AGENDA

MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 38

Notice is hereby given that the Board of Directors of **Montgomery County Municipal Utility District No. 38** (the "District") will meet in special session, open to the public at **11:30 a.m., Friday, July 10, 2026**, at **1330 Post Oak Blvd., Suite 2650, Houston, Texas 77056,** a designated meeting place outside the boundaries of the District. The meeting is open to the public and being held to consider, discuss, and adopt such orders, resolutions, or motions, and take other direct or indirect actions as may be necessary, convenient, or desirable with respect to the following matters:

1. Hear from the public;
2. Approval of minutes from the meeting held May 8, 2026;
3. Hear report from Developer and consider taking any action requested by Developer;
4. Hear Tax Assessor/Collector's Report;
5. Consider adopting Order Levying 2026 Tax Rate;
6. Consider approving Amended Notice to Sellers and Purchasers;
7. Consider approving Bookkeeper's Report, including payment of bills;
8. Consider adopting budget for fiscal year ending June 30, 2027;
9. Hear Engineer's Report and take any action thereon, including:
   a. consider authorizing Engineer to proceed with the design of District facilities;
   b. consider approving plans and specifications of District facilities;
   c. consider authorizing Engineer to advertise for bids for District projects;
   d. consider authorizing construction contracts and related items; and
   e. consider approving report, pay estimates and change orders for construction projects in the District;
10. Hear Attorney's Report and take any action thereon, including:
    a. approve Service Agreement with Water Works Utilities;
    b. consider adopting Rate Order; and
    c. consider adopting Resolution Adopting Identity Theft Prevention Policy;
11. Executive Session. Convene executive session to discuss: (a) pending or contemplated litigation or to consult with the attorney in accordance with Section 551.071 of the Texas Government Code; (b) acquisition of real property in accordance with Section 551.072 of the Texas Government Code; or (c) deployment of security personnel, devices or a security audit in accordance with Section 551.076 of the Texas Government Code;
12. Reconvene in Open Session. Reconvene in public session to consider authorizing District consultants to take any action necessary with respect to (a) pending or contemplated litigation or attorney advice; (b) acquisition of real property; or (c) deployment of security personnel or devices or a security audit; and (D) any other matters relative to any of these matters which was discussed in Executive Session; and
13. Adjourn.

EXECUTED this 6th day of July, 2026.

(SEAL)

MONTGOMERY COUNTY
MUNICIPAL UTILITY DISTRICT NO. 38

By: Laura Davis

Laura Davis
Sanford Kuhl Hagan Kugle Parker Kahn LLP

*** For consultants and members of the public who wish to participate in the meeting using ZOOM, please visit https://www.zoom.us/join. The Meeting ID is: 857 6262 3387, and the Passcode is: 990467.**

Montgomery County Municipal Utility District No. 38
General Operating Fund Draft Budget
July 2026 through June 2027

	11 Mo. Actual	12 Mo. Forecast	12 Mo. Adopted	Proposed
	Jul '25 - May 26	Jul '25 - Jun 26	Jul '25 - Jun 26	July '26 - Jun 27
Ordinary Income/Expense				
Income				
1.4100 · Water Customer Service Fee	0.00	0.00	0.00	25,000.00
1.4200 · Sewer Customer Service Fee	0.00	0.00	0.00	25,000.00
1.4275 · Inspection Fees	0.00	0.00	0.00	15,000.00
1.4330 · Penalty/Interest on Srvc Accts	0.00	0.00	0.00	1,000.00
1.4600 · Tap Fees	0.00	0.00	0.00	187,000.00
1.5380 · Misc Income	0.00	0.00	0.00	1,000.00
1.5381 · Developer Advance	174,559.41	174,559.41	130,700.00	8,200.00
1.5398 · Maintenance Tax Collections	0.00	0.00	0.00	1,000.00
Total Income	174,559.41	174,559.41	130,700.00	263,200.00
Expense				
1.6100 · Bulk Water Purcahse	0.00	0.00	0.00	10,000.00
1.6142 · Chemicals	0.00	0.00	0.00	1,000.00
1.6161 · Garbage Collection	0.00	0.00	0.00	3,300.00
1.6170 · Tap Connection Expense	0.00	0.00	0.00	25,000.00
1.6201 · Purchased Sewer Services	0.00	0.00	0.00	10,000.00
1.6235 · Repair & Maintenance				
R & M - Water	0.00	0.00	0.00	5,000.00
R & M - Sewer	0.00	0.00	0.00	5,000.00
1.6235 · Total Repair & Maintenance	0.00	0.00	0.00	10,000.00
1.6275 · Inspection Fee Expense	0.00	0.00	0.00	7,500.00
1.6310 · Director Fees	5,287.09	5,767.73	9,000.00	9,000.00
1.6320 · Legal Fees	128,098.93	139,744.29	70,000.00	95,000.00
1.6322 · Engineering Fees	19,006.25	20,734.09	10,000.00	25,000.00
1.6325 · Election Expense	0.00	0.00	15,000.00	0.00
1.6326 · Permit Fees	0.00	0.00	0.00	10,000.00
1.6332 · Operator Fees	0.00	0.00	0.00	25,000.00
1.6333 · Bookkeeping Expense	9,339.16	10,188.17	15,000.00	15,000.00
1.6338 · Legal Notices	0.00	0.00	2,000.00	2,000.00
1.6340 · Printing & Office Supplies	885.09	965.55	2,000.00	2,000.00
1.6350 · Postage	0.00	0.00	0.00	1,200.00
1.6352 · Utilities	0.00	0.00	0.00	1,500.00
1.6353 · Insurance Expense	5,513.00	5,513.00	2,000.00	6,000.00
1.6354 · Travel & Expense	502.65	548.35	2,500.00	1,500.00
1.6359 · Other Expense	1,886.32	2,057.80	2,000.00	2,000.00
1.6560 · Payroll Taxes	388.83	424.18	1,200.00	1,200.00
Total Expense	170,907.32	185,943.17	130,700.00	263,200.00
Net Ordinary Income	3,652.09	-11,383.76	0.00	0.00
Net Income	**3,652.09**	**-11,383.76**	**0.00**	**0.00**

TAXPAYER IMPACT STATEMENT

The proposed budget will have no impact on the property tax bill for an average resident homestead as there are currently no properties that qualify for a residential homestead exemption within the boundaries of Montgomery County Municipal Utility District No. 38 as of the date of the most recent certified values provided by Montgomery Central Appraisal District