MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE FERN BLUFF MUNICIPAL UTILITY DISTRICT

June 29, 2021

THE STATE OF TEXAS §
WILLIAMSON COUNTY §

The Board of Directors (the "**Board**") of the Fern Bluff Municipal Utility District (the "**District**") convened in a **special** meeting open to the public at 6:00 p.m. on **June 29, 2021**, at the Fern Bluff Municipal Utility District Community Center, 7320 Wyoming Springs Drive, Round Rock, Texas, pursuant to notice duly given in accordance with the law.

George Sabatino	President
Joseph Teiber	Vice President
Jessica Stempko	Secretary
Kevin Barnes	Treasurer
Marc Smith	Assistant Secretary/Treasurer

and all Directors were present, thus constituting a quorum.

Also in attendance or joining during the meeting, were Janey Miller, the District's General Manager; Hector Alanis, the District's Operations Manager. Several members of the public were also present.

Director Sabatino called the meeting to order, after which Director Smith led those present in the Pledge of Allegiance.

Director Sabatino then noted that there were no residents present who wished to address the Board during the Citizen Communications portion of the meeting.

Director Sabatino next informed those present that the purpose of the special Board of Directors meeting was to rescind the previously approved RESOLUTION OF FERN BLUFF MUNICIPAL UTILITY DISTRICT CONCERNING EXEMPTION OF RESIDENCE HOMESTEADS FROM TAXATION; PROVIDING FINDINGS OF FACT; PROVIDING FOR OPEN MEETINGS (the "**Resolution**"). He explained that an over sixty-five or disabled exemption could be approved as a specific dollar amount but that a general homestead exemption could only be approved as a percentage of the market value or $5,000.00, whichever is greater, and not as a specific dollar amount as previously approved. After discussion, upon a motion duly made by Director Smith and seconded by Director Stempko, the Board voted unanimously to rescind the Resolution as approved on June 8, 2021.

Director Barnes next explained that the Budget Committee had discussed the exemption issue at length and was recommending that the over sixty-five or disabled exemption be increased from the previous amount of $15,000 to $25,000. He also pointed out that the District has the lowest tax rate in Williamson County and that the

District's tax rate was lowered for the 2020 tax year from $0.40 per $100.00 of assessed valuation of taxable property to $0.279 per $100.00 of assessed valuation of taxable property. Director Barnes went on to state that only two municipal utility districts out of the fifty-four in Williamson County offer a homestead exemption. He continued that because appraised values of real property within the District have increased during the past year, residents may pay an overall higher dollar amount in taxes for the 2021 tax year. He told those present that the Budget Committee determined that the District could offer a similar benefit to taxpayers by lowering the overall tax rate of the District; therefore, the Budget Committee is looking at ways to decrease the District's tax rate for the 2021 tax year. Director Sabatino agreed that lowering the District's overall tax rate was fair and equitable. After further discussion, upon a motion duly made by Director Barnes and seconded by Director Smith, the Board voted unanimously to adopt a revised Resolution reflecting an over sixty-five or disabled exemption of $25,000.00 and no general homestead exemption. A copy of the revised Resolution is attached hereto as an exhibit to these minutes.

The Board then confirmed that the District's next regular Board of Directors meeting would be held at 6:00 p.m. on July 13, 2021.

There being no further business to come before the Board, the meeting was adjourned.

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Secretary, Board of Directors
Fern Bluff Municipal Utility District

(SEAL)

Attachments to the Minutes of the
Fern Bluff Municipal Utility District
June 8, 2021, Board of Directors Meeting

1. Board Packet.