 Approved Budget</u>	<u>\$ Over Budget</u>	<u>FY 2021 Proposed Budget</u>
Ordinary Income/Expense					
Income					
91000 · Operating Revenue					
14110 · Water - Customer Service Revenue	504,529	690,429	713,000	(22,571)	700,000
14140 · Connection Fees	1,432	1,909	1,500	409	1,500
14210 · Sewer - Customer Service Fee	318,258	433,258	443,000	(9,742)	435,000
14270 · Park Fee	194,220	258,960	260,000	(1,040)	260,000
14280 · Basic Services	840,419	1,142,419	1,070,000	72,419	1,145,000
14310 · Penalties & Interest	24,941	33,255	40,000	(6,745)	30,000
Total 91000 · Operating Revenue	<u>1,883,799</u>	<u>2,560,230</u>	<u>2,527,500</u>	<u>32,730</u>	<u>2,571,500</u>
92000 · Other Operating Revenue					
14320 · Property Tax	1,874,065	1,874,065	1,845,609	28,456	1,530,463
14325 · Property Tax Penalty	5,091	5,091	4,500	591	4,500
14350 · Fire Protection Tax	668,022	668,022	657,807	10,215	692,941
14420 · Facility Rental	40	53	3,500	(3,447)	3,500
14440 · Pool Contract Rental	0	16,800	16,800	0	16,800
14470 · Delinquent Tax Attorney Collect	1,720	0	0	0	1,200
Total 92000 · Other Operating Revenue	<u>2,548,938</u>	<u>2,564,031</u>	<u>2,528,216</u>	<u>35,815</u>	<u>2,249,405</u>
93000 · Non-Operating Revenue					
14330 · Miscellaneous Income	4,816	6,421	3,500	2,921	5,000
14370 · Interest Earned on Temp. Invest	76,436	101,915	60,000	41,915	60,000
14390 · Interest Earned on Checking	52	69	60	9	60
Total 93000 · Non-Operating Revenue	<u>81,304</u>	<u>108,405</u>	<u>63,560</u>	<u>44,845</u>	<u>65,060</u>
Total Income	<u>4,514,041</u>	<u>5,232,667</u>	<u>5,119,276</u>	<u>113,391</u>	<u>4,885,965</u>
Gross Profit	<u>4,514,041</u>	<u>5,232,667</u>	<u>5,119,276</u>	<u>113,391</u>	<u>4,885,965</u>
Expense					
94000 · Expenditures - Water					
16125 · Purchase Water	411,112	548,149	620,000	(71,851)	620,000
16130 · Maintenance & Repairs- Water/BS	62,367	83,156	236,000	(152,844)	246,000
16180 · Utility - Booster Station	11,224	14,965	20,000	(5,035)	20,000
Total 94000 · Expenditures - Water	<u>484,703</u>	<u>646,271</u>	<u>876,000</u>	<u>(229,729)</u>	<u>886,000</u>
95000 · Expenditures - Wastewater					
16166 · Utilities - Lift Station	973	1,297	1,500	(203)	1,500
16220 · Purchase Sewer Service	226,884	302,512	300,000	2,512	310,000
16230 · Maintenance & Repairs - Sewer	55,567	74,089	75,000	(911)	150,000
16385 · MS4-Stormwater Program	27,043	36,057	45,000	(8,943)	70,000
Total 95000 · Expenditures - Wastewater	<u>310,467</u>	<u>413,956</u>	<u>421,500</u>	<u>(7,544)</u>	<u>531,500</u>
96000 · Expenditures - Parks					
16160 · Utilities - Park	13,318	17,757	13,000	4,757	18,000
16445 · Fence Maintenance	8,348	11,131	100,000	(88,869)	100,000
17450 · Park Maintenance	39,988	53,317	60,000	(6,683)	70,000
17451 · Park Administration/Cleaning	17,775	23,700	35,000	(11,300)	35,000
17452 · Park Equipment Maintenance	0	0	35,000	(35,000)	2,000
Total 96000 · Expenditures - Parks	<u>79,429</u>	<u>105,905</u>	<u>243,000</u>	<u>(137,095)</u>	<u>225,000</u>
96100 · Expenditures - Pools					
16161 · Utilities - Pool Electricity	7,655	10,207	13,500	(3,293)	13,500
16162 · Utilities - Pool Gas	6,058	8,077	12,000	(3,923)	12,000
16165 · Supplies & Phone - Pool	8,805	11,740	15,000	(3,260)	15,000
16245 · Chemicals - Pool	17,029	22,705	25,000	(2,295)	25,000
17500 · Pool Repairs/Maintenance	117,846	117,846	82,000	35,846	50,000
17510 · Pool Cleaning	17,658	23,544	29,000	(5,456)	29,000
17515 · Special Pool Programs	0	0	5,000	(5,000)	5,000
17560 · Mgmt/Lifeguards	219,722	292,963	285,000	7,963	285,000
Total 96100 · Expenditures - Pools	<u>394,773</u>	<u>487,082</u>	<u>466,500</u>	<u>20,582</u>	<u>434,500</u>
96200 · Expenditures - Landscaping					
16200 · Landscape Contract	197,346	263,128	255,000	8,128	255,000
16205 · Landscape - Out of Contract	26,455	35,273	66,000	(30,727)	66,000
16415 · Tree Care	10,000	13,333	12,500	833	12,500
16416 · Emergency Tree Care	2,360	3,147	5,000	(1,853)	5,000
16417 · New Tree Installation	0	0	12,500	(12,500)	12,500
16425 · Irrigation Maintenance	15,230	20,307	19,000	1,307	19,000
16427 · Irrigation Improvements	0	0	7,000	(7,000)	7,000

**Block House MUD - GOF
FY 2021 Proposed Budget**

	9 Month Actuals	12 Month Estimates	FY 2020 Approved Budget	\$ Over Budget	FY 2021 Proposed Budget
Total 96200 · Expenditures - Landscaping	251,391	335,188	377,000	(41,812)	377,000
97000 · Expenditures - Administrative					
16105 · Water/WW Operations Contract	214,785	286,380	285,000	1,380	290,000
16115 · District Management	89,486	119,315	120,000	(685)	162,000
16320 · Tax Assessor/Appraisal	23,845	29,757	30,000	(243)	30,000
16330 · Legal Fees	105,702	140,936	140,000	936	142,000
16335 · Legal Fees - Special	6,108	8,144	20,000	(11,856)	20,000
16336 · Legal Fees - Restrictive Cov	12,579	16,772	20,000	(3,228)	20,000
16340 · Auditing Fees	17,000	17,000	18,000	(1,000)	18,000
16350 · Engineering Fees	11,159	14,879	6,500	8,379	15,000
16351 · Engineering Fees - Special	0	0	15,000	(15,000)	15,000
16370 · Election Expense	399	7,500	15,000	(7,500)	7,500
16380 · Permit Expense	5,505	5,505	6,000	(495)	6,000
16430 · Bookkeeping Fees	34,738	49,000	49,000	0	52,000
16440 · Seminar Expense	1,025	1,025	10,000	(8,975)	10,000
16455 · SB 622 Legal Notices & Other	0	1,800	1,800	0	1,800
16460 · Printing & Office Supplies	2,573	3,431	3,000	431	7,500
16464 · Restrictive Covenants	20,250	27,000	30,000	(3,000)	30,000
16470 · Filing Fees	0	500	500	0	500
16480 · Delivery Expense	1,086	1,448	2,000	(552)	2,000
16490 · Financial Advisor Fees	5,330	5,330	2,500	2,830	5,500
16520 · Postage	13,545	18,060	25,000	(6,940)	25,000
16530 · Insurance & Surety Bond	20,521	20,521	25,000	(4,479)	25,000
16540 · Travel Expense	162	216	2,500	(2,284)	2,500
16550 · Bank Fees	416	555	45,000	(44,445)	600
16600 · Payroll Expenses	7,444	9,925	10,000	(75)	10,000
16620 · Communications	4,950	6,600	10,000	(3,400)	10,000
1662 · Website	0	0	0	0	3,500
16630 · Director Fees	21,050	28,067	30,000	(1,933)	30,000
17600 · Printing & Publicity	19,611	26,148	10,000	16,148	10,375
Total 97000 · Expenditures - Administrative	639,269	845,813	931,800	(85,987)	951,775
98000 · Expenditures - Other					
16352 · Electrical/Lighting Utility	16,696	20,035	30,000	(9,965)	25,000
16410 · Solid Waste Expense	443,793	591,724	590,000	1,724	610,000
16510 · Contingency	5,747	7,663	15,000	(7,337)	15,000
16580 · Patrol Service	99,380	132,507	130,000	2,507	135,000
16582 · Surveillance/Security Maint.	0	0	7,000	(7,000)	0
16585 · IT Maintenance	7,400	9,867	5,000	4,867	15,000
16587 · District Signage Maintenance	621	828	5,000	(4,172)	15,000
16595 · Delinquent Tax Attorney Fee	1,720	1,720	0	1,720	1,200
17150 · Fire Service Contract	668,022	668,022	657,807	10,215	692,941
Total 98000 · Expenditures - Other	1,243,379	1,432,365	1,439,807	(7,442)	1,509,141
99000 · Expenditures - Special Projects					
17475 · District Functions	2,115	2,115	6,500	(4,385)	0
17477 · Signage Replacement	0	0	15,000	(15,000)	0
17478 · Security/Surveillance Project	0	0	10,000	(10,000)	0
17480 · Leak Detection	1,559	1,559	20,000	(18,441)	15,000
17481 · Meter Replacement	1,584	1,584	6,700	(5,116)	5,000
17680 · Pool & Park Tag System	0	0	1,000	(1,000)	0
17957 · Trails Project (MS4)	2,470	2,470	50,000	(47,530)	15,000
17959 · Scout Projects Maintenance	0	0	5,000	(5,000)	0
17971 · Community Garden Upgrades	1,365	1,365	500	865	7,000
17998 · Walker House Improve/Rehab	475	475	19,600	(19,125)	0
17999 · Capital Outlay	30,672	30,672	0	30,672	0
17972 · Disc Golf	0	0	0	0	25,000
17973 · Resurface Parking	0	0	0	0	20,000
17974 · Court Resurface	0	0	0	0	18,000
17975 · Server Replacements	0	0	0	0	20,000
Total 99000 · Expenditures - Special Projects	40,240	40,240	134,300	(94,060)	125,000
Total Expense	3,443,651	4,306,820	4,889,907	(583,087)	5,039,916
Net Ordinary Income	1,070,390	925,847	229,369	696,478	(153,952)
Other Income/Expense					

**Block House MUD - GOF
FY 2021 Proposed Budget**

	<u>9 Month Actuals</u>	<u>12 Month Estimates</u>	<u>FY 2020 Approved Budget</u>	<u>\$ Over Budget</u>	<u>FY 2021 Proposed Budget</u>
Other Income					
15950 · Assigned Operating Surplus	0	0	0	0	153,952
Total Other Income	0	0	0	0	153,952
Other Expense					
16596 · Transfer to DSF	1,500	0	0	0	0
Total Other Expense	1,500	0	0	0	0
Net Other Income	(1,500)	0	0	0	153,952
Net Income	<u>1,068,890</u>	<u>925,847</u>	<u>229,369</u>	<u>696,478</u>	<u>0</u>

RESOLUTION ADOPTING BUDGET

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

WHEREAS, the Board of Directors of Block House Municipal Utility District (the “*District*”) has projected the operating expenses and revenues for the District for the period October 1, 2020 through September 30, 2021, and desires to adopt a budget consistent therewith;

IT IS RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT THAT:

Section 1. The Operating Budget attached as **Exhibit “A”** is adopted.

Section 2. The Secretary of the Board of Directors is directed to file a copy of this Resolution Adopting Budget in the official records of the District.

ADOPTED this 28th day of September, 2020.

Cecilia Roberts, President
Board of Directors

(SEAL)

ATTEST:

Rayan Horak, Secretary
Board of Directors

APPENDIX “1”

The District’s audited financial statements, bond transcripts, and engineer’s reports required by Texas Water Code Section 49.057(b) are on file at and may be obtained from Denise Motal, Armbrust & Brown, PLLC, 100 Congress Avenue, Suite 1300, Austin, Texas 78701, (512) 435-2300, email: dmotal@abaustin.com.

EXHIBIT “A”

Budget

[Attach 2020/2021 budget –
to be furnished by Municipal Accounts & Consulting, L.P.]

ORDER LEVYING TAXES

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

WHEREAS, the appraisal roll of Block House Municipal Utility District (the “*District*”) for 2020 has been prepared and certified by the Williamson Central Appraisal District; and

WHEREAS, based upon the certified appraisal roll, the employee or officer designated by the Board of Directors of the District has calculated a tax rate to be levied for 2020;

IT IS HEREBY ORDERED BY THE BOARD OF DIRECTORS OF THE DISTRICT THAT:

Section 1. There is hereby levied an ad valorem tax of \$0.7600 on each \$100 of taxable property within the District, allocated as follows:

- (a) \$0.3218 to provide funds for maintenance and operating purposes;
- (b) \$0.2925 to provide for the payment of principal of and interest and associated obligations on the District’s unlimited tax bonds now outstanding; and
- (c) \$0.1457 to provide funds under the Second Amended Plan for the Provision of Fire-Fighting Services Within the District.

Section 2. All taxes collected pursuant to this levy, after paying costs of levying, assessing and collecting same, will be used for planning, maintaining, repairing and operating the District’s facilities and for paying costs of proper services, engineering and legal fees, organization and administrative expenses, for paying principal of and interest on bonds, warrants, certificates of obligation or other lawfully authorized evidences of indebtedness issued or assumed by the District, and for paying authorized costs and expenses under the Second Amended Plan for the Provision of Fire-Fighting Services Within the District.

Section 3. The Williamson County Tax Assessor/Collector is authorized to assess and collect the taxes of the District.

Section 4. The taxes levied by this Order are due presently, and will be delinquent if not paid by January 31, 2021.

Section 5. This Order will be effective from and after its adoption.

Section 6. The attorney for the District is directed to file this Order with the Williamson County Tax Assessor/Collector.

ADOPTED this 28th day of September, 2020.

Cecilia Roberts, President
Board of Directors

(SEAL)

ATTEST:

Rayan Horak, Secretary
Board of Directors

After Recording, Please Return To:

Denise L. Motal
Armbrust & Brown, PLLC
100 Congress Ave., Ste. 1300
Austin, TX 78701

CERTIFICATE FOR AMENDED AND RESTATED INFORMATION FORM

THE STATE OF TEXAS §

COUNTY OF WILLIAMSON §

The Board of Directors (the “Board”) of Block House Municipal Utility District (the “District”) convened a telephone conference meeting on September 28, 2020, **pursuant to Sections 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 roll was called of the members of the Board, as follows:

- Cecilia A. Roberts - President
- Steve Bennett - Vice President
- Rayan Horak - Secretary
- Ursula Logan - Assistant Secretary
- Byron Koenig - Treasurer

All of the Directors were present, this constituting a quorum. At the meeting, an Amended and Restated Information Form was unanimously approved by the Board. The undersigned, as the attorney for the District, hereby certifies the Amended and Restated Information Form attached to this Certificate is a true and correct copy of the Amended and Restated Information Form approved by the Board on September 28, 2020.

Sean Abbott, Attorney for
Block House Municipal Utility District

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, 2020, by Sean Abbott, attorney for Block House Municipal Utility District, on behalf of said District.

Notary Public Signature

(seal)

{W1004655.1}

**BLOCK HOUSE
MUNICIPAL UTILITY DISTRICT**

**AMENDED AND RESTATED
INFORMATION FORM**

THE STATE OF TEXAS §

COUNTY OF WILLIAMSON §

The undersigned, a majority of the members of the Board of Directors of Block House Municipal Utility District (the "*District*"), make and execute this Amended and Restated Information Form in compliance with Section 49.455 of the Texas Water Code. We certify as follows:

1. The name of the District is Block House Municipal Utility District.
2. The District consists of 717.35 acres, more or less, more particularly described by the metes and bounds and boundary map in the Amended and Restated Information Form dated December 3, 1997, recorded under Document No. 9807998, Official Records of Williamson County, Texas.
3. The most recent rate of taxes levied by the District on property located within the District is \$0.7600 on each \$100 of assessed value, based on 100% market value.
4. The total amount of bonds that has been approved by the voters and which may be issued by the District is \$34,325,000.
5. The aggregate initial principal amount of all bonds of the District payable in whole or in part from taxes (excluding refunding bonds and any bonds or portions of bonds payable solely from revenues received or expected to be received pursuant to a contract with a governmental entity) that has been previously issued is \$25,805,000.
6. No standby fee is currently imposed by the District.
7. An election to confirm the creation of the District was held on April 4, 1981.
8. The District is performing or will perform the following functions: the supply of water for municipal, domestic, commercial and other beneficial uses; the collection, transportation, treatment and disposal of waste; gathering, conducting, diverting and controlling of local storm water or other harmful excesses of water in the District; and the provision of park and recreational facilities for the inhabitants in the District.
9. The Notice to Purchaser form required by Section 49.452 of the Texas Water Code to be furnished by a seller to a purchaser of real property in the District is attached as **Exhibit "A"**.

10. The attorney for the District is directed to file this Amended and Restated Information Form with the Texas Commission on Environmental Quality and record it in the Official Public Records of Williamson County, Texas.

This Amended and Restated Information Form supersedes the Amended and Restated Information Form recorded under Document No. 2019093365, Official Public Records of Williamson County, Texas.

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT

NOTICE TO PURCHASER

THE STATE OF TEXAS §

COUNTY OF WILLIAMSON §

The real property, described below, that you are about to purchase is located within Block House Municipal Utility District (the "District"). 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 \$0.7600 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 governmental entity, approved by the voters and which have been or may, at this date, be issued is \$34,325,000, and the aggregate initial principal amount 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 is \$25,805,000.

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 most recent amount of the standby fee is \$0. 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 is located in whole or in part in the extraterritorial jurisdiction of the City of Cedar Park. By law, a district located in the extraterritorial jurisdiction of a municipality may be annexed under certain circumstances without the consent of the district or the voters of the district. When a district is annexed, the district is dissolved.

The purpose of this District is 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. The legal description of the property which you are acquiring is more fully described as follows:

SELLER:

Date

Name Printed: _____

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.

PURCHASER:

Date

Name Printed: _____

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 20____, by _____.

Notary Public Signature

(seal)

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 20____, by _____.

Notary Public Signature

(seal)