

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 355

September 13, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 355 (the "District") met in regular session, open to the public, on the 13th day of September, 2024, at the offices of Allen Boone Humphries Robinson LLP ("ABHR"), 3200 Southwest Freeway, Suite 2400, Houston, Texas 77027, outside the boundaries of the District, and the roll was called of the members of the Board:

Claude A. Zackary	President
Letha P. Slagle	Vice President
Jon Elmendorf	Secretary
Kurt A. Baerenstecher	Assistant Secretary
Christopher J. Mudd	Assistant Vice President

and all of the above were present except Directors Zackary and Baerenstecher, thus constituting a quorum. Director Zackary participated in the meeting via teleconference.

Also present for all or part of the meeting were Jyotika Chand of the Lakes of Parkway Homeowners Association ("LOP HOA"); Michael Shepard of LOP HOA via teleconference; Brian Krueger of Forvis Mazars, LLP; Patty Rodriguez of Bob Leared Interests, Inc.; Robert Garcia of Champions Hydro-Lawn, Inc. ("CHL"); Andy Mersmann of BGE, Inc.; Yaneth Cooper of Municipal Accounts & Consulting, L.P.; Anthea Moran of Masterson Advisors LLC; and Greer Pagan and Justine M. Cherne of ABHR.

PUBLIC COMMENTS

There were no public comments.

APPROVE MINUTES

The Board considered approving the minutes of its August 2, 2024, regular meeting. Following review and discussion, Director Elmendorf moved to approve the minutes as written. Director Mudd seconded the motion, which passed unanimously.

ENGAGE AUDITOR

Mr. Krueger reviewed a proposal to conduct the District's audit for fiscal year ending September 30, 2024. He stated that the proposed fee for the annual audit was \$20,300.00, including fees and expenses. Following review and discussion, Director Elmendorf moved to engage Forvis Mazars, LLP to conduct the District's audit for fiscal

year end September 30, 2024. Director Mudd seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Rodriguez reviewed the tax assessor/collector's report and invoices for payment. A copy of the tax assessor/collector's report, including a list of checks presented for approval, is attached. Ms. Rodriguez reported that as of August 31, 2024, 98.2% of the District's 2023 taxes were collected. Following review and discussion, Director Elmendorf moved to approve the tax assessor/collector's report and payment of the invoices as presented. Director Mudd seconded the motion, which passed unanimously.

DETENTION AND DRAINAGE FACILITIES MAINTENANCE AND PROPOSALS

Mr. Garcia reviewed a Detention and Drainage Facilities Report and reported on maintenance items, including maintenance approved last month for the District's Valedictorian Swale, Summer Leaf Swale, and Swale Nos. 8 and 9. A copy of the report is attached.

Mr. Garcia reviewed an updated annual maintenance budget for fiscal year 2025 for an increase of \$750.00.

Following review and discussion, Director Mudd moved to approve the Detention and Drainage Facilities Report and the updated annual maintenance budget for fiscal year 2025, as presented. Director Elmendorf seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Mersmann reviewed the Engineer's Report and reported on the status of the District's Irrigation Pump Station 200 Replacement Project. A copy of the engineer's report is attached. Mr. Mersmann reported that no pay estimates were submitted by Pumps, Motors & Controls, Inc. ("PMC") for the project. In response to Board inquiries, Mr. Mersmann reminded the Board that the contract for the project was awarded in the amount of \$229,350.00 and one pay estimate was submitted by PMC and approved at the Board's August regular meeting in the amount of \$68,805.00.

WATER CONSERVATION PROJECT, PHASE III

Director Slagle reported on the status of the project to improve the irrigation system facilities for the common areas in the District to increase water conservation. She reported that the WeatherTrac System is operating and being fine-tuned. Director Slagle reported that no invoices were submitted by Waterwise Irrigation, Inc. for the project.

LOP HOA MATTERS

The Board discussed LOP HOA budget matters. Following discussion, the Board concurred to hold a special meeting at 1:00 p.m. on Friday, September 27, 2024, at the LOP Clubhouse to additionally discuss LOP HOA budget matters.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Cooper presented the bookkeeper's report and invoices for payment and responded to Board inquiries. A copy of the bookkeeper's report, including a list of checks presented for approval and the quarterly investment report, is attached.

Ms. Cooper presented a draft budget for fiscal year ending September 30, 2025. Discussion ensued regarding the District's budgeted revenue, cash balances, debt reserves, and the operating reserves held in reference to the District's Utility Functions and Services Allocation Agreement with the City of Houston. Additional discussion ensued regarding proposed modifications to line items in the draft budget.

Following review and discussion, Director Mudd moved to approve the bookkeeper's report. Director Elmendorf seconded the motion, which passed unanimously.

DISCUSS 2024 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Mr. Pagan discussed the two-step process for setting the District's 2024 tax rate. Ms. Moran distributed and reviewed a 2024 Debt Service Tax Rate Recommendation reflecting the recommendation for the District to levy a 2024 debt service tax rate of \$0.03 per \$100 of assessed valuation, based on the District's initial 2024 certified value of \$845,696,565.00, plus \$16,854,029.00 representing owners' opinion of the uncertified value under protest. A copy of the debt service tax rate recommendation is attached. The Board then discussed the District's budget and operation and maintenance tax rate.

Following review and discussion, Director Elmendorf moved to authorize the tax assessor/collector to publish notice in a qualified local newspaper of the District's public hearing on October 4, 2024, to set the proposed 2024 total tax rate of \$0.05 per \$100 of assessed valuation, with \$0.03 allocated for debt service and \$0.02 allocated for operations and maintenance. Director Mudd seconded the motion, which passed unanimously.

ADOPT BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2025

The Board additionally discussed proposed modifications to line items in the draft budget for fiscal year end September 30, 2025. Following review and discussion, Director Mudd moved to adopt the budget for fiscal year end September 30, 2025,

subject to the modifications as discussed. Director Elmendorf seconded the motion, which passed unanimously.

MEETING SCHEDULE

The Board concurred to hold its next regular meeting on October 4, 2024.

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


Secretary, Board of Directors

(SEAL)



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