

PORTER SPECIAL UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING
September 25, 2023

The Board of Directors (the Board or Directors) of Porter Special Utility District (the District) met in regular session at 7:00 p.m., at 22162 Water Well Road, Porter, Texas 77365, on Monday, September 25, 2023, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code.

1. **Call Meeting to Order** the President, after finding that the notice of the meeting was posted as required by law, called the meeting to order at 7:00 p.m. and declared it open for such business as may come before it.

a. **Roll Call of the Board of Directors/Declaration of a Quorum**

Doug Pillow	President
Jodi Ruonavar	Vice-President
Caroline Denham	Secretary
Danny Bridges	Treasurer
Johnny Barr	Asst. Secretary-Treasurer
Jason Ashy	Director
Donald Bell	Director

Director Denham took the roll, all Directors were present in the District Board Room thus constituting a quorum. Also attending for the District were: Jon Polley (Attorney) with Polley Garza PLLC, Mike Kelly (Engineer) with Bleyl Engineering, Jonathon Smith (General Manager), Robert Belt (Auditor) with Belt Harris Pechacek, Chris Wright (Operations Manager), Dominic Justice (Meter Technician), Sergio Martinez (Meter Technician) and James Casey (Distribution Apprentice).

b. Director Qualifications and Disclosures

Mr. Smith stated there were no updates on Director qualifications and disclosures.

c. Invocation

Invocation led by Mr. Smith.

d. Pledges of Allegiance

Pledges of Allegiance led by Director Ruonavar.

2. Public Comment

None.

4. Old Business

a. Employee Introductions

- i. Dominic Justice – Meter Technician
- ii. Sergio Martinez – Meter Technician
- iii. James Casey – Distribution Apprentice

Mr. Justice, Mr. Martinez, and Mr. Casey each told us a bit about themselves, their past work histories, and families.

Mr. Wright, Mr. Justice, Mr. Martinez, and Mr. Casey all left the meeting at 7:08 pm.

3. Review and Approve Minutes

- a. Minutes from the Regular Board Meeting on August 28, 2023

Upon motion by Director Barr, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Minutes of the Regular Board Meeting of August 28, 2023 was approved. Motion carried.

5. New Business

- a. Presentation of FYE 2023 Annual Financial Audit by Belt Harris Pechacek, including acceptance of audit as presented

Mr. Robert Belt said they gave us an unmodified opinion. There were no issues except on the Management Letter at the back of the Audit. On pages 14-15 is information on the fund level and government-wide basis. We are on a full accrual basis of accounting on the Statement of Net Position. On page 16 is the Statement of Activities Fund balance and shows the general health of the District. We should have a minimum of 60 to 90 days in reserve, and we have almost 2 years of fund balance. Our debt service has a substantial balance, but the ratio is good. The Capital Projects fund money left the GRP fund. There is some left in the Infrastructure and Impact Fees. It is a lot of financial information. Due to the modified accrual of accounting, when you shift the basis of accounting, there are a number of adjustments that need to be made. It can get very confusing, very fast. Director Ruonavar asked about page 31. She believes it wasn't there before.

Upon motion by Director Ashy, seconded by Director Barr after full discussion with all Directors present voting aye, it was approved, with fourteen days to ask questions. Motion carried.

- b. Notification regarding fee increases for consultants, vendors, and contractors

Director Bell proposed a few items or methods of ways to make it more fluid. There should be a uniform way of addressing increases to the Board to be able to digest what we agree to. There were several different methods discussed. All Directors as well as Mr. Polley gave their opinions. We are unable to make any decisions tonight. We need a Personnel Policy Review meeting to make any changes. This item is tabled for now.

- c. Party interested in purchasing District SWTP property

To be discussed in Executive Session.