

MINUTES
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 39

January 3, 2023

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 3rd day of January, 2023, 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 John Bowen of the City of League City; Greg McGrath of McGrath & Co., PLLC; Dana Davis of Myrtle Cruz, Inc.; Odett McMullen of Bob Leared Interests ("BLI"); and 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 September 6, 2022, regular meeting. Following review and discussion, Director Parker moved to approve the minutes as submitted. Director Murphy seconded the motion, which passed unanimously.

AUDIT

Mr. McGrath presented and reviewed the District's audit for the fiscal year ended August 31, 2022. Following review and discussion, Director Parker moved to approve the audit and direct that it be filed as appropriate and retained in the District's records. Director Boudreaux seconded the motion, which passed unanimously.

BOOKKEEPER'S REPORT

Ms. Davis presented and reviewed the bookkeeper's report, the summary of investments, and the bills for the Board's review. Following review and discussion, Director Murphy moved to approve the bookkeeper's report, the summary of investments, and payment of the bills. Director Parker seconded the motion, which passed unanimously. A copy of the bookkeeper's report, including the summary of investments, is attached.

ANNUAL DISCLOSURE STATEMENTS

In accordance with the District's Investment Policy, the Board considered the annual disclosure statements of Mary Jarmon and Dana Davis as the District's bookkeeper and investment officer, respectively. Mr. Pagan explained that the statements disclose any relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District, and the disclosure statements will be filed with the Texas Ethics Commission and the District. After review and discussion, Director Marquis moved to accept the disclosure statements as presented and to authorize they be appropriately filed. Director Flores seconded the motion, which passed unanimously.

ANNUAL REPORT IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Mr. Pagan discussed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. He stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access ("EMMA") system in compliance with SEC Rule 15c12-12. Following review and discussion, Director Marquis moved to approve the Annual Report, authorize the attorney to submit the District's updated financial and operating data to EMMA in compliance with the continuing disclosure provisions contained in the bond resolutions and direct that the Report be filed appropriately and retained in the District's official records. Director Flores seconded the motion, which passed unanimously.

TAX REPORT

Ms. McMullen presented and reviewed the District's tax report for the months of September through December, which include 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 32.6% of the District's 2022 taxes were collected as of December 31, 2022. In response to an inquiry from Director Boudreaux, Ms. McMullen stated she will bring

additional details regarding delinquent commercial property tax accounts to the next meeting. After review and discussion, Director Boudreaux moved to approve the tax report and the list of checks. Director Marquis seconded the motion, which passed unanimously.

TAX EXEMPTIONS

Mr. Pagan discussed the District’s tax rate exemptions and stated the District currently offers a \$10,000 exemption for individuals who are disabled or 65 years of age or older. Following discussion, the Board concurred to defer action regarding tax rate exemptions and requested the District’s financial advisor attend the next meeting to discuss tax exemptions and upcoming bond defeasance opportunities.

The Board noted they will meet next on March 7, 2023.


Secretary, Board of Directors

(SEAL)



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