

MINUTES
GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 39

August 6, 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 6th day of August, 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:

David Parker	President
Courtney Boudreaux	Vice President
Donna Bane	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 Anthea Moran of Masterson Advisors LLC; Dana Davis of Myrtle Cruz, Inc.; Odett Newman of Bob Leared Interests; and Greer Pagan and Anne-Marie Bradford 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 June 4, 2024, regular meeting. Following review and discussion, Director Parker moved to approve the minutes as submitted. Director Boudreaux seconded the motion, which passed unanimously.

2024 TAX RATE

The Board considered the District's 2024 tax rate. Ms. Moran distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2024 debt service tax rate of \$0.335 per \$100 of assessed valuation based on the District's initial 2024 certified value of \$560,085,802, plus \$23,204,944 representing 80% of the uncertified value under protest. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Mr. Pagan discussed the two-step process for setting the District's tax rate.

Ms. Moran also distributed and reviewed a summary of outstanding bonds, a copy of which is attached.

Following review and discussion, Director Marquis moved to: (1) set the public hearing date for September 3, 2024; and (2) authorize the tax assessor/collector to publish notice in the Galveston Daily News of the District's meeting on September 3, 2024, to set the proposed 2024 total tax rate of \$0.38 per \$100 of assessed valuation, with \$0.335 allocated for debt service on water, sewer, and drainage bonds and \$0.045 allocated for operations and maintenance. Director Parker seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

Mr. Pagan stated the District's insurance policies with Brown & Brown Lone Star Insurance Agency will expire on October 1, 2024. He stated a renewal proposal will be provided at the next meeting.

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. Following review and discussion, Director Parker moved to approve the bookkeeper's report, the summary of investments, and payment of the bills. Director Boudreaux seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR FOR FISCAL YEAR END AUGUST 31, 2024

The Board considered authorizing McGrath & Co., PLLC ("McGrath") to conduct the audit for the fiscal year ending August 31, 2024. They reviewed a letter from McGrath, a copy of which is attached, noting that the estimated fee for conducting the audit will be between \$13,500.00 and \$15,500.00. Following review and discussion, Director Marquis moved to authorize McGrath to begin the fiscal year audit. Director Flores seconded the motion, which passed unanimously.

TAX REPORT

Ms. Newman 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 98.9% of the District's 2023 taxes were collected as of July 31, 2024. After review and discussion, Director Boudreaux moved to approve the tax report and the list of checks. Director Parker seconded the motion, which passed unanimously.

The Board noted it will meet next on September 3, 2024.



Secretary, Board of Directors



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