

MINUTES
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 39

March 5, 2024

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 5th day of March, 2024, at 400 West Walker, League City, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

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| 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 Dana Davis of Myrtle Cruz, Inc.; Odett Newman of Bob Leared Interests; Anthea Moran of Masterson Advisors, LLC; and Greer Pagan and Hope Palmer 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 December 5, 2023, regular meeting. Following review and discussion, Director Boudreaux moved to approve the minutes as submitted. Director Marquis seconded the motion, which passed unanimously.

2024 DIRECTOR ELECTION

Mr. Pagan discussed procedures related to the 2024 Directors Election. He presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received three candidate applications for the three director positions for the May 4, 2024, Directors Election.

Mr. Pagan presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office (the "Order Cancelling") stating that the May 4, 2024, Directors Election is cancelled and that the unopposed candidates, Courtney Boudreaux, Mark Marquis, and Omar Flores, are declared elected to office to serve from the May 4, 2024, election until the May 6, 2028, Directors Election. He reviewed the posting requirements for the Order Cancelling, and he stated the Board can cancel its contract with Galveston County for conducting the District's election.

Following review and discussion, Director Parker moved to: (1) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors; (2) adopt the Order Cancelling and authorize the Secretary's agent to post the Order Cancelling; (3) cancel the contract for election services with Galveston County; and (4) direct that the Certificate and Order Cancelling be filed appropriately and retained in the District's official records. Director Murphy seconded the motion, which passed unanimously.

BOOKKEEPER'S REPORT

Ms. Davis presented and reviewed the bookkeeper's report and the summary of investments, a copy of which is attached, and the bills for the Board's review. She requested the Board approve the additional check no. 1092 in the amount of \$322.00, payable to the City of League City for the room rental fee for Board of Directors meetings. Following review and discussion, Director Murphy moved to approve the bookkeeper's report, the summary of investments, and payment of the bills, including check no. 1092. Director Parker seconded the motion, which passed unanimously.

ANNUAL DISCLOSURE STATEMENTS

In accordance with the District's Investment Policy, the Board considered the annual disclosure statements of Dana Davis and Mary Jarmon 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 Parker moved to accept the disclosure statements as presented and to authorize that they be appropriately filed. Director Marquis 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 that was 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 Parker moved to approve the Annual Report, ratify submission of 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 Boudreaux seconded the motion, which passed unanimously.

TAX REPORT

Ms. Newman presented and reviewed the District’s tax reports for the months of December, January, and February, 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 96.8% of the District’s 2023 taxes were collected as of February 29, 2024. After review and discussion, Director Parker moved to approve the tax report and the list of checks. Director Murphy seconded the motion, which passed unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board reviewed a request from a resident regarding tax exemption offered by the District, a copy of which is attached. Ms. Moran distributed and reviewed a tax exemption analysis for the general homestead exemption and the exemption for individuals who are disabled or 65 years of age or older, a copy of which is attached. She stated the District currently offers a \$20,000 exemption for individuals who are disabled or 65 years of age or older. After review and discussion, Director Parker moved to adopt the Resolution Concerning Exemption from Taxation exempting from ad valorem taxation by the District \$30,000 of the appraised value of residence homesteads of individuals who are disabled or 65 years of age or older and rejecting the general homestead exemption. Director Flores seconded the motion, which passed unanimously.

The Board noted it will meet next on June 4, 2024.



Donna Bond

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

Minutes
Page

bookkeeper's report.....2
tax reports3
request from resident regarding tax exemptions3
tax exemption analysis.....3