

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 144

Minutes of Meeting of Board of Directors

February 23, 2023

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 144 (the "District") met in regular session, open to the public, on February 23, 2023, in accordance with the duly posted notice of public meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Ted Teinert, President
Ron G. Thomas, Vice President
Jimmy T. Juhl, Secretary
James McConn, III, Assistant Secretary
Scott Maham, Director

and all of said persons were present, except Director Thomas, thus constituting a quorum.

Also present were: David Beyer of Storm Water Solutions, LLC ("SWS"); Autumn Clark and Emma Highberger of Wheeler & Associates, Inc. ("Wheeler"); Rahi Patel of Municipal Accounts & Consulting, L.P. ("MA&C"); Avni Patel of FORVIS, LLP ("FORVIS"); Benjamin Mellado of Edminster, Hinshaw, Russ and Associates, Inc. ("EHRA"); and John Eichelberger of Schwartz, Page & Harding, L.L.P. ("SPH").

COMMENTS FROM THE PUBLIC

The Board opened the meeting for public comments. There being no members of the public present, the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board considered the draft minutes of the meeting held on December 6, 2022. After review and discussion of the draft minutes presented, Director Juhl moved that the aforesaid minutes be approved, as written. Director McConn seconded said motion, which carried unanimously.

STORMWATER MANAGEMENT PROGRAM

The Board considered the status of the District's Storm Water Management Program ("SWMP"). In that regard, Mr. Beyer presented to and reviewed with the Board the Year 4 MS4 Annual Report for the City of Rosenberg (the "City") and Joint Districts (the "SWMP Annual Report"), a copy of which is attached hereto as **Exhibit A**. After discussion, Director Maham moved that the Annual Report be approved and that the Board President or Vice President be authorized to sign the required certification in connection with same. Director Juhl seconded the motion, which carried unanimously.

Mr. Beyer left the meeting at this time.

QUALIFICATION STATEMENT, OFFICIAL BOND, OATH OF OFFICE, AFFIDAVIT OF CURRENT DIRECTOR, AND ELECTION NOT TO DISCLOSE CERTAIN INFORMATION

The Board deferred consideration of the Oath of Office, Affidavit of Current Director,

Statement of Elected Officer and Election Not to Disclose Certain Information for Director Thomas.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Clark next presented to and reviewed with the Board the Tax Assessor-Collector Monthly Reports for December 2022 and January 2023, copies of which are attached hereto as **Exhibit B**, including the checks listed therein for payment. After discussion, Director Maham moved that the Tax Assessor-Collector Report be approved and that the checks and other disbursements identified therein be approved for payment. Director Juhl seconded said motion, which carried unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Mr. Eichelberger next outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by Article VIII, Section 1-b of the Texas Constitution, and Section 11.13 of the Texas Tax Code, as amended. He advised that under said provisions, the District may provide for the exemption of up to 20% (but not less than \$5,000, if granted) of the market value of residential homestead improvements for the year 2023, and the District may also exempt residential homesteads of persons who are under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance Act, or its successor, or persons sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2023, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. Mr. Eichelberger noted that the District has not previously granted any tax exemptions. After further discussion of the matter, Director Maham moved that the District (i) not grant the general residential homestead exemption, and (ii) not grant an exemption for persons under a disability or sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2023, and that the Resolution attached hereto as **Exhibit C** relative to same be approved and adopted by the Board and the District. Director Juhl seconded said motion, which carried unanimously.

DELINQUENT TAX COLLECTIONS ATTORNEY REPORT

The Board deferred consideration of a Delinquent Tax Report as it was noted that such report was not due at this time from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., delinquent tax attorneys for the District. Mr. Eichelberger advised the Board that the next Delinquent Tax Report will be provided in June of this year.

RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes. Mr. Eichelberger advised that the Board is authorized pursuant to Section 33.11 of the Texas Tax Code, as amended, to impose, under certain conditions, 60 days after the date the taxes become delinquent, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on personal property taxes that remain delinquent as of said 60th day, as more fully described in said Resolution. After discussion, it was moved by Director Maham, seconded by Director Juhl, and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes attached hereto as **Exhibit D** be adopted by the Board, and that Perdue

be authorized to collect delinquent personal property taxes beginning April 1, 2023, including the filing of lawsuits, if necessary.

BOOKKEEPER'S REPORT

Mr. Patel presented to and reviewed with the Board the Bookkeeper's Report dated February 23, 2023, a copy of which report is attached hereto as **Exhibit E**, as well as the checks presented therein for payment from the District's various accounts. After discussion, Director Maham moved that the Bookkeeper's Report be approved, as presented, and the checks and other disbursements presented be approved for payment, with the exception of check no. 4121, which was voided. Director Juhl seconded said motion, which carried unanimously.

The Board deferred consideration of direct deposit services.

OPERATING BUDGET FOR FISCAL YEAR ENDING FEBRUARY 28, 2023

The Board next considered the adoption of an operating budget for the District's fiscal year ending February 29, 2024. Mr. Patel presented to and reviewed with the Board the proposed budget, a copy of which is attached to the Bookkeeper's Report. After discussion of the proposed operating budget, Director Maham moved that the operating budget for the District's fiscal year ending February 29, 2024, be approved and adopted by the Board. Director Juhl seconded said motion, which carried unanimously.

ANNUAL REVIEW OF LIST OF QUALIFIED BROKERS

The Board considered the review of its list of qualified brokers authorized to engage in investment transactions with the District. Mr. Eichelberger advised that pursuant to the Public Funds Investment Act, the Board is required to review such list at least annually. He presented and reviewed with the Board a Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, and a list of financial institutions, brokers, and dealers attached thereto, together with a comparison of the list submitted to the list previously adopted by the Board, copies of which are attached hereto as **Exhibit F**. Mr. Eichelberger further noted that the list identifies potential institutions with which the District may engage in investment transactions, and that such list is compiled with the input of the District's Investment Officers, but that it is ultimately the Board's decision as to where the District's funds are actually invested. After discussion, Director Juhl moved that the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District be approved by the Board and the District, and that the President and Secretary be authorized to execute same. Director McConn seconded said motion, which unanimously carried.

ENGAGEMENT OF AUDITOR TO PREPARE THE DISTRICT'S AUDIT REPORT FOR THE FISCAL YEAR ENDING FEBRUARY 28, 2023

The Board considered the engagement of an auditor to prepare the District's audit report for the fiscal year ending February 28, 2023. In connection therewith, Ms. Patel presented to and reviewed with the Board the proposed engagement letter provided by FORVIS and advised that FORVIS's fees for the audit report would be \$19,200 plus an administrative fee of \$1,000 to cover items such as postage, printing and delivery costs. A copy of the engagement letter is attached hereto as **Exhibit G**. After discussion on the matter, Director McConn moved that (i) FORVIS be engaged to conduct the required audit for the District's fiscal year ending February

28, 2023, (ii) the Texas Ethics Commission ("TEC") Form 1295 from FORVIS in connection with the engagement letter be accepted and SPH be authorized to acknowledge the receipt of same with the TEC, and (iii) the President be authorized to execute the engagement letter on behalf of the Board and the District. Director Juhl seconded said motion, which carried unanimously.

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE

Mr. Eichelberger reminded the Board that the District is required to submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion in the Special Purpose District Public Information Database. After discussion on the matter, it was moved by Director Juhl, seconded by Director Maham and unanimously carried, that FORVIS, LLP, the District's auditors, be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Information Database.

ENGINEERING REPORT

Mr. Mellado presented to and reviewed with the Board a Monthly Engineering Report from EHRA, a copy of which is attached hereto as **Exhibit H**. The Board noted that no action was required on its part in connection with the Engineering Report at this time.

ANNUAL REVIEW OF SURVEY OF WAGE RATE SCALES

The Board deferred its review of an annual survey of prevailing wage rates for construction projects and consideration of a Resolution in connection therewith.

ADOPTION OF RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2023 TAX YEAR

The Board deferred consideration of a Resolution Concerning Developed District Status for the 2023 Tax Year.

MATTERS PERTAINING TO THE CITY OF ROSENBERG ("ROSENBERG")

The Board next considered matters pertaining to Rosenberg. In connection therewith, Mr. Eichelberger advised he had nothing further to report to the Board regarding matters pertaining to Rosenberg other than the items previously discussed.

RENEWAL OF INSURANCE

As the next order of business, the Board considered renewal of the District's insurance coverages. In that regard, Mr. Eichelberger advised the Board that the District's current insurance coverage through HARCO Insurance Company ("HARCO"), as agent for the Texas Municipal League ("TML") Intergovernmental Risk Pool, will expire on March 31, 2023. He further advised the Board that HARCO was recently acquired by Brown & Brown Lone Star Insurance Services, Inc. ("Brown & Brown") and that Brown & Brown, as agent for the TML Intergovernmental Risk Pool, has provided an insurance renewal proposal for the Board's consideration, a copy of which is attached hereto as **Exhibit I**. After discussion on the matter, Director Juhl moved that (i) the proposal from Brown & Brown be accepted by the Board and that the President be authorized to execute such proposal on behalf of the Board and the District, and (ii) the TEC Form 1295 provided by Brown & Brown be accepted and SPH be authorized to

acknowledge receipt of same with the TEC. Director McConn seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Eichelberger advised the Board that Director Thomas has indicated that he wishes to resign from the Board in the near future.

FUTURE AGENDA ITEMS AND SCHEDULE FOR UPCOMING MEETINGS

The Board next considered matters for possible placement on future agendas and scheduling of future meetings. Except as may be reflected above, there were no additional agenda items requested other than routine, and ongoing matters. The Board concurred to cancel its meeting scheduled for March 1, 2023. It was noted, therefore, that the next meeting of the Board of Directors will be held on April 4, 2023, as scheduled.

ADJOURN

There being no further business to come before the Board, it was moved by Director Juhl, seconded by Director McConn and unanimously carried, that the meeting be adjourned.



Secretary 

LIST OF ATTACHMENTS TO MINUTES

February 23, 2023

- Exhibit A: SWMP Annual Report (Year 4)
- Exhibit B: Tax Assessor-Collector Reports
- Exhibit C: Resolution Concerning Exemptions from Taxation
- Exhibit D: Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit E: Bookkeeper's Report
- Exhibit F: Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions, with lists of qualified brokers
- Exhibit G: Engagement Letter with FORVIS, L.L.P. (FYE February 28, 2023)
- Exhibit H: Engineering Report
- Exhibit I: Insurance Renewal Proposal from Brown & Brown