

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 278

February 2, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 278 (the "District") met in regular session, open to the public, on the 2<sup>nd</sup> day of February, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Shantai Magee	President
Tommie Ruth Allen	Vice President
Gwen Thornburg	Secretary
Eugene Newsom	Assistant Vice President
Vacant	Assistant Secretary

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

Also attending the meeting were Steve Fulwider, Howard Rosenbalm, and Kathy Rosenbalm, residents of the District; Jessica Preston of Municipal Accounts & Consulting, L.P.; Cameron Brown of Assessments of the Southwest, Inc.; and Adisa Harrington and Hope Palmer of Allen Boone Humphries Robinson LP.

MINUTES

The Board considered approving the minutes of the regular meeting of January 5, 2024. After review and discussion, Director Thornburg moved to approve the minutes, as presented. Director Allen seconded the motion, which passed unanimously.

PUBLIC COMMENTS

Ms. Harrington offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public wishing to address the Board at this time, Ms. Harrington closed the public comments portion of the meeting.

2024 DIRECTORS ELECTION

Ms. Harrington discussed procedures related to the 2024 Directors Election. Ms. Harrington stated the District does not have access to an electronic voting system for the 2024 Directors Election and recommended the Board authorize ABHR to file a notice of exemption from use of electronic voting systems. She stated the Board should set the pay for the election officials in the event the District holds a 2024 Directors election and recommended they set the pay at \$18.00 per hour. Ms. Harrington then reviewed an

Order Calling Directors Election. She noted that the Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Harris County. Following review and discussion, Director Allen moved to take the following actions in connection with the 2024 Directors Election: (1) authorize ABHR to file a notice of exemption from the use of electronic voting system; (2) set the pay for election officials at \$18.00 per hour; (3) adopt the Order Calling Directors Election and direct that the Order be filed appropriately and retained in the District's official records; and (4) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required. Director Magee seconded the motion, which passed unanimously.

#### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Preston presented and reviewed the bookkeeper's report, a copy of which is attached, including a summary of investments and the bills for payment from the District's accounts. Ms. Preston then reviewed the Plan Review Deposits chart in the bookkeeper's report. Following review and discussion, Director Allen moved to approve the bookkeeper's report, the summary of investments, and payment of the bills. Director Thornburg seconded the motion, which passed unanimously.

#### CONFERENCE MATTERS

The Board discussed the Association of Water Board Directors ("AWBD") winter conference and considered authorizing attendance at the AWBD summer conference.

The Board then discussed expenses for the upcoming Texas Water Conference being held in Fort Worth on April 9-12, 2024.

Following discussion, Director Magee moved to: (1) approve reimbursement of all eligible expenses for Directors who attended the AWBD winter conference, which the bookkeeper confirmed were submitted in accordance with the District's Guidelines, and authorize attendance of any interested Directors at the AWBD summer conference; and (2) authorize up to four days of per diem, three nights of lodging, and reasonable meals for any Director attending the Texas Water Conference, if submitted in accordance with the District's Guidelines. Director Allen seconded the motion, which passed unanimously.

#### TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Brown presented and reviewed the tax assessor/collector's report and a list of delinquent accounts and stated that 82.08% of the 2023 property taxes were collected as of January 31, 2024. A copy of the tax assessor/collector's report is attached. Following review and discussion, Director Magee moved to approve the tax assessor/collector's report. Director Allen seconded the motion, which passed unanimously.

Director Newsom arrived at the meeting.

#### CAPITAL FEE PAYMENT LETTER FOR RALPH HAWKINS OUT-OF-DISTRICT ACCOUNT

Ms. Keeswood presented the annual capital fee payment letter for the Ralph Hawkins out-of-district account, stating the annual capital fee is \$2,461.733. A copy of the letter is attached. Following review and discussion, Director Newsom moved to authorize the operator to include the capital fee in next utility billing to the Ralph Hawkins account. Director Magee seconded the motion, which passed unanimously.

#### RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Harrington discussed the District's tax rate exemptions, and the Board considered adopting a Resolution Concerning Exemption from Taxation. She stated the District currently offers a \$50,000 exemption for individuals who are disabled or 65 years of age or older and a 7% general homestead exemption. Following discussion, the Board requested the District's financial advisor provide a tax exemption analysis for the Board's review at the March 8, 2024, meeting.

#### RENEWAL OF DISTRICT'S INSURANCE POLICIES

Ms. Harrington stated that the District's insurance policies with Arthur J. Gallagher & Co. ("Gallagher") will expire on March 31, 2024, and that she expects to present the renewal proposal at the next meeting.

#### ATTORNEY'S REPORT, INCLUDING CONTINUING DISCLOSURE MATTERS

The Board reviewed the District's procedures for continuing disclosure compliance. Ms. Harrington stated that no changes are required at this time.

Ms. Harrington then reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She 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 Newsom moved to approve the Annual Report, subject to finalization, 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 Allen seconded the motion, which passed unanimously.

ADDITIONAL REPORTS FROM DIRECTORS AND CONSULTANTS

There were no additional reports.

There being no further business brought before the Board, and based on a motion made by Director Newsom, seconded by Director Magee, and voted unanimously by the Board, the meeting was adjourned.

  
Secretary, Board of Directors



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