

MINUTES  
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 39

September 7, 2021

The Board of Directors (the "Board") of Galveston County Municipal Utility District No. 39 (the "District") met in regular session, open to the public, on the 7<sup>th</sup> day of September, 2021, at 400 West Walker, League City, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

David Parker	President
Courtney Boudreaux	Vice President
Rebecca Murphy	Secretary
Mark Marquis	Assistant Vice President
Omar Flores	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also attending the meeting were The Honorable Larry Millican and The Honorable John Bowen of the City of League City (the "City"); Dana Davis of Myrtle Cruz, Inc. ("MCI"); Odett McMullen of Bob Leared Interests ("BLI"); Greer Pagan and Hope Jeffers of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

The Board opened the meeting for public comments. There being no comments from the public, the Board closed the public comments portion of the meeting.

MINUTES

The Board considered approving the minutes of the August 3, 2021, regular meeting. Following review and discussion, Director Parker moved to approve the minutes as submitted. Director Flores seconded the motion, which passed unanimously.

BOOKKEEPER'S REPORT

Ms. Davis presented and reviewed the bookkeeper's report and submitted the bills for the Board's review. Following review and discussion, Director Murphy made a motion to approve the bookkeeper's report and payment of the bills. Director Boudreaux seconded the motion, which passed unanimously. A copy of the bookkeeper's report is attached.

## RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted its annual review of the District's Investment Policy. Following review and discussion, Director Parker moved to adopt a Resolution Regarding Annual Review of Investment Policy and direct that it be retained in the District's official records. Director Murphy seconded the motion, which carried by unanimous vote.

## RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

The Board considered adopting a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. A copy of the list of qualified broker/dealers is attached to the Resolution. Following review and discussion, Director Parker made a motion to adopt the Resolution and direct that it be retained in the District's official records. Director Murphy seconded the motion, which carried unanimously.

## TAX REPORT

Ms. McMullen presented and reviewed the District's tax report, which includes a list of checks that were written after the last meeting, and a list of delinquent taxpayers, copies of which are attached. She reported that 99.5% of the District's 2020 taxes were collected as of August 31, 2021. After review and discussion, Director Parker moved to approve the tax report and the list of checks. Director Flores seconded the motion, which passed unanimously.

## TRANSPARENCY REQUIREMENTS PURSUANT TO SECTION 2051.202, TEXAS GOVERNMENT CODE, AND CONTRACT AMENDMENT

Mr. Pagan discussed recent legislation enacting Section 2051.202, Texas Government Code, which requires certain special purpose districts to post or cause to be posted additional information on a website maintained by or accessible to the District. He said the new requirements apply to districts that levy a property tax, are required to prepare an annual audit, and have a population of 500 or more as of the beginning of the most recent fiscal year. Mr. Pagan reviewed a summary of the new requirements, a copy of which is attached.

The Board discussed the applicability of the new posting requirements to the District and the possibility of expanding the website used by the District for compliance with previously-enacted transparency requirements. Ms. McMullan discussed the services currently provided by BLI to implement existing transparency requirements, including ensuring that information posted on the website is accurate and current. She

presented a proposed amendment to the District's contract with BLI to incorporate the new posting requirements on the existing website.

After review and discussion, Director Marquis moved to approve the amendment to the contract between the District and BLI as presented and direct that the amendment be filed appropriately and retained in the District's official records. Director Boudreaux seconded the motion, which passed unanimously.

#### PUBLIC HEARING REGARDING 2021 TAX RATE

Ms. McMullan stated that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2021 total tax rate of \$0.50. The Board then opened the public hearing. There being no comments from the public, the Board closed the public hearing.

Mr. Pagan presented an Order Levying Taxes reflecting the proposed 2021 tax rate. He then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality and recorded in the Official Public Records of Galveston County.

After review and discussion, Director Marquis moved to: (1) adopt the Order Levying Taxes reflecting a total 2021 tax rate of \$0.50 per \$100 of assessed valuation, comprised of \$0.445 to pay debt service on bonds and \$0.055 for operations and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Flores seconded the motion, which passed by unanimous vote.

#### AUTHORIZE CASH REDEMPTION OF BONDS AND APPROVE NOTICE OF CASH REDEMPTION OF BONDS AND MATERIAL EVENT NOTICE

On behalf of the District's financial advisor, Mr. Pagan presented and reviewed an analysis prepared by the District's financial advisor for the cash redemption of the District's Series 2009A Unlimited Tax Park Bonds (the "Bonds"), a copy of which is attached. Following review and discussion, Director Flores motioned for the District's financial advisor to proceed with a \$260,000 cash redemption of the Bonds on January 15, 2022, for ABHR to prepare a notice of cash redemption of the Bonds and a Material Event Notice, and to authorize the Board President and Secretary to execute any necessary documents for the cash redemption. Director Marquis seconded the motion, which passed by unanimous vote.

#### DISTRICT'S INSURANCE POLICIES

Mr. Pagan stated the District's insurance policies with Harco Insurance Services ("Harco") will expire on October 1, 2022. He then presented and reviewed the renewal

proposal from Harco with an annual premium of \$4,033.00. Following review and discussion, Director Murphy moved to approve the renewal proposal from Harco. Director Boudreaux seconded the motion, which passed unanimously.

The Board noted it will meet next on January 4, 2022. There being no further matters to come before the Board, the meeting was adjourned.

  
Secretary, Board of Directors

(SEAL)



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